



ANNUAL REPORT



**FY 2019
-
2020**

**“THE BEST WAY TO
PREDICT
THE FUTURE IS TO
CREATE IT”**

— Peter Drucker —

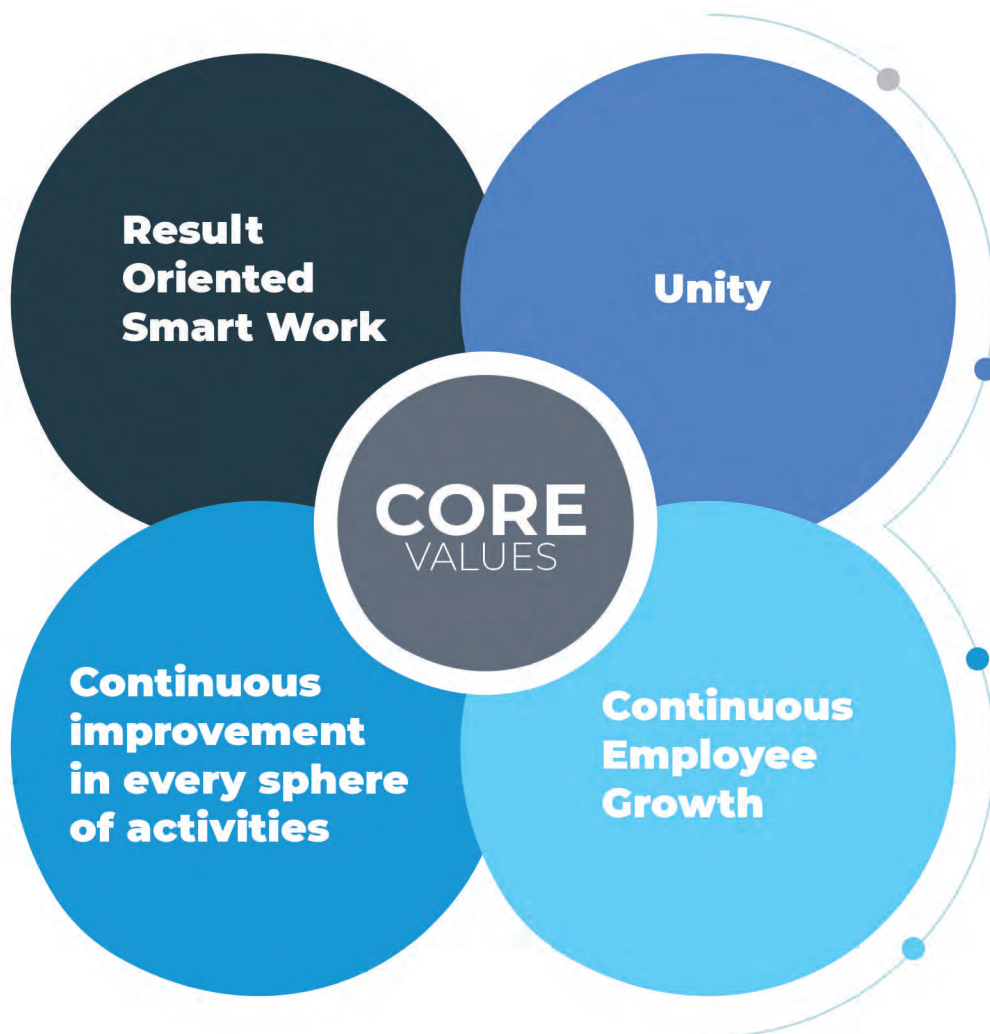


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CORE PURPOSE

To innovatively convert resources into products that provide ease, comfort safety and add value to human life.



CHAIRMAN'S LETTER

Dear Shareholders,

It gives me immense pleasure to present to you the FY 2019-20 Annual Report of our Company. While every business year has its own highs and lows, the success of a Company in the longer run depends on its ability to innovate to meet the evolving needs of customers and remain competitive.

The financial year 2019-20 was a good year with an overall turnaround in Turnover and profit. Your Company's Operational Revenue has increased to Rs. 21.40 Cr. as against Rs. 17.55 Cr. for the previous year an increase of 21.91%. Our Profit Before Tax (PBT) has gone from 1.57 Cr. to Rs. 2.01 Cr., increase of 27.96% on year on year basis.

FY 2019-20 was a challenging year for the Elevator Industry due to slowdown in Real estate sector. On the positive side, despite the recession in overall Indian economy, our Elevator business grew by 22.98% to Rs. 18.37 Cr. in this year as against Rs. 14.94 Cr. in previous year, indicating the demand for our products remains intact. Our strong distribution network will be a key to gaining elevator market traction.

In strategic move, we have forayed into business of Polishing and finishing of Stainless Steel segment and completed phase I expansion in FY 2019-20. During the year, we commissioned our manufacturing facility of Polishing and finishing of Stainless Steel at Vil. Moti Pardi, Ta. Mangrol, Surat-394120, Gujarat. We have also witnessed a healthy growth in this segment and reported revenue of Rs. 1.64 Cr. in FY 2019-20. This unit also helped us in supply of SS sheet which is used as raw material in our primary products i.e. Elevator doors and cabins. That largely reduced our dependency from external providers. We are looking for phase II expansion of these segment in upcoming years.

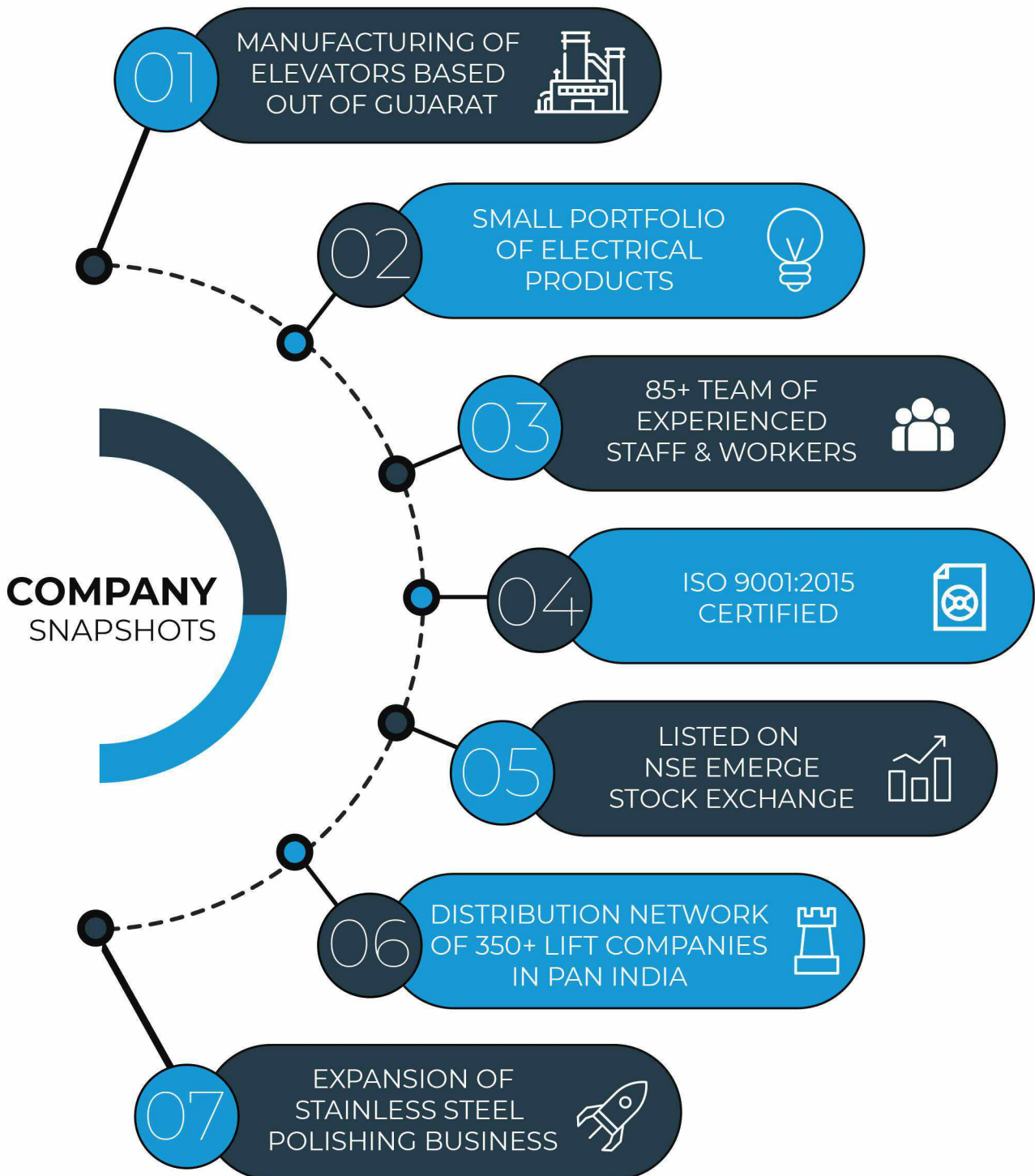
The board of directors has recently recommended a final dividend of Rs. 0.6 per equity share and bonus issue in the ratio of 10:11 for our Shareholders. Overall, I am quite optimistic. I see a sustained growth opportunity for our range of products and that we are constantly exploring new opportunities. All the indications and efforts point to a promising future ahead. We are perfectly positioned to capture the growing opportunities and expand our margins and profitability.

On behalf of the Board, I would like to sincerely thank our shareholders, our customers, our employees & our business partners for their persistent support & confidence in us.



Mr. Amar Doshi
Chairman & MD

COMPANY SNAPSHOTS



OUR GROWTH PHILOSOPHY

TATA



L&T



INFOSYS



1 TRUST LIKE TATA

Shareholders, Customers, Suppliers and Employees of Aaron would be having the same faith in Aaron as Tata has. Aaron would always focus towards building nation first



2 MANAGEMENT LIKE L&T

Aaron management would be a professional management like L&T. It would not be known as a family company and the right person would be selected for each position.



3 RETURNS LIKE INFOSYS

Aaron would always focus on giving good returns to our shareholders. Aaron would share maximum portion with its shareholders.

FINANCIAL HIGHLIGHTS



EBIDTA%
(Excl. O.L.& Exceptional Items)



Debt to Equity



ROCE%



ROE%



Working Capital Days



Revenue from Operations



Interest Coverage



Profit After Tax (in Cr)



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS

It was a bit challenging for the Indian Economy to overcome all the hurdles and barriers. India saw a steep decline in its growth rate in the July-September quarter of 2019, when Gross Domestic Product (GDP) was at its lowest in 7 years at 4.5 percent. Several sectors such as real estate, aviation, automobile and construction sectors suffered a constant decline in demand. On the other hand, the Banking sector and financial services witnessed serious crisis due to rising NPAs & bad loans and squeezing credit limits. This economic slowdown could be attributed to declining consumer demand. To revive the Indian economy and improve its growth rate, the Central Government has announced and undertook several measures and initiatives.



Elevator Market

The Company is engaged in the Business of manufacturing of Elevator and Elevator parts. Indian elevators and escalators market is projected to cross \$ 2 billion by year 2023, on the back of rising urbanization, introduction of Real Estate (Regulation and Development) Act, 2016 (RERA) and increasing number of high-rise residential and commercial buildings across the Country.

According to TechSci Research report, Elevators market in India is projected to grow at a CAGR of over 8% during FY16 - FY21, due to increasing urbanization, rising construction of high-rise buildings, growing Real estate sector coupled with increasing investments on improvement of public infrastructure across various major cities in the country. Further, Government of India is also focusing towards modernization of airports and railway stations, and this is also projected to drive elevators and escalators market in the Country during forecast period.

Increasing number of high rise buildings is driving demand for passenger elevators across different end user segment including residential, commercial, industrial and government institutions. Cities like Ahmedabad, Mumbai, Delhi, Bangalore, Chennai, Kolkata, Hyderabad, Pune, Nasik, Patna, Surat, Vadodara, Noida and Gurgaon are the major demand generators for elevators and escalators in the Country.



Steel Polishing and Finishing Market

India is the world's second largest Steel producer in year 2019. India surpassed Japan to become the world's second largest Steel producer in year 2019. As per Indian Steel Association (ISA), Steel demand is estimated to grow 7 per cent in FY20 and FY21 in India.

The growth in the Indian Steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labour. Consequently, the Steel sector has been a major contributor to India's manufacturing output.

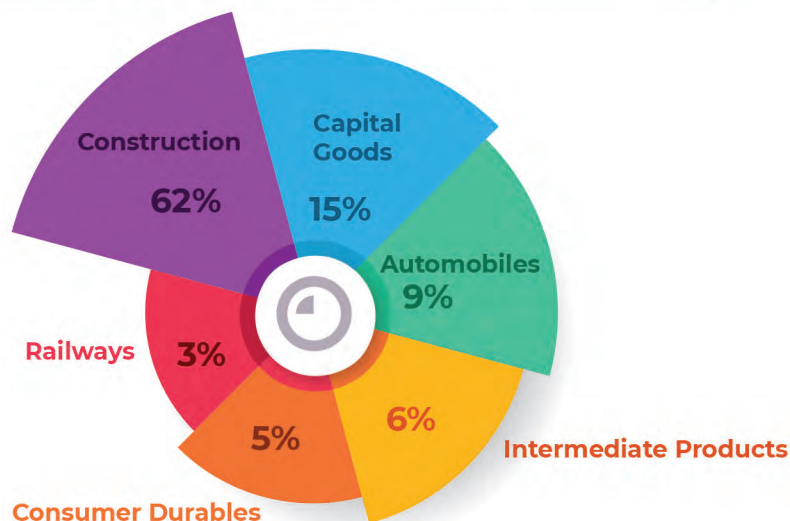
India's finished Steel consumption grew at a CAGR of 5.2 percent during FY16-FY20 to reach 100 MT. India's crude Steel and finished Steel production increased to 108.5 MT and 101.03 MT in FY20P, respectively.

India's per capita consumption of Steel grew at a CAGR of 4.43 per cent from 46 kgs in FY08 to 74.10 kgs in FY19.

The Indian government has always supported the steel industry and introduced the National Steel Policy in 2017, which envisions the growth trajectory of the Indian steel industry till 2030–31. The broad contours of the policy are as follows:

1. Steel-making capacity is expected to reach 300 million tonnes per annum by 2030–31.
2. Crude steel production is expected to reach 255 million tonnes by 2030–31, at 85% capacity utilization.
3. With 24 million tonnes of net exports, consumption is expected to reach 206 million tonnes by 2030–31.
4. As a result, per capita steel consumption is anticipated to rise to 160 kg.
5. An additional investment of Rs. 10 lakh crore is envisaged.
6. Allowed 100 percent Foreign Direct Investment (FDI) in the Steel sector under the automatic route. According to the data released by Department for Promotion of Industry and Internal Trade (DPIIT), Indian metallurgical industries attracted Foreign Direct Investment (FDI) to the tune of US\$ 13.40 billion between April 2000–March 2020.

SECTOR WISE DEMAND OF STEEL



Expansion of Business

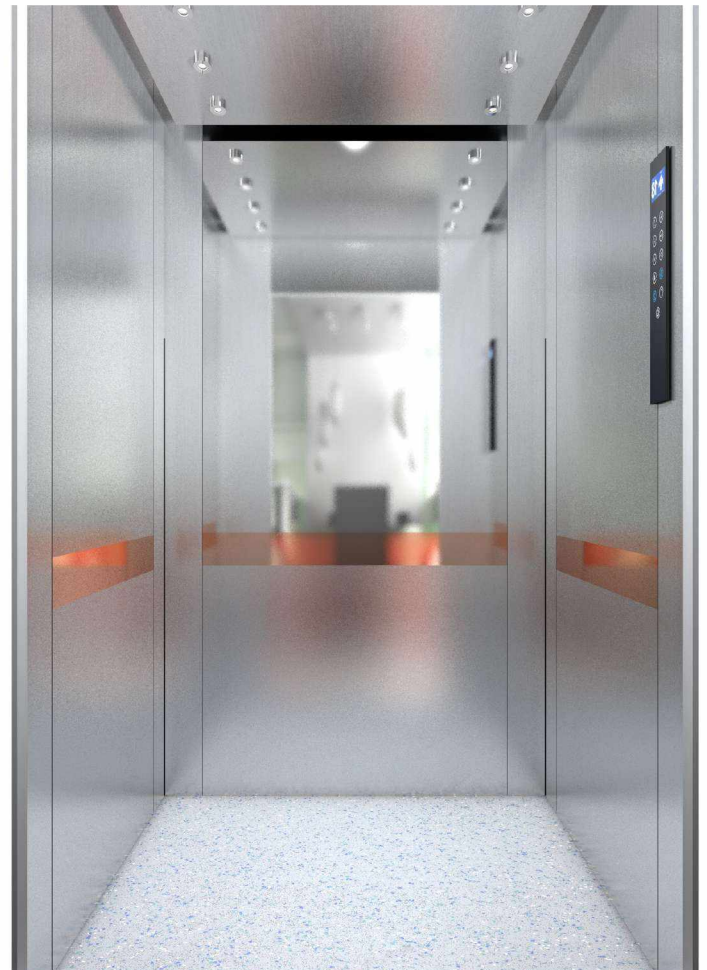
The Company has already made more than Rs. 7.00 Cr. investments in the land, building, plant & machinery at newly manufacturing unit located at 251-B, Royal Industrial Park, Vill. Moti Pardi, Ta. Mangrol, Surat-394120, Gujarat. This unit is engaged in polishing and finishing stainless steel sheets.

This unit is the backward integration of Aaron's primary product portfolio i.e. Elevator Doors and Cabins. Commissioning of this unit is a strategic decision to strengthen the supply-side of our core products i.e. elevator doors and cabins. Apart from elevators, stainless sheet sheet is used in a variety of industries such as food storage, architectural & construction, appliances and many more.

Product Portfolio

We have a complete range of products for elevator industry. An in-house production of major parts of elevators which consists of Elevator Cabinets, All type of doors with Automatic door operators. This products are sold individually or even with complete Kit of elevator.

The expansion towards sheet polishing has opened a wide range of industries where we can capture new market. Polishing products consist of different finishes in stainless steels, PVD coated colored sheets and designer sheets.





STAINLESS STEEL PORTFOLIO



SEGMENT WISE PERFORMANCE



SEGMENT	FY 2019 - 20	FY 2018 - 19
Elevator Industry	18,36,71,324	14,93,50,132
Electrical Products	1,39,21,348	2,60,81,244
Steel Polishing	1,63,99,264	1,01,051

OPPORTUNITIES



Increasing urbanization, construction of high rise buildings.



Increasing concept of Elevator in Bungalow.



Growing value of aesthetics in elevators.



Tapping Steel polishing and finishing market.

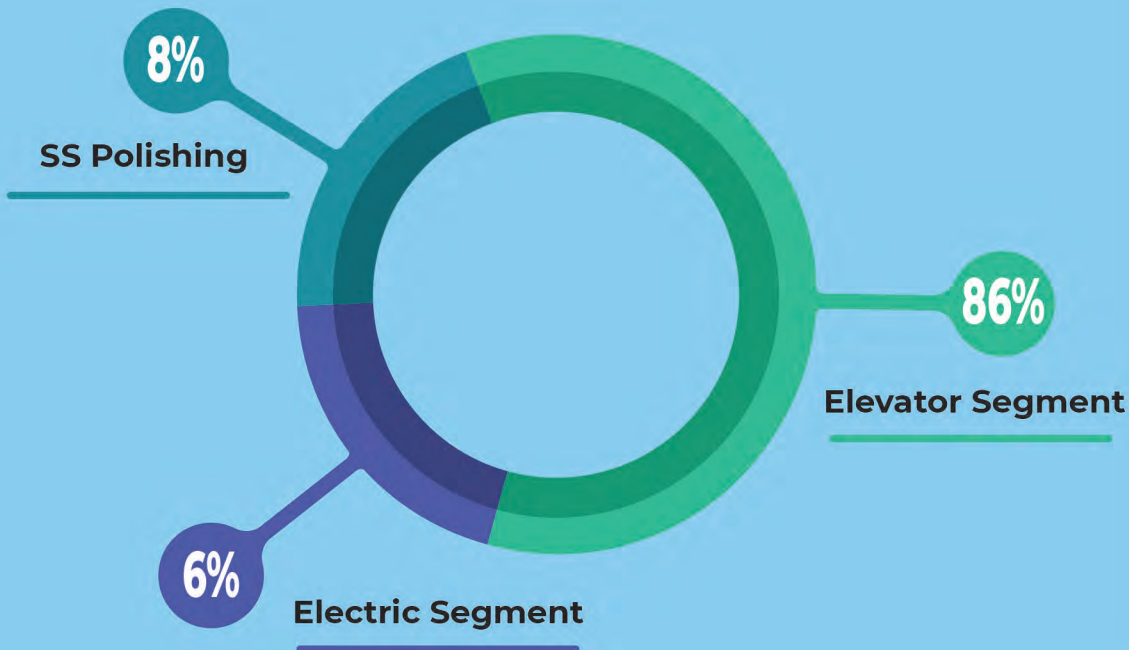


India's finished Steel consumption is anticipated to increase to 230 MT by FY 2030-31 from 98.71 MT in FY 2018-19.



Steel per capita consumption in India is anticipated to rise to 160 kg.

SEGMENT WISE PERFORMANCE



RISKS, CONCERNS & THREATS

The Company is exposed to a number of risks such as economic, regulatory, taxation and environmental risks. Further, Following can be some of the risk and concern the Company needs to be keep in mind:

- The competition from largely unorganized Industry of the elevator market can affect the functioning of the Company.
- It is a challenge to recruit and hire technically sound manpower, who understand the complexity and technicality of elevator products for installation, servicing & maintenance.
- Current slowdown in the real estate sector can affect the performance of Elevator business.
- Increasing competition among the Indian and foreign Company in Steel industry can affect the performance of Steel Polishing and finishing business.

Some of the risks that may arise in its normal course of its business and impact its ability for future developments include inter-alia, credit risk, liquidity risk, counterparty risk, regulatory risk, commodity inflation risk, currency fluctuation risk and market risk.

INTERNAL CONTROL SYSTEM & THEIR ADEQUANCY

The Company has a sound and adequate internal control, commensurate with its size and nature of business. We constantly upgrade our systems for incremental improvements, because we firmly believe that change is the only constant, and without change we cannot progress. We periodically review the systems. These systems ensure protection of assets and proper recording of transactions and timely reporting.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATION PERFORMANCE

The total Income for the current year is Rs. 21.51 Cr. as compared to Rs. 17.59 Cr. in the previous year. It grew by 22.29% for the financial year 2019-20. The Profit before Tax for the year under review is Rs. 2.01 Cr. as against Rs. 1.57 Cr. of the previous year. The Company has made a Net Profit after Tax of Rs. 1.42 Cr. in the current year as against Rs. 1.06 Cr. of the previous year.

EBITDA margin of the Company increase to 14.74% against the previous year of 11.74%



HUMAN RESOURCES

One of the key pillars of the Company's business is its people. The Company considers human resources as one of the vital and important factors for sustained growth, business success and creating value for Stakeholders. Taking into this account, your Company continued to Invest in developing its human capital and establishing its brand on the market to attract and retain the best talent. The Company has maintained healthy, cordial and harmonious relations with all Employees.

The total numbers of Employees were 85 as on 31st March, 2020.

SIGNIFICANT CHANGES IN FINANCIAL RATIOS

During the year, the significant changes in the financial ratios of the Company, which are more than 25% as compared to the previous year are summarized below:

FINANCIAL RATIO	FY 2019-20	FY2018 - 19	Change %	Reason for Change
Interest Coverage Ratio	5.37	7.20	25.42%	Due to increase in borrowing for business expansion

OUTLOOK

The outlook is optimistic, with the Company likely to perform better aided by capacity expansion, market growth, increasing preference for value-added products and a wider geographic footprint.

Your Company focuses on quality products and expects to get more orders in coming years. Adoption of global trends in Elevator business which includes energy efficient, safe and reliable equipment manufacturing and Improve designs will help us to gain more in coming years.

Further, Market presence in Steel polishing business is expected to be strengthened, the results of which would become visible by Financial year 2020-21.

CAUTIONARY STATEMENT

Certain statements made in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, predictions and expectations may be forward looking statements, within the meaning of applicable securities law and regulations and actual results may differ materially from those expressed or implied. Significant factors that make differences to Company's operations include competition, change in Government policies and regulations, tax regimes and economic development within India. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statement, on the basis of any subsequent development, information or events or otherwise.

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Amar Doshi	Chairman & Managing Director
Mr. Karan Doshi	Whole-time Director
Mr. Monish Doshi	Director & Chief Financial Officer
Mr. Pradeep Choksi	Independent Director
Mr. Hetal Mehta	Independent Director
Mrs. Shrungi Desai	Independent Director

CHIEF FINANCIAL OFFICER

Mr. Monish Doshi

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Ankitkumar Tank

STATUTORY AUDITORS

M/s. P. J. Desai & Co.

Chartered Accountants
34, Maher Park - A, Opp-Fly Over Bridge,
Athwagate, Surat-395001,
Gujarat

INTERNAL AUDITORS

M/s. VCAS & Co.

Chartered Accountants
141, 1st Floor, Kamal Park-2, Beside Little
Flower School, Varachha, Surat-395006,
Gujarat

BANKERS

HDFC Bank
Indian Bank

REGISTERED OFFICE

B-65 & 66, Jawahar Road No. 4,
Udhyog Nagar, Udhana, Surat – 394210,
Gujarat
Tel.: 0261-2278410
E-mail: info1@aaronindustries.net
Website: www.aaronindustries.net

PLANT LOCATIONS

1. B-65 & 66, Jawahar Road No. 4, Udhyog Nagar, Udhana, Surat – 394210, Gujarat
2. 251-B, Royal Industrial Park, Vil. Moti Pardi, Ta. Mangrol, Surat-394120, Gujarat

REGISTRAR & SHARE TRANSFER AGENT

M/s. Bigshare Services Private Limited

1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis,
Makwana Road, Marol, Andheri East, Mumbai-400059, Maharashtra
Phone No.: 022 – 62638200, Fax: 022 - 62638299
Email: investor@bigshareonline.com
Website: www.bigshareonline.com

NOTICE

Notice is hereby given that the **7th Annual General Meeting** of the members of **AARON INDUSTRIES LIMITED** will be held on Thursday, 20th August, 2020 at 10.30 a.m. at the Registered Office of the Company situated at B-65 & 66, Jawahar Road No. 4, Udhog Nagar, Udhana, Surat – 394210, Gujarat to transact the following business:

Ordinary Business:

1. Adoption of financial statements:

To consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2020 and the reports of the Board of Directors and Auditors thereon.

2. Declaration of dividend:

To declare a final dividend of Rs. 0.60 per equity share of Rs. 10/- each for the financial year 2019-20.

3. Appointment of Mr. Monish Doshi as a director liable to retire by rotation:

To appoint a Director in place of Mr. Monish Doshi (DIN: 06690246), who retires by rotation, and being eligible, seeks re-appointment.

To consider and, if thought fit, to give assent or dissent, to the following resolution to be passed as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, Mr. Monish Doshi (DIN: 06690246), who retires by rotation, be and is hereby re-appointed as a director of the Company, liable to retire by rotation.”

Special Business:

4. Increase in the Authorized Share Capital of the Company and consequential alteration to Clause V of the Memorandum of Association of the Company:

To consider and, if thought fit, to give assent or dissent, to the following resolution to be passed as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of section 13, 61 and 64 and other applicable provisions, if any, of the Companies Act, 2013 read with relevant rules framed thereunder (“Act”, including any statutory modification(s) or re-enactment thereof from time to time), the Articles of Association of the Company and on the recommendation of the Board of Directors (“the Board”), (which term shall be deemed to include any Committee of Directors thereof which the Board may have constituted or hereafter constitute for the time being exercising the powers conferred on the Board by this resolution) of the Company, the consent of the shareholders of the Company, be and is hereby accorded for increase in the Authorized Share Capital of the Company

from the existing Rs. 6,00,00,000/- (Rupees Six Crore) divided into 60,00,000 (Sixty Lakh) Equity Shares of Rs. 10/- (Rupees Ten) each to Rs. 11,00,00,000/- (Rupees Eleven Crore), divided into 1,10,00,000 (One Core Ten Lakh) equity shares of Rs. 10/- (Rupees Ten) each.

RESOLVED FURTHER THAT pursuant to the provisions of Section 13 and 61 of the Act, the existing Clause V of the Memorandum of Association of the Company, be and is hereby deleted and in its place, the following Clause V be substituted:

The Authorized Share Capital of the Company is Rs. 11,00,00,000 (Rupees Eleven Crore), divided into 1,10,00,000 (One Core Ten Lakh) equity shares of Rs. 10/- (Rupees Ten) each.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deed and things including delegating powers to officers and/ or employees of the Company, as they may in their absolute discretion deem necessary or expedient in respect of matters and things incidental or related thereto and to settle any question or doubt, to give effect to the aforesaid resolution.”

5. Issue of Bonus Shares:

To consider and, if thought fit, to give assent or dissent, to the following resolution to be passed as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 63 and other applicable provisions of the Companies Act, 2013 read with relevant rules framed thereunder, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“Listing Regulations”) and other applicable regulations issued by the Securities and Exchange Board of India (including any statutory modification(s) or re-enactment thereof from time to time), Article 165 of the Articles of Association of the Company and on the recommendation of the Board of Directors (“the Board”), (which term shall be deemed to include any Committee of Directors thereof which the Board may have constituted or hereafter constitute for the time being exercising the powers conferred on the Board by this resolution) of the Company, and subject to such approvals, permissions and sanctions as may be necessary and further subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board, the consent of the shareholders of the Company, be and is hereby accorded to the Board to issue bonus equity shares, by capitalizing whole or part of the sum standing in the credit of the Free Reserves and/or Securities Premium Account of the Company for the issue of 47,82,830 equity shares of Rs. 10/- (Rupees Ten) each credited as fully paid-up equity shares (hereinafter referred to as “Bonus Shares”) to the equity shareholders of the Company whose names appear in the Register of Members maintained by the Company's Registrars and Transfer Agents / List of Beneficial Owners, as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), on such date as may be fixed in this regard by the Board as the record date (“Record Date”), in the proportion of 10 (Ten) equity share of Rs. 10/- each fully paid-up for 11 (Eleven) equity share of Rs. 10/- each fully paid-up of the Company held by them on the Record Date.

RESOLVED FURTHER THAT the Bonus Shares so allotted shall rank pari passu in all respects with the existing fully paid-up equity shares of the Company except that they shall be entitled to participate only in such dividends which may be declared after the allotment of the Bonus Shares.

RESOLVED FURTHER THAT any equity shares being fractional shares, arising out of issue shall be ignored and no allotment shall be for the fractional equity shares and accordingly the number of issuance of bonus share may be reduced.

RESOLVED FURTHER THAT no letter of allotment shall be issued in respect of the Bonus Shares and in the case of shareholders who hold shares of the Company in dematerialized form or opt to receive the Shares in dematerialized form, the Bonus Shares shall be credited to the respective demat account of the shareholders and in the case of shareholders who hold Equity Shares in physical form, the share certificates in respect of the Bonus Shares shall be dispatched, within such time as prescribed by law and the relevant authorities.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of such shares on the Stock Exchanges where the securities of the Company are listed as per the provisions of the Listing Regulations and other applicable guidelines, rules and regulations.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deed and things including delegating powers to officers and/ or employees of the Company, as they may in their absolute discretion deem necessary or expedient in respect of matters and things incidental or related thereto and to settle any question or doubt, to give effect to the aforesaid resolution.”

Registered Office:
B-65 & 66, Jawahar Road No. 4,
Udhyog Nagar, Udhana,
Surat – 394210, Gujarat

Date: 20/07/2020
Place: Surat

By order of the Board Directors
Aaron Industries Limited

Ankitkumar Tank
Company Secretary
ACS No.: 46542

Notes:-

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
2. **A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself, and the proxy need not be a member.**
3. Proxies, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the meeting. Pursuant to Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as a proxy who shall not act as a proxy for any other member. A Proxy form is sent herewith.

Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

4. The Register of Members and Share Transfer books of the Company will remain closed from 14th August, 2020 to 20th August, 2020 (both days inclusive).
5. The route map showing directions to reach the venue of the meeting is annexed.
6. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Members/Proxies are requested to affix their signatures at the space provided on the attendance slip annexed to the proxy form and hand over the slip at the entrance of the meeting hall.
8. Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorising their representative(s) to attend and vote on their behalf at the Meeting.
9. The members, holding shares in dematerialized form may intimate any change in their addresses or bank details/mandates to their Depository Participants (DP) immediately.
10. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
11. The Notice of Annual General Meeting, along with the Attendance Slip and Proxy Form, are being sent by electronic mode to all members whose email addresses are registered with the Company/Depository Participant(s) unless a member has requested for a hard copy of the same.
12. Procedure for registration of e-mail address by the Members of the Company: -

For Temporary Registration: The Members of the Company holding equity Shares of the Company in Demat Form and who have not registered their e-mail addresses may temporarily get their e-mail addresses registered with the RTA /Bigshare Services Private Limited by clicking the link: <https://www.bigshareonline.com//InvestorRegistration.aspx> and follow the registration process as guided therein. The members are requested to provide details such as Name, Address, DPID, Client ID/ Folio No., PAN. Post successful registration of the e-mail address, the member would get soft copy of the Notice of the meeting, Annual Report and the procedure for e-voting along with the user-id to enable e-voting. In case of any query, a member may send an e-mail to RTA at investor@bigshareonline.com and/or to the Company at info1@aaronindustries.net.

For Permanent Registration: It is clarified that for permanent registration of e-mail address, the Members are requested to register their e-mail address, in respect of demat holdings with the respective Depository Participant (DP) and in respect of physical holdings, with the RTA of the Company by following the procedure prescribed by the Depository Participant or the RTA, respectively.

Validation of e-mail ids: Those members who have already registered their e-mail address are requested to keep their e-mail addresses validated with their Depository Participants / the Company's RTA, to enable servicing of notices / documents / Annual Reports electronically to their e-mail address.

13. All documents referred to in the accompanying notice and the explanatory statement shall be open for inspection at the Registered Office of the Company between 10.00 a.m. to 1.00 p.m. on all working days, except on holidays, up to and including the date of the Annual General Meeting of the Company.
14. Electronic copy of the Annual Report 2019-20 is being sent to those Members whose e-mail address is registered with the Company / Depositories for communication purpose, unless any Member has requested for a physical copy of the same. Members may note that this Notice of AGM and Annual Report will also be available on the Company's website viz. www.aaronindustries.net.
15. To support the "Green Initiative", Members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/their Depository Participants, in respect of shares held in physical/electronic mode, respectively. Copies of Annual Report will not be distributed to the members at the venue of the AGM. Members are requested to bring their copies of Annual Report at the time of Annual General Meeting.
16. Non-Resident Indian members are requested to inform the company's Registrar and Transfer Agents (M/s. Bigshare Services Pvt. Ltd.), immediately of:
 - a) Change in their Residential status on return to India for permanent settlement.
 - b) Particulars of their Bank Account maintained in India with complete name of the Bank, branch address, account type and account number with MICR code, if not furnished earlier.
17. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if they have been passed at the AGM.
18. The facility for voting, through polling paper shall also be made available at the AGM and the Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the AGM. Poll is conducted under the supervision of the Scrutinizer appointed for e-voting and poll. Scrutinizer decision on validity of vote will be final.

19. The Chairman shall, at the meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of Polling Paper for all those members who are present at the meeting but have not cast their votes by availing the remote e-voting facility.
20. The Board of Directors of the Company has appointed Mr. Dhiren R. Dave, Practicing Company Secretary as a Scrutinizer, for conducting voting and poll during the Annual General Meeting and to oversee voting process.
21. The cut-off date for the purpose of remote e-voting and voting at the AGM shall be Friday, 14th August, 2020. The voting right of members shall be in proportion to their shares in the paid up equity share capital of the Company as on Cut-off date.
22. The remote e-voting period begins on Monday, 17th August, 2020 at 9:00 a.m. and ends on Wednesday, 19th August, 2020 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., Friday, 14th August, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
23. The Members who have casted their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
24. The way to vote electronically on CDSL e-voting system are mentioned below:
 - i. The shareholders should log on to the e-voting website www.evotingindia.com.
 - ii. Click on Shareholders.
 - iii. Now Enter your User ID
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - iv. Next enter the Image Verification as displayed and Click on Login.
 - v. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - vi. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. The Sequence Number is printed on Ballot form attached herewith. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (ii & iii).
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- vii. After entering these details appropriately, click on “SUBMIT” tab.
- viii. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the EVSN for the Aaron Industries Limited.
- xi. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiii. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xiv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xvi. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvii. Shareholders can also cast their vote using CDSL’s mobile app “m-Voting”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.
- xviii. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - ◆ A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - ◆ After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

- ◆ The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- ◆ A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
- ◆ In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

25. General Instruction/information for Members for voting on resolutions:

- a) Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 17th July, 2020, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com. However, if you are already registered with CDSL for remote e-Voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/ Password” option available on www.evotingindia.com.
- b) The Scrutinizer, after scrutinizing the votes cast at the meeting (Poll) and through remote e-voting, will, not later than forty eight (48) hours of conclusion of the Meeting, make a Consolidated Scrutinizer’s report and submit the same to the Chairman or any other person authorized by him in writing who shall declare the result of the voting forthwith. The Results declared alongwith the Consolidated Scrutinizer’s report shall be placed on the website of the Company www.aaronindustries.net and on the website of CDSL immediately after the declaration of result. The results shall also be immediately forwarded to the Stock Exchange where the equity shares of the Company are listed.
- c) Subject to receipt of sufficient votes, the resolution(s) shall be deemed to be passed at the 7th Meeting of the Company scheduled to be held on Thursday, 20th August, 2020.

Details of Directors seeking appointment / re-appointment pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 on “General Meeting”:

Name of the Director	Mr. Monish Doshi
Designation/Category	Director & CFO
Age	31 year
Date of appointment on the Board	Since Incorporation
Nationality	Indian
No. of Board Meetings attended during the Year 2019-20	6
Qualification & Brief Profile	He holds a bachelor’s degree of Business Administration University of Pune in year April, 2009. He has also completed Master’s of Business Administration from Sikkim Manipal University in year 2013. He has business experience of more than 6 years.

Expertise in specific functional area	Overall Business Management including functional expertise in Sales, Marketing and Corporate Management
Terms and conditions of appointment or re-appointment	Terms and conditions will be the same under mentioned the Appointment Letter between the Company and him.
Remuneration	Rs. 1,90,000/- per month inclusive all allowances
Shareholding in the Company	7,31,581 equity shares
Directorship in the other Entities	Nil
Membership/Chairmanship in Committees (Other than Aaron Industries Limited)	Nil
Relationship with other Director(s), Manager and KMP	He is the Son of Mr. Amar Doshi, Managing Director and Brother of Mr. Karan Doshi, Whole-time Director of the Company

Explanatory statement pursuant to Section 102 of the Companies Act, 2013

Item No. 4 & 5:

The Board of Directors of the Company at its Meeting held on 20th July, 2020 considered and approved, subject to approval of the shareholders of the Company and any other statutory and regulatory approvals as applicable, bonus issue in the proportion of 10 (Ten) equity share of Rs. 10/- each fully paid-up for 11 (Eleven) equity share of Rs. 10/- each fully paid-up held of the Company held by the shareholders as on the Record Date by capitalizing whole or part of sum standing in the Reserve & Surplus. As on 31st March, 2020, a sum of Rs. 5,53,99,113.57/- is standing in the Reserve & Surplus.

The present Authorised Share Capital of the Company is Rs. 6,00,00,000/- (Rupees Six Crore) divided into 60,00,000 (Sixty Lakh) Equity Shares of Rs. 10/- (Rupees Ten) each. Accordingly, it is necessary to increase the Authorised Share Capital to facilitate issuance of Bonus Shares and for future requirements. Hence, it is proposed to increase, the Authorised Share Capital of the Company to Rs. 11,00,00,000/- (Rupees Eleven Crore), divided into 1,10,00,000 (One Crore Ten Lakh) equity shares of Rs. 10/- (Rupees Ten) each by creation of additional 50,00,000 (Fifty lakh) Equity Shares of Rs. 10/- (Rupees Ten) each ranking pari passu in all the respect with the existing equity shares of the Company.

The increase in Authorised Share Capital as aforesaid would require consequential amendment to the existing capital clause in the Memorandum of Association of the Company.

In terms of the provisions of Sections 13 and 61 of the Companies Act, 2013, approval of the shareholders of the Company is sought by way of an ordinary resolution for increasing the Authorised Share Capital of the Company and consequential alteration to Clause V of the Memorandum of Association of the Company.

Articles 165 of the Articles of Association of the Company inter-alia, provides that the Company's reserves may be capitalized and distributed amongst the shareholders of the Company as would be entitled to receive the same if distributed by way of dividend and in the same proportion that they become entitled thereto as capital and that all or any part of

such capitalised fund be applied on behalf of such shareholders in paying up in full any unissued share.

The Bonus Shares so allotted shall rank pari passu in all respects with the fully paid-up Equity Shares of the Company as on the Record Date, save and except that they shall be entitled to participate only in such dividend which may be declared after the allotment of the Bonus Shares.

None of the Directors or Key Managerial Personnel of the Company including their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution, except to the extent of the equity shares held by them in the Company.

Your Directors, therefore, recommend the passing of the resolutions mentioned in Item No. 4 & 5 as an Ordinary Resolutions.

Registered Office:

B-65 & 66, Jawahar Road No. 4,
Udhyog Nagar, Udhana,
Surat – 394210, Gujarat

Date: 20/07/2020

Place: Surat

By order of the Board Directors

Aaron Industries Limited

Ankitkumar Tank

Company Secretary

ACS No.: 46542

DIRECTORS' REPORT

To,
The Members,

Your Directors are pleased to present the 7th Annual Report of your Company together with the Audited Financial statements and Auditors' Report for the year ended on 31st March, 2020.

1. FINANCIAL PERFORMANCE:-

The financial performance of the Company is summarized below:

(Amount in Rs.)		
Particulars	2019-20	2018-19
Revenue from Operations	21,39,91,936.83	17,55,32,426.16
Other Income	10,95,422.68	3,44,018.40
Net Income	21,50,87,359.51	17,58,76,444.56
Profit/(Loss) Before Tax & Exceptional/Extraordinary Items	2,01,36,356.16	1,57,32,051.00
Less:		
Exceptional/Extraordinary items	0.00	0.00
Profit/(Loss) Before Tax	2,01,36,356.16	1,57,32,051.00
Less: Tax Expense :		
- Current Tax	33,61,160.00	32,38,725.00
- Deferred Tax Charge/ (Credit)	25,32,179.08	19,04,257.58
Net Profit/(Loss) After Tax	1,42,43,017.08	1,05,89,068.42

2. REVIEW OF OPERATIONS:-

The Net Income of your Company for the current year was increased to Rs. 21,50,87,359.51/- as against Rs. 17,58,76,444.56/- of the previous year. Accordingly, the Company's Net Profit After Tax has been increased to Rs. 1,42,43,017.08/- for the current year as against the Net Profit After Tax of Rs. 1,05,89,068.42/- of the previous year.

3. BUSINESS GROWTH:-

Your Company has a dedicated team of Management and Operating Personnel who have been instrumental in the growth of the business over the years. Your Directors believe that the Company has the potential to further scale up its business volumes and profitability and are in the process of identifying new avenues of growth and effective utilization of its existing resources.

4. COVID-19:-

In the last month of FY 2019-20, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lock-downs of all economic activity. For the Company, the focus immediately shifted to ensuring the health and well-being of all employees, and on minimizing disruption to services for all our customers.

5. TRANSFER TO RESERVES:-

During the year under review, your Directors have not proposed to transfer any amount to Reserves.

6. DIVIDEND:-

The Board of Directors in their meeting held on 30th June, 2020 have recommended a Dividend of Rs. 0.60/- per share on face value of Rs. 10/- each for the Financial Year ended 31st March, 2020 which shall be paid/dispatched within 30 days of conclusion of the AGM, subject to the approval of the members at the ensuing AGM of the Company. The Total Dividend outgo amounts to Rs. 31.69/- Lakh.

7. SHARE CAPITAL:-

During the year under review, your Company's Authorized Share Capital has been increased from Rs. 5.00 Cr., divided into 50,00,000 (Fifty Lakh) equity shares of Rs. 10/- each to Rs. 6.00 Cr., divided into 60,00,000 (Sixty Lakh) equity shares of Rs. 10/- each.

During the year under review, your Company's issued, subscribed & paid up Equity Share Capital has been increased from Rs. 4,78,28,380/- (Rupees Four Crore Seventy Eight Lakh Twenty Eight Thousand Three Hundred Eighty) consisting of 47,82,838 (Forty Seven Lakh Eighty Two Thousand Eight Hundred Thirty Eight) equity shares of Rs. 10/- each to Rs. 5,26,11,140/- (Rupees Five Crore Twenty Six Lakh Eleven Thousand One Hundred and Forty) consisting of 52,61,114 (Fifty Two Lakh Sixty One Thousand One Hundred and Fourteen) equity shares of Rs. 10/- each by way of issue of Bonus shares in the proportion of 1:10.

8. DEPOSITS:-

During the year under review, your Company has neither invited nor accepted any Public Deposits within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014.

9. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:-

- Mr. Amar Doshi, Mr. Karan Doshi, Mr. Monish Doshi, Mr. Pradeep Choksi, Mr. Hetal Mehta and Mrs. Shrungi Desai were the Directors on the Board at the beginning of financial year.
- There was no change in the Board during the year.
- As per the provisions of the Companies act, 2013, Mr. Monish Doshi, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment.
- Pursuant to the Section 2(51) and provisions of Section 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Key Managerial Personnel (KMP) and there was no change in the KMP during the year.

10. DECLARATION FROM INDEPENDENT DIRECTORS :-

The Company has received necessary declaration from each Independent Directors under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board relies on their declaration of independence.

11. DIRECTORS' RESPONSIBILITY STATEMENT:-

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, the Directors confirm that –

- I. in the preparation of the Annual Accounts for the year ended 31st March, 2020, the applicable accounting standards have been followed and no material departures have been made for the same;
- II. appropriate accounting policies have been selected and applied and such judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 31st March, 2020 and of the profit of the Company for that period;
- III. proper and sufficient care have been taken for 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;
- IV. the annual accounts have been prepared on a “going concern” basis;
- V. the proper internal financial controls are laid down and are adequate and operating effectively;
- VI. the proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and operating effectively.

12. EXTRACT OF ANNUAL RETURN:-

As provided under Section 92(3) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the extract of the Annual Return in form MGT-9 is attached to this report as **Annexure - 1**.

13. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATES:-

As on 31st March, 2020, your Company does not have any Joint Ventures, Subsidiaries and Associates Company.

14. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:-

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

15. CORPORATE SOCIAL RESPONSIBILITY [CSR]:-

The provisions of the CSR expenditure and Composition of Committee as provided in the Section 135 of the Companies Act, 2013 is not applicable to the Company.

16. CHANGE IN THE NATURE OF BUSINESS:-

During the year, there was no change in nature of Business of the Company.

17. RELATED PARTY TRANSACTIONS:-

All related party transactions that were entered during the financial year were on the arm's length basis and were in the ordinary course of business. Details of the related party transactions made during the year are attached as **Annexure - 2** in form AOC-2 for your kind perusal and information in terms of Section 134 of the Companies Act, 2013.

A policy on the related party Transactions was framed approved by the Board and posted on the Company's website www.aaronindustries.net.

18. MEETINGS OF BOARD OF DIRECTORS & COMMITTEE:-

During the year, 7 (Seven) Board Meetings were held. The intervening gap between the Meetings did not exceed the period prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of which are provided in **Annexure - 3**.

The details pertaining to the constitution and composition of the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee and meetings held during the year are provided in **Annexure - 3**.

19. MEETINGS OF MEMBERS:-

During the year under review, 1 (One) Extra Ordinary General Meeting was held on 18th April, 2019 and 6th Annual General Meeting of the Company was held on 24th August, 2019.

20. AUDITORS:-

a) STATUTORY AUDITOR:

The members at the 6th Annual General Meeting of the Company had appointed M/s. P. J. Desai & Co., Chartered Accountants (FRN 102330W) as the Statutory Auditors of the Company to hold office from the conclusion of the said Annual General Meeting until the conclusion of 10th the Annual General Meeting to be held in the year 2023. The Ministry of Corporate Affairs vide its Notification dated 7th May, 2018, has dispensed with the requirement of ratification of Auditor's appointment by the shareholders, every year. Hence, the resolution relating to ratification of Auditor's appointment is not included in the Notice of the ensuing Annual General Meeting.

The Company has received a certificate from M/s. P. J. Desai & Co., confirming that they are not disqualified from continuing as Statutory Auditors of the Company.

The Auditor's Reports for the Financial Year 2019-20 do not contain any qualification, reservation, adverse remark or disclaimer. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

b) INTERNAL AUDITORS:

The Board of the Company has appointed M/s. VCAS & Co. Chartered Accountant, Surat as Internal Auditors of the Company.

c) COST AUDITORS:

Provisions related to Cost Auditor is not applicable to the Company.

21. BOARD EVALUATION:-

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and Individual Directors pursuant to the provisions of the Companies Act, 2013 and the Corporate Governance requirements as prescribed by the SEBI Regulations.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the composition of Committees, effectiveness of Committee meetings, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the Individual Directors on the basis of the criteria such as the contribution of the Individual Director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed in the Board Meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its Committees and Individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire board, excluding the Independent Director being evaluated.

22. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:-

The information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo stipulated under Section 134 (3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed as **Annexure - 4** and forms part of this Report.

23. PARTICULARS OF EMPLOYEES:-

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

24. INTERNAL FINANCIAL CONTROL SYSTEM:-

The Company has its internal financial control systems commensurate with the size and complexity of its operations, to ensure proper recording of financials and monitoring of operational effectiveness and compliance of various regulatory and statutory requirements. The management regularly monitors the safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records including timely preparation of reliable financial information. The internal auditor consults and reviews the effectiveness and efficiency of the internal financial control systems and procedure to ensure that all the assets are protected against loss and that the financial and operational information is accurate and complete in all respects. During the year no reportable material weakness in the design or operation were observed.

25. VIGIL MECHANISM/WHISTLE BLOWER POLICY:-

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. It aims to provide an avenue for employees through this policy to raise their concerns on any violation of legal or regulatory requirements, suspicious fraud, misfeasance, misrepresentation of any financial statements and reports. It also provides for direct access to the Chairman of the Audit Committee. The Vigil Mechanism/Whistle Blower Policy is being made available on the Company's website www.aaronindustries.net.

26. REMUNERATION POLICY:-

Pursuant to provision of Section 178(3) of the Companies Act, 2013, The Board has framed a Policy for selection, appointment and remuneration of Directors and Key Managerial Personnel including criteria for determining qualifications, positive attributes and independence of Directors. The Remuneration Policy has been uploaded on the Company's website www.aaronindustries.net.

27. LISTING AGREEMENT:-

The Securities and Exchange Board of India (SEBI), on 2nd September, 2015, issued the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the aim to consolidate and streamline the provisions of the Listing Agreement for different segments of capital markets to ensure better enforceability. All listed entities are required to enter into the Listing Agreement and accordingly the Company entered into Listing Agreement with the NSE on 30th August, 2018.

The Company has paid Annual listing fee for the year 2019-20 to National Stock Exchange of India Limited. The Company has also paid Annual custodian charges of Depository to NSDL and CDSL.

28. REGISTRAR AND SHARE TRANSFER AGENT:-

Your Company has appointed M/s. Bigshare Services Private Limited as its Registrar and Share Transfer Agent and executed post IPO agreement between Company and M/s. Bigshare Services Private Limited on 3rd September, 2018.

29. HUMAN RESOURCES:-

The manpower strength of the Company as on 31st March, 2020 was 85 permanent employees including all Management Staff across different locations.

Your Company firmly believes that its human resources are the key enablers for the growth of the Company and important asset. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis.

During the year, the Company has undertaken initiatives to reinforce a progressive work environment. The Company has held various session of Learning & Development for different employees groups.

30. RATIO OF DIRECTORS' REMUNERATION TO MEDIAN EMPLOYEES' REMUNERATION AND OTHER DISCLOSURES:-

The table containing the names and other particulars of ratio of Directors' Remuneration to Median Employees' Remuneration in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached to this report as **Annexure - 5**.

31. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:-

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of this Annual Report. It provides details about the overall industry structure, economic scenarios, developments in business operations/ performance of the Company's businesses, Product Portfolio, Distribution and Marketing Activities, internal controls and their adequacy, Human Resource Development and Industrial Relations and other material developments during the financial year 2019-20.

32. SECRETARIAL AUDITOR & SECRETARIAL AUDIT REPORT:-

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Audit Committee recommended and the Board of Directors has appointed Mr. Dhiren R. Dave, Company Secretary in Practice to conduct Secretarial Audit for the Financial Year 2020-21. The Report of the Secretarial Auditors is attached as **Annexure - 6** in Form MR-3 to this Report. The Observation made in the Secretarial Audit Report call for comment under Section 134(3)(f) of the Companies Act, 2013 regarding "Gap between two Audit Committee meetings 12.07.2019 and 12.11.2019 is exceeding 120 days."

The Board clarifies the same as under:

"Due to non-availability of committee members, time gap of 120 was exceeded by only 1 (One) day of two Audit Committee meetings held on 12.07.2019 and 12.11.2019."

33. REPORTING OF FRAUDS PARTICULARS:

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit committee and / or Board under Section 143(12) of the Act and the rules made thereunder.

34. CORPORATE GOVERNANCE:-

The Company has been exempted from reporting on Corporate Governance as per Regulation 15 of the SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015. Therefore, Corporate Governance Report is not provided.

35. AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE:-

As per Regulation 15 of the SEBI (Listing Obligation And Disclosure Requirement) Regulations, 2015, the compliance with the Corporate Governance provisions shall not apply in respect of (a) listed entity having paid up equity share capital not exceeding ten crore and net worth not exceeding rupees twenty five crore as on the last day of previous year (b) the listed entity which has listed its specified securities on the SME Exchange. Hence, Auditors' Certificate on Corporate Governance is not provided.

36. CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION:-

In compliance with Regulation 17(8) of the Listing Regulations, a declaration by CFO was placed before the Board, certifying the accuracy of Financial Statements and the adequacy of internal controls pertaining to Financial Reporting for the year ended 31st March, 2020 is attached herewith as per **Annexure - 7**.

37. CODE OF CONDUCT:-

The Board has laid down a specific code of Conduct for all Board Members and Senior Management of the Company. All the Board Members and Senior Management Personnel have affirmed compliance with the Code on annual basis. In this regard certificate from Managing Directors as required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been received by the Board and the same is attached herewith as per **Annexure - 8**.

Code of Conduct form Board of Directors and Senior Management Personnel is available on the Company's website www.aaronindustries.net.

38. MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR:-

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

39. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:-

In accordance with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder, the Company has formed an Internal Complaints Committee and also framed and adopted the policy for Prevention of Sexual Harassment at Workplace.

During the year under review, no complaints were received by the Company relating to sexual harassment at workplace.

40. RISK MANAGEMENT POLICY:-

The Company has been exempt under regulation 21 of the SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015 from reporting of risk management.

A well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process is in place. The board is fully aware of Risk Factor and is taking preventive measures wherever required.

41. INSURANCE:-

Your Company has taken the required insurance coverage for its assets against the possible risks like fire, flood, burglary etc.

42. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:-

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

43. GREEN INITIATIVES:-

In commitment to keep in line with the Green Initiative and going beyond it to create new green initiatives, electronic copy of the Notice of 7th Annual General Meeting of the Company are sent to all Members whose email addresses are registered with the Company/Depository Participant(s). For members who have not registered their e-mail addresses, physical copies are sent through the permitted mode.

44. APPRECIATION:-

Your Directors take this opportunity to thank the financial institutions, Government Authorities, customers, vendors, investors of the Company and the communities in which the Company operates, for their co-operation and valuable support extended to the Company during the year. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of the Board

Date: 20/07/2020

Place: Surat

Amar Doshi

Chairman & Managing Director

DIN: 00856635

FORM NO. MGT – 9

Extract of Annual Return as on financial year ended on 31st March, 2020 [Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:	
CIN	L31908GJ2013PLC077306
Registration Date	23/10/2013
Name of the Company	AARON INDUSTRIES LIMITED
Category/Sub Category of the Company	Company limited by shares/ Indian Non-Government Company
Address of the Registered Office and contact details	B-65 &66, Jawahar Road No. 4, Udhyog Nagar, Udhana, Surat – 394210, Gujarat Phone: 0261-2278410, E-Mail: info1@aaronindustries.net Website: www.aaronindustries.net
Whether listed Company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	Bigshare Services Pvt. Ltd. <u>Head Office:</u> 1 st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai-400059, Maharashtra, Phone No.: 022 – 62638200, Fax: 022 - 62638299 Email: investor@bigshareonline.com Website: www.bigshareonline.com

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 & Description of Main Products/Services	NIC Code of Product/Service	% of total turnover of the Company
1	Manufacturing of Elevators parts and accessories	2816	85.83

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:				
Name & Address of the Company	CIN / GLN	Holding /Subsidiary / Associate	% of Shares held	Applicable Section
NA	-	-	-	-

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) :									
i) Category-wise Shareholding :									
Category of Shareholders	No. of Shares held at the beginning of the year (as on 01-04-2019)				No. of Shares held at the end of the year (as on 31-03-2020)				% change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	3525838	0	3525838	73.72	3878416	0	3878416	73.72	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporates	0	0	0	0.00	0	0	0	0.00	0.00
e) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (A) (1)	3525838	0	3525838	73.72	3878416	0	3878416	73.72	0.00
(2) Foreign									
a) NRI- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	3525838	0	3525838	73.72	3878416	0	3878416	73.72	0.00

B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (B)(1):	0	0	0	0.00	0	0	0	0.00	0.00
(2) Non Institutions									
a) Body Corporate									
i) Indian	45025	0	45025	0.94	148502	0	148502	2.82	1.88
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh	462000	0	444000	9.28	475200	0	475200	9.03	-0.25
ii) Individuals Shareholders holding nominal share capital in excess of Rs. 1 lakh	587975	0	605975	12.67	732596	0	732596	13.92	1.25
c) Others									
i) HUF	30000	0	30000	0.63	16500	0	16500	0.31	-0.32
i) Clearing Members	132000	0	132000	2.76	9900	0	9900	0.19	-2.57
SUB TOTAL (B)(2):	1257000	0	1257000	26.28	1382698	0	1382698	26.28	0.00
TOTAL PUBLIC SHAREHOLDING (B) = (B)(1) + (B)(2)	1257000	0	1257000	26.28	1382698	0	1382698	26.28	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
GRAND TOTAL (A+B+C)	4782838	0	4782838	100.00	5261114	0	5261114	100.00	0.00

ii) Shareholding of Promoters:								
Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2019)			Shareholding at the end of the year (As on 31-03-2020)			% change in Shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total Shares	
1	Amar Chinubhai Doshi	1262978	26.41	0.00	1389275	26.41	0.00	0.00
2	Karan Amar Doshi	682916	14.28	0.00	751207	14.28	0.00	0.00
3	Monish Amarbhai Doshi	665074	13.91	0.00	731581	13.91	0.00	0.00
4	Radhika Amar Doshi	529558	11.07	0.00	582513	11.07	0.00	0.00
5	Toral Karan Doshi	48609	1.02	0.00	53469	1.02	0.00	0.00
6	Bhoomi Monish Doshi	46509	0.97	0.00	51159	0.97	0.00	0.00
7	Amar Chinubhai Doshi HUF	129187	2.70	0.00	142105	2.70	0.00	0.00
8	Karan Amar Doshi HUF	70163	1.47	0.00	77179	1.47	0.00	0.00
9	Monish Amarbhai Doshi HUF	90844	1.90	0.00	99928	1.90	0.00	0.00
	TOTAL	3525838	73.72	0.00	3878416	73.72	0.00	0.00

iii) Change in Promoters' Shareholding (specify if there is no change):								
Sr. No.	Promoter's Name	Shareholding at the beginning of the year (01-04-2019)		Date	Increase/ Decrease in the Shareholding	Reason	Cumulative Shareholding during the year (01-04-2019 to 31-03-2020)	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Amar Chinubhai Doshi	1262978	26.41	03-09-2019	126297	Bonus issue	1389275	26.41
				31-03-2020	-	-	1389275	26.41
2	Karan Amar Doshi	682916	14.28	03-09-2019	68291	Bonus issue	751207	14.28
				31-03-2020	-	-	751207	14.28
3	Monish Amarbhai Doshi	665074	13.91	03-09-2019	66507	Bonus issue	731581	13.91
				31-03-2020	-	-	731581	13.91
4	Radhika Amar Doshi	529558	11.07	03-09-2019	52955	Bonus issue	582513	11.07
				31-03-2020	-	-	582513	11.07
5	Toral Karan Doshi	48609	1.02	03-09-2019	4860	Bonus issue	53469	1.02
				31-03-2020	-	-	53469	1.02
6	Bhoomi Monish Doshi	46509	0.97	03-09-2019	4650	Bonus issue	51159	0.97
				31-03-2020	-	-	51159	0.97
7	Amar Chinubhai Doshi HUF	129187	2.70	03-09-2019	12918	Bonus issue	142105	2.70
				31-03-2020	-	-	142105	2.70
8	Karan Amar Chinubhai Doshi HUF	70163	1.47	03-09-2019	7016	Bonus issue	77179	1.47
				31-03-2020	-	-	77179	1.47
9	Monish Amar Chinubhai Doshi HUF	90844	1.90	03-09-2019	9084	Bonus issue	99928	1.90
				31-03-2020	-	-	99928	1.90

iv) Shareholding pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs):					
Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year (01-04-2019)		Shareholding at the end of the year (As on 31-03-2020)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Bankim Kanubhai Doshi	78000	1.63	168300	3.20
2	Arham Wealth Management Private Limited	45000	0.94	145200	2.76
3	Neha Rakeshbhai Doshi	33000	0.69	69300	1.32
4	Rupal Sandipbhai Doshi	63000	1.32	69299	1.32
5	Apoorva Anilbhai Shah	44975	0.94	49497	0.94
6	Sabirkhan Basirkhan Pathan	33000	0.69	36300	0.69
7	Rajkumar Shyamnarayan Singh	0	0.00	29700	0.56
8	Kamini Alpeshkumar Rana	24000	0.50	26400	0.50
9	Trupeshkumar Ishwarlal Patel	24000	0.50	26400	0.50
10	Asit N Pandya	24000	0.50	26400	0.50
11	Vishwa Manish Shah	21000	0.44	23100	0.44
12	Chandrakant G Jawale	18000	0.38	19800	0.38
13	Sharad Mahendra Mehta	0	0.00	19800	0.38
14	Maitri Manish Shah	18000	0.38	19800	0.38
15	Darshna Manish Shah	18000	0.38	19800	0.38
16	Sandip Chinubhai Doshi	30000	0.63	19800	0.38
17	Dipakbhai R Patel	18000	0.38	19800	0.38

- Note:
- 1 Change (Increase/Decrease) in the Shareholding is due to Market Purchase and Sale or allotment of Bonus shares.
 - 2 The shares of the Company are traded on a daily basis on the stock exchanges and hence date wise increase/ decrease in shareholding is not provided.
 - 3 The details of date-wise increase/decrease will be provided at the request of shareholder.
 - 4 Shareholding is consolidated based on Permanent Account Number (PAN) of the Shareholder concerned.
 - 5 Increase/decrease in shareholding, as indicated above, is based on beneficial ownership provided by the Depositories.

v) Shareholding of Directors and Key Managerial Personnel:								
Sr. No.	For Each of the Directors & KMP	Shareholding at the beginning of the year (01-04-2019)		Date	Increase/ Decrease in the Shareholding	Reason	Cumulative Shareholding during the year (01-04-2019 to 31-03-2020)	
		No. of Shares	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1	Amar Chinubhai Doshi (Managing Director)	1262978	26.41	03-09-2019	126297	Bonus issue	1389275	26.41
				31-03-2020	-	-	1389275	26.41
2	Karan Amar Doshi (Whole-time Director)	682916	14.28	03-09-2019	68291	Bonus issue	751207	14.28
				31-03-2020	-	-	751207	14.28
3	Monish Amarbhai Doshi (Director & CFO)	665074	13.91	03-09-2019	66507	Bonus issue	731581	13.91
				31-03-2020	-	-	731581	13.91
4	Pradeepkumar Sanmukhlal Choksi (Independent Director)	0	0.00	-	-	-	0	0.00
5	Hetal Rumendrabhai Mehta (Independent Director)	0	0.00	-	-	-	0	0.00
6	Shrungi Kiranbhai Desai (Independent Director)	0	0.00	-	-	-	0	0.00
7	Ankitkumar Lavjibhai Tank (Company Secretary)	0	0.00	-	-	-	0	0.00

V) INDEBTEDNESS :				
Indebtedness of the Company including interest outstanding/accrued but not due for payment				
Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	5,19,97,361.34	6,84,650.00	0.00	5,26,82,011.34
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	5,19,97,361.34	6,84,650.00	0.00	5,26,82,011.34
Change in Indebtedness during the financial year				
Addition	0.00	0.00	0.00	0.00
Reduction	4,79,183.90	1,29,414.00	0.00	6,08,597.90
Net Change	4,79,183.90	1,29,414.00	0.00	6,08,597.90
Indebtedness at the end of the financial year				
i) Principal Amount	5,15,18,177.44	5,55,236.00	0.00	5,20,73,413.44
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	5,15,18,177.44	5,55,236.00	0.00	5,20,73,413.44

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Amar Doshi (Managing Director)	Karan Doshi (Whole-time Director)	Total Amount (In Rs.)
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961.	26,40,000	22,80,000	49,20,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	0	0	0
2	Stock option	0	0	0
3	Sweat Equity	0	0	0
4	Commission			
	- as % of profit	0	0	0
	- others (specify)	0	0	0
5	Others, please specify	0	0	0
	Total	26,40,000	22,80,000	49,20,000
Total Managerial Remuneration(A)				49,20,000
Ceiling as per the Act - Remuneration paid to the Managing Director and Whole-time Director is within the ceiling provided under Section 197 of the Companies Act, 2013.				

B. Remuneration to other Directors:

Sr. No.	Particulars of Remuneration	Pradeepkumar Choksi (Independent Director)	Hetal Mehta (Independent Director)	Shrungi Desai (Independent Director)	Total Amount (In Rs.)
1	Independent Directors				
	(a) Fee for attending Board Committee Meetings	0	0	0	0
	(b) Commission	0	0	0	0
	(c) Others, please specify	0	0	0	0
	Total (1)	0	0	0	0
2	Other Non-Executive Directors				
	(a) Fee for attending Board Committee Meetings	0	0	0	0
	(b) Commission	0	0	0	0
	(c) Others, please specify	0	0	0	0
	Total (2)	0	0	0	0
	Total (B)=(1+2)	0	0	0	0
Total Managerial Remuneration (A+B)					49,20,000
Ceiling as per the Act - Remuneration paid to the other Directors is within the ceiling provided under Section 197 of the Companies Act, 2013.					

C. Remuneration to Key Managerial Personnel other than MD/Manager/WDT:				
Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total (in Rs.)
		Ankitkumar Tank (Company Secretary)	Monish Doshi* (Chief Financial Officer)	
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961.	3,64,713	22,80,000	26,44,713
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	0	0.00
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	0	0	0.00
2	Stock Option	0	0	0.00
3	Sweat Equity	0	0	0.00
4	Commission			
	- as % of profit	0	0	0.00
	- others, specify	0	0	0.00
5	Others, please specify	0	0	0.00
	Total	3,64,713	22,80,000	26,44,713

* Mr. Monish Doshi, Director & CFO of the Company has received remuneration in the capacity of Chief Financial Officer.

VII) PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:					
Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD/NCLT/COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

For and on behalf of the Board

Date: 20/07/2020
Place: Surat

Amar Doshi
Chairman & Managing Director
DIN: 00856635

Form AOC - 2

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

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

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

2. Details of material contracts or arrangement or transactions at arm's length basis:			
(a)	Name(s) of the related party and nature of relationship	Moti Industries (Director is Partner)	Chinubhai Doshi (Relative)
(b)	Nature of contracts/ arrangements/ transactions	Rent	Availing services
(c)	Duration of the contracts/ arrangements/ transactions	Continuous	Current year
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any (in Rs.)	1,20,000	5,40,000
(e)	Date(s) of approval by the Board, if any:	10/02/2018	28/05/2019
(f)	Amount paid as advances, if any:	Nil	95,000

For and on behalf of the Board

Date: 20/07/2020
Place: Surat

Amar Doshi
Chairman & Managing Director
DIN: 00856635

DETAILS PERTAINING TO THE CONSTITUTION AND COMPOSITION OF THE BOARD & BOARD COMMITTEES

1. BOARD COMPOSITION & MEETINGS:-

The composition of Board of Directors of the company is constituted as per the provisions of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149 of the Companies Act, 2013.

During the year, 7 (Seven) Board Meetings were held. The intervening gap between the Meetings did not exceed the period prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of which are as follow:

Sr. No.	Date of Meeting	Board Strength	Director's present
1	28 th May, 2019	6	5
2	12 th July, 2019	6	5
3	3 rd September, 2019	6	6
4	10 th October, 2019	6	5

Sr. No.	Date of Meeting	Board Strength	Director's present
5	12 th November, 2019	6	6
6	1 st February, 2020	6	6
7	9 th March, 2020	6	4

2. AUDIT COMMITTEE:-

The Audit Committee of the Company is constituted in accordance with the provisions of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013.

During the financial year 2019-20, the Audit Committee met 4 (Four) times on 28th May, 2019, 12th July, 2019, 12th November, 2019 and 1st February, 2020 and the gap between two meetings did not exceed one hundred and twenty days except one case. The gap between Audit committee's meetings held on 12th July, 2019 and 12th November, 2019 did exceed 1 day than one hundred and twenty days due to the original Meeting dated 25th October, 2019 was postponed to 12th November, 2019. The necessary quorum was present for all the meetings.

The details of composition of the Committee and their attendance at the meetings are given below:

Name	Designation	Category	No. of Meeting attended
Pradeepkumar Choksi	Chairman	NEID	4
Hetal Mehta	Member	NEID	3
Shrunji Desai	Member	NEID	4

NEID: Non-Executive Independent Director

All the recommendations of the Audit Committee have been accepted by the Board of Directors.

The Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on 24th August, 2019. The Minutes of all above stated meeting of the Audit Committee were noted at the Board Meeting.

3. NOMINATION AND REMUNERATION COMMITTEE:-

The Nomination and Remuneration Committee (NRC) of the Company is constituted in accordance with the provisions of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013.

During the Financial year 2019-20, 2 (Two) meetings of the Nomination and Remuneration Committee were held on 12th November, 2019 and 9th March, 2020.

The composition of the Committee and their attendance at the meetings are given below:

Name	Designation	Category	No. of Meeting attended
Pradeepkumar Choksi	Chairman	NEID	2
Hetal Mehta	Member	NEID	2
Shrungji Desai	Member	NEID	2

NEID: Non-Executive Independent Director

The Chairman of the NRC was present at the Annual General Meeting of the Company held on 24th August, 2019. The Minutes of Nomination and Remuneration Committee meeting were noted at the Board Meeting.

4. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The stakeholder relationship committee was constituted as per the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The broad terms of reference of the Stakeholders' Relationship Committee are as under:

- Consider and resolve the grievances of security holders of the Company including redressal of investor complaints such as transfer or credit of securities, non-receipt of dividend / notice / annual reports, etc. and all other security holders' related matters.
- Consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc.

During the Financial Year 2019-20, 2 (Two) meeting of the Stakeholders' Relationship Committee was held on 12th November, 2019 and 9th March, 2020.

The composition of the Committee and the attendance of the members at the meetings held during the Financial Year 2019-20 are as under:

Name	Designation	Category	No. of Meeting attended
Shrungji Desai	Chairman	NEID	2
Pradeepkumar Choksi	Member	NEID	2
Hetal Mehta	Member	NEID	2

NEID: Non-Executive Independent Director

SEBI Complaints Redress System (SCORES)

Your Company has been registered on SCORES and makes every effort to resolve all investor complaints received through SCORES or otherwise within the statutory time limit from the receipt of the complaint. The Company has not received any complaint from the Shareholders on the SCORES during financial year 2019-20.

For and on behalf of the Board

Date: 20/07/2020

Place: Surat

Amar Doshi

Chairman & Managing Director

DIN: 00856635

**DETAILS ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION,
FOREIGN EXCHANGE EARNINGS AND OUTGO**

(Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of The
Companies (Accounts) Rules, 2014)

A. Conservation of Energy:

The Company continues its efforts to reduce and optimise the use of energy consumption at its manufacturing facilities by installing hi-tech energy monitoring and conservation systems to monitor usage, minimise wastage and increase overall efficiency at every stage of power consumption.

i) The energy conservation measures taken are given as under:

The Company has installed LED lamps instead of CFL bulbs at manufacturing area and open area of plant situated at Kosamba, Mangrol-394120, Surat-394120, Gujarat which will help to reduce electricity consumption.

The Company has also availed quotation for Solar rooftop of plant located at Vill. Moti Pardi, Ta. Mangrol, Surat-394120, Gujarat in February-2020. The Company is planning to install 120 KW solar rooftop at aforesaid plant.

ii) Capital investment on energy conservation equipment:

During the year under review, the Company has not installed any major equipment for energy conservation. However, the Company believes in use the electronic devices which uses low electricity, replacement of devices which consumes less electricity.

B. Technology Absorption:

i) Efforts made towards technology absorption: The Company has successfully absorbed the technology.

ii) Benefits derived as a result of technology absorption: The company installed imported machinery to improve the production process, and that will help us in product development and cost reduction. The Company will get higher productivity and improved quality by using latest technology.

iii) Technology imported (imported during the last Three years from the beginning of the financial year):

Details of technology imported	Year of import	Whether the technology been fully absorbed
Sheet Lifter	2019-20	Yes
Cut to length	2019-20	Yes

Polishing Machines & Finishing Stone	2018-19	Yes
Fiber Laser & CNC Router Machine	2018-19	Yes
CNC Laser Cutting Machine	2017-18	Yes
CNC Bending Machine	2017-18	Yes

iv) The expenditure incurred on Research and Development: Nil.

C. Foreign Exchange Earning and Outgo:

i) The Foreign Exchange earning in terms of actual inflows:

Export of goods calculated on FOB basis during the financial year 2019-20 was Rs. 13,258.

ii) The Foreign Exchange outgo during the year in terms of actual outflows:

Foreign Exchange outgo during the financial year 2019-20 was Rs. 3,95,79,645.22.

For and on behalf of the Board

Date: 20/07/2020
Place: Surat

Amar Doshi
Chairman & Managing Director
DIN: 00856635

**RATIO OF DIRECTORS' REMUNERATION TO MEDIAN EMPLOYEES'
REMUNERATION AND OTHER DISCLOSURE**

[Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- (i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary, in the financial year:

Sr. No	Name	Designation	Ratio to median remuneration*	Increase in the Remuneration (%)
1	Amar Doshi	Chairman & Managing Director	16.60	0.00
2	Karan Doshi	Whole-time Director	14.34	0.00
3	Monish Doshi	Director & CFO	14.34	0.00
4	Pradeepkumar Choksi	Independent Director	0.00	0.00
5	Hetal Mehta	Independent Director	0.00	0.00
6	Shrungi Desai	Independent Director	0.00	0.00
7	Ankitkumar Tank	Company Secretary	2.19	9.43

Note: The median is calculated on gross annual salary on the basis of salary of March-2020 of the employee.

- (ii) The Percentage increase in the median remuneration of employees in the financial year 2019-20 is 10.09.
- (iii) The number of permanent employees on the rolls of Company at the end of the financial year 2019-20 is 85.
- (iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
- Average increase in remuneration of employees excluding KMPs: 10.00%.
 - Average increase in remuneration of KMPs: Nil

The increments given to employees are based on their potential, performance and contribution, which is benchmarked against applicable Industry norms.

- (v) Affirmation, that the remuneration is as per the remuneration policy of the Company: It is here by affirmed that the remuneration is as per the remuneration policy for Directors, Key Managerial Personnel and other employees.

For and on behalf of the Board

Date: 20/07/2020

Place: Surat

Amar Doshi

Chairman & Managing Director

DIN: 00856635

Secretarial Audit Report
For the financial year ended March 31, 2020
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
 The Members
M/s AARON INDUSTRIES LIMITED
 B-65 & 66, JAWAHAR ROAD NO- 4, UDHYOG NAGAR,
 UDHANA, SURAT-394210, GUJARAT, INDIA

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s AARON INDUSTRIES LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31.03.2020**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on **31.03.2020** according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the Rules made there under;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings- Not Applicable for the year under review;
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company :-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 notified with effect from May 15, 2015
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, Now, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), 2018

- d. The Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - Not Applicable for the year under review
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – Not Applicable for the year under review
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – Not Applicable for the year under review
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – Not Applicable for the year under review.
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified with effect from December 1, 2015.
- (vi) The Factories Act, 1948
 - (vii) Industrial Disputes Act, 1947
 - (viii) The Payment of Wages Act, 1936
 - (ix) The Minimum Wages Act, 1948
 - (x) Employees' State Insurance Act, 1948
 - (xi) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952
 - (xii) The Payment of Bonus Act, 1965
 - (xiii) The Payment of Gratuity Act, 1972
 - (xiv) The Maternity Benefit Act, 1961
 - (xv) The Child Labour (Prohibition and Regulation) Act, 1986
 - (xvi) The Employees' Compensation Act, 1923
 - (xvii) Equal Remuneration Act, 1976
 - (xviii) And all other laws applicable to the company not mentioned hereinabove.

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

1. Secretarial Standards issued by The Institute of Company Secretaries of India.
2. Listing Agreement with Emerge Platform of NSE.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above subject to the following observation:

1. *Gap between two audit committee meetings 12.07.2019 and 12.11.2019 is exceeding 120 days.*

2. I further report that:

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

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

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

3. I further report that, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
4. I further report that during the audit period the company has not taken any actions or enter into events having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

This report is to be read with our letter dated 20th July, 2020 which is annexed and forms an integral part of this report.

Place: SURAT
Date: 20.07.2020

DHIREN R DAVE
COMPANY SECRETARY
FCS: 4889
CP: 2496
UDIN: F004889B000494521

To,
The Members
M/s AARON INDUSTRIES LIMITED
B-65 & 66, JAWAHAR ROAD NO- 4, UDHYOG NAGAR,
UDHANA, SURAT-394210, GUJARAT, INDIA

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: SURAT
Date: 20.07.2020

DHIREN R DAVE
COMPANY SECRETARY
FCS: 4889
CP: 2496
UDIN: F004889B000494521

CFO CERTIFICATION

To,
The Board of Directors of
Aaron Industries Limited

In accordance with Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we certify that:

1. We have reviewed the financial statements and the cash flow statement of Aaron Industries Limited for the year ended 31st March, 2020 and that to the best of our knowledge and belief:
 - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2020 which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee:
 - a. That there are no significant changes in internal control over financial reporting during the financial year ended 31st March, 2020;
 - b. That there are no significant changes in accounting policies during the financial year ended 31st March, 2020; and
 - c. That there are no instances of significant fraud of which we have become aware.

For and on behalf of the Board

Date: 30/06/2020
Place: Surat

Monish Doshi
Director & Chief Financial Officer

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND
SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

I, Amar Doshi, Managing Director of Aaron Industries Limited hereby declares that all the Board Members and Senior Management Personnel have affirmed for the year ended 31st March, 2020 compliance with the respective Codes of Conduct laid down for them.

For and on behalf of the Board

Date: 20/07/2020
Place: Surat

Amar Doshi
Chairman & Managing Director
DIN: 00856635

PALLAV J. DESAI
B. Com., F.C.A., D.I.S.A (ICAI)

P. J. DESAI & CO
CHARTERED ACCOUNTANTS
34, Third Floor, Maher Park-A,
Ring Road, AthwaGate, Surat – 1
PH: (O) 2477082, (M) 94284-57082

INDEPENDENT AUDITOR'S REPORT

To the Members of Aaron Industries Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the financial statements of Aaron Industries Limited, which comprise the balance sheet as at 31st March 2020, and the statement of profit and loss, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

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

Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Description of Key Audit Matters

The key audit matters	How the matter was addressed in our audit
<u>Accuracy of recognition and measurement of inventory as on Year End</u>	
<p>As per established procedure for verification of inventory as on year – End i.e. 31st March, company carries out physical verification of inventory and auditor normally remains present during physical count of the inventory conducted by a company to satisfy himself about company’s procedure of verification and related controls about condition, quantity and other aspects of the inventory. However, this year i.e. FY 2019-20 as informed to us, due to lock down imposed in Surat from last week of the March 2020, company could not take inventory of elevator division on 31st March, 2020 year end. We are informed that company took physical inventory during May, 2020. And inventory verification also took a longer due to staff constraint. We as auditor, we could not remain present during the inventory count at inventory locations due to inadequate relaxation from the lock down.</p> <p>We identified the verification of inventory as KAM because –</p> <ul style="list-style-type: none"> • This year due to lockdown imposed in the city due to covid epidemic normal procedure of physical verification of inventory at year-end could not be followed by the company and auditor could not remain represent during inventory verification done by management a later date. • Looking to a large no of items running into thousands and its nature and limitation on carrying out physical verification of bulky items like metal sheets and fabricated items, measurement and evaluation of condition of items of inventory has been complex and requires some judgments and assumptions. • There is an inherent risk about the accuracy of the estimates and assumptions used in carrying out 	<ul style="list-style-type: none"> • We assessed the company’s normal process of determination of inventory at the year end. We also evaluated the related internal controls for determination of quantity and measurement of various items of inventory and related management review and approvals for the same. We also interacted with the appropriate management personnel connected with taking inventory about the how the actual procedure was carried out. • • Though we checked the inventory at a later date to assess the accuracy and reasonableness of verification done by management we adopted the rollback procedure for a number of items to evaluate management’s working of the inventory at the year end. We tried to corroborate the managements working of issue of raw materials and production in the intervening period with the records and internal controls and the assumptions used therein. We discussed with the management the assumptions and estimates used in the calculation and their reasonableness.

<p>rollback procedures to determine the quantity of inventory at the year end. The rollback procedures involved considerable efforts and also involved relying on records and internal controls for ascertaining movement of goods during intervening period. The whole verification involved some estimates and uncertainties due to a lapse of time.</p> <ul style="list-style-type: none"> • We find that the matter of verification of inventory is a matter involving significant auditor attention and therefore we have identified it as a key audit matter for the audit for financial year 2019-20. 	
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Information Other than the Financial Statements and Auditor’s Report Thereon

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

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

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

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the 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. 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.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For P. J. Desai & Co
Chartered Accountants
(Firm's Registration No.- 102330W)

Pallav J Desai
Partner
(Membership No.-039868)
UDIN: 20039868AAAAAQ4762

Surat, June 30, 2020

PALLAV J. DESAI
B. Com., F.C.A., D.I.S.A (ICAI)

P. J. DESAI & CO
CHARTERED ACCOUNTANTS
34, Third Floor, Maher Park-A,
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Annexure - A to the Independent Auditors' Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Aaron Industries Limited of even date)

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

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For P. J. Desai & Co
Chartered Accountants
(Firm's Registration No.- 102330W)

Pallav J Desai
Partner
(Membership No.-039868)
UDIN: 20039868AAAAAQ4762

Surat, June 30, 2020

Annexure - B to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Aaron Industries Limited of even date)

The Annexure B referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2020, we report that:

(i)	(a)	The company has maintained proper records showing full particulars, including quantitative details and location of the fixed asset.
	(b)	As explained to us, the company has verified a few groups of fixed assets during the year. No material discrepancies were notified on such physical verification of fixed assets.
	(c)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has a factory building at Kosamba on a piece of land at Block No. 251-B, Royal Industrial Park, Village Moti Pardi, Taluka- Mangrol for which title deeds are held in the name of company as at the balance sheet date. The company has constructed factory building at Udhna on a land belonging to associate concerns for which the rent agreement has been entered upon.
(ii)		The company has conducted the physical verification of inventory at reasonable intervals during the year. As per information and explanations furnished to us company has not kept adequate records of items of inventory hence we are unable to comment whether material discrepancies if any were noticed on such verification.
(iii)		The Company has not granted any loans (secured or unsecured) to companies, LLP's or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a) to (c) of the Order are not applicable to the company and hence not commented upon it.
(iv)		In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made during the year.
(v)		The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank Of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
(vi)		As per the information and explanations given to us The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the activities carried on by the Company.

(vii)	(a)	<p>According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, duty of customs, cess, employees state insurance and GST have been generally regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of applicable statutory dues were in arrears as at 31st March 2020 for a period of more than six months from the date they became payable except as stated below:</p> <p>Statement of Arrears of Statutory Dues Outstanding for More than Six Months:</p> <table border="1" data-bbox="344 589 1378 949"> <thead> <tr> <th data-bbox="344 589 651 696">Name of the Statute</th> <th data-bbox="651 589 874 696">Nature of the Dues</th> <th data-bbox="874 589 1059 696">Amount (Rs.)</th> <th data-bbox="1059 589 1378 696">Period to which the amount relates (FY)</th> </tr> </thead> <tbody> <tr> <td data-bbox="344 696 651 786">Income Tax Act, 1971</td> <td data-bbox="651 696 874 786">TDS demand</td> <td data-bbox="874 696 1059 786">10</td> <td data-bbox="1059 696 1378 786">2018-19 24Q4</td> </tr> <tr> <td data-bbox="344 786 651 891">Income Tax Act, 1971</td> <td data-bbox="651 786 874 891">Interest – IT return</td> <td data-bbox="874 786 1059 891">200</td> <td data-bbox="1059 786 1378 891">2013-14</td> </tr> <tr> <td colspan="2" data-bbox="344 891 874 949">TOTAL</td> <td data-bbox="874 891 1059 949">210</td> <td data-bbox="1059 891 1378 949"></td> </tr> </tbody> </table>	Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates (FY)	Income Tax Act, 1971	TDS demand	10	2018-19 24Q4	Income Tax Act, 1971	Interest – IT return	200	2013-14	TOTAL		210	
Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates (FY)															
Income Tax Act, 1971	TDS demand	10	2018-19 24Q4															
Income Tax Act, 1971	Interest – IT return	200	2013-14															
TOTAL		210																
	(b)	<p>According to the information and explanations given to us and on the basis of our examination of the records of the Company there are no disputed dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which are not deposited by the company.</p>																
(viii)		<p>The company has not defaulted in repayment of loans or borrowing to bank. The company has not availed any loan or borrowing from financial institution (other than bank), Government and has not issued any debentures, hence, comments are not required to be offered for loans or borrowings from such entities.</p>																
(ix)		<p>The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans during the year and hence reporting under clause (ix) of the Order is not applicable.</p>																
(x)		<p>According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.</p>																
(xi)		<p>The managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of sec 197 read with Schedule V to the Companies act.</p>																
(xii)		<p>In our opinion and according to the information and explanations given to us, the Company is not a nidhi company as defined in Section 406(1) of the Companies Act, 2013. Accordingly, paragraph 3(xii) of the Order is not applicable.</p>																
(xiii)		<p>According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.</p>																

(xiv)	According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made private placement of shares during the year and requirement of Sec 42 is not to be complied with.
(xv)	According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
(xvi)	The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934 and accordingly the provisions of Clause 3(xvi) of the order are not applicable to the company.

For P. J. Desai & Co
Chartered Accountants
(Firm's Registration No.- 102330W)

Pallav J Desai
Partner
(Membership No.-039868)
UDIN: 20039868AAAAAQ4762

Surat, June 30, 2020

AARON INDUSTRIES LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2020

(in Rs.)

Particulars	Note	Figures as at 31-03-2020	Figures as at 31-03-2019
I. EQUITY AND LIABILITIES			
<u>(1) Shareholders' Funds</u>			
(a) Share Capital	3	52611140.00	47828380.00
(b) Reserves and Surplus	4	55399113.57	45903811.49
(c) Money received against share warrants		0.00	0.00
<u>(2) Share Application money pending allotment</u>		0.00	0.00
<u>(3) Non-Current Liabilities</u>			
(a) Long-Term Borrowings	5	26670722.62	35497492.20
(b) Deferred Tax Liabilities (Net)	6	4991155.39	2458976.31
(c) Other Long Term Liabilities		0.00	0.00
(d) Long Term Provisions		0.00	0.00
<u>(4) Current Liabilities</u>			
(a) Short-Term Borrowings	7	16516086.32	9023763.49
(b) Trade Payables	8	15530651.00	16091632.00
(c) Other Current Liabilities	9	19414241.78	18321426.03
(d) Short-Term Provisions	10	0.00	0.00
Total Equity & Liabilities		191133110.68	175125481.52
II.ASSETS			
<u>(1) Non-Current Assets</u>			
(a) Fixed Assets	11		
(i) Gross Block		105308027.03	90322599.57
(ii) Depreciation		8800921.00	3260259.00
(iii) Net Block		96507106.03	87062340.57
(b) Long term loans and advances	12	2374437.30	3136744.00
(c) Non-current investments	13	2217809.23	410984.00
<u>(2) Current Assets</u>			
(a) Inventories	14	55653400.00	45950120.00
(b) Trade receivables	15	25106411.75	18432834.75
(c) Cash and Bank Balances	16	1450126.00	3840205.22
(d) Short-term loans and advances	17	495365.00	417581.00
(e) Other current assets	18	7328455.37	15874671.98
Total Assets		191133110.68	175125481.52
Significant Accounting Policies and Other Notes Forming Parts of Accounts	1 to 35		
For and on behalf of Board of Directors		For P J Desai & Co.	
Amar Doshi, Managing Director		Chartered Accountants	
Karan Doshi, Whole-time Director			
Monish Doshi, Director & Chief Financial Officer		CA Pallav Desai	
Ankitkumar Tank, Company Secretary		Partner	
30th June, 2020, Surat		M No. 039868, FRN 102330W	
		UDIN:20039868AAAAAQ4762	
		30th June, 2020, Surat	

AARON INDUSTRIES LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

(in Rs.)

Sr. No	Particulars	Note	Figures for the year ended 31-03-2020	Figures for the year ended 31-03-2019
I	Revenue from operations	19	213991936.83	175532426.16
II	Other Income	20	1095422.68	344018.40
III	III. Total Revenue (I+II)		215087359.51	175876444.56
IV	Expenses:			
	Cost of materials consumed	21	145191365.92	112776886.22
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade - Increase(Decrease)	22	(6623276.00)	(1731022.00)
	Employee Benefit Expense	23	24648324.67	24818932.00
	Financial Costs	24	5884328.63	2862723.57
	Depreciation and Amortization Expense	25	5540662.00	2022918.00
	Other Expenses	26	20309598.13	19393955.77
	Total Expenses (IV)		194951003.35	160144393.56
V	Profit before exceptional and extraordinary items and tax	(III - IV)	20136356.16	15732051.00
VI	Exceptional Items		0.00	0.00
VII	Profit before extraordinary items and tax (V - VI)		20136356.16	15732051.00
VIII	Extraordinary Items		0.00	0.00
IX	Profit before tax (VII - VIII)		20136356.16	15732051.00
X	Tax expense:			
	(1) Current tax		3361160.00	3238725.00
	(2) Deferred tax		2532179.08	1904257.58
	(3) Taxation of Earlier Year		0.00	0.00
XI	Profit(Loss) from the period from continuing operations	(IX-X)	14243017.08	10589068.42
XII	Profit/(Loss) from discontinuing operations		0.00	0.00
XIII	Tax expense of discontinuing operations		0.00	0.00
XIV	Profit/(Loss) from Discontinuing operations (XII - XIII)		0.00	0.00
XV	Profit/(Loss) for the period (XI + XIV)		14243017.08	10589068.42
XVI	Earning per equity share:	32		
	(1) Basic		2.71	2.24
	(2) Diluted		2.71	2.24

Significant Accounting Policies

Other Notes Forming Parts of Accounts

(1 to 35)

For and on behalf of Board of Directors

Amar Doshi, Managing Director

Karan Doshi, Whole-time Director

Monish Doshi, Director & Chief Financial Officer

Ankitkumar Tank, Company Secretary

30th June, 2020, Surat

For P J Desai & Co.

Chartered Accountants

CA Pallav Desai

Partner

M No. 039868, FRN 102330W

UDIN:20039868AAAAAQ4762

30th June, 2020, Surat

AARON INDUSTRIES LIMITED
Cash Flow Statement for the year ended on 31st March, 2020

(in Rs.)

Particulars	Figures for the year ended 31-03-2020	Figures for the year ended 31-03-2019
Cash Flow from Operating Activities		
Net Profit Before Tax	20136356.16	15732051.00
Add: Depreciation	5540662.00	2022918.00
Interest/Dividend	5884328.63	2862723.57
	31561346.79	20617692.57
Less: Investment Income	1095422.68	344018.40
Operating Profit before Working Capital Changes	30465924.11	20273674.17
Adjustment for Working Capital Changes		
Cash Inflow		
Increase in Other Current Liabilities	0.00	13532078.27
	0.00	13532078.27
Cash Outflow		
Decrease in Trade Payable	560981.00	2295845.00
Decrease in Other Current Liabilities	-1092815.75	0.00
Decrease in Short Term provisions	0.00	568394.00
Increase in Inventories	9703280.00	12844940.00
Increase in Trade Receivable	6673577.00	2845732.00
Increase/(Decrease) in Other Current assets	-8546216.61	10618341.19
	7298805.64	29173252.19
Cash From Operations	23167118.47	4632500.25
Interest Paid	5884328.63	2862723.57
Direct Taxes Paid	3361160.00	3238725.00
	9245488.63	6101448.57
Net Cash Flow from Operating Activities	13921629.84	-1468948.32
	A	
Cash Flow from Investing Activities		
Net Purchases of Fixed Assets	-14985427.46	-74606676.64
Increase in Other Non Current Investments	-1806825.23	-410984.00
Decrease/(Increase) in Long term Loans & Advances	762306.70	-2606744.00
Decrease/(Increase) in Short term Loans & Advances	-77784.00	149394.00
Cash Inflow Interest Income	1095422.68	344018.40
Net Cash Used in Investing Activities	-15012307.31	-77130992.24
	B	
Cash Flow from financing Activities		
Cash inflow increase/(decrease) in Long Term Borrowings	-8826769.58	31188589.83
Cash inflow from Increase in Short Term Borrowing	7492322.83	3398704.95
Cash flow from issue of share capital	0.00	29023910.00
Increase in Reserve & Surplus	35045.00	18742090.00
Net Cash inflow from Financing Activities	-1299401.75	82353294.78
	C	

Net Cash Changes	-2390079.22	3753354.22
Cash and Bank Opening	3840205.22	86851.00
Cash and Bank Closing	1450126.00	3840205.22
For and on behalf of Board of Directors	For P J Desai & Co.	
Amar Doshi, Managing Director	Chartered Accountants	
Karan Doshi, Whole-time Director		
Monish Doshi, Director & Chief Financial Officer	CA Pallav Desai	
Ankitkumar Tank, Company Secretary	Partner	
30th June, 2020, Surat	M No. 039868, FRN 102330W	
	30th June, 2020, Surat	

Note: The Cashflow Statement has been prepared as per indirect method as notified in AS 3.

Notes on accounting

Note: 1. Corporate Information:-

Aaron Industries Limited (“The Company”) is a public Company incorporated under the provisions of the Companies Act, 1956. The registered office of the Company is located at B-65 & 66, Jawahar Road No. 4, Udhyog Nagar, Udhna, Surat – 394210, Gujarat. The Company is primarily engaged in the manufacturing activities of Elevator parts and Electrical products. The Company has also started new business line of polishing, processing, designing and finishing of Stainless Steel Sheets. The shares of the Company is listed on emerge platform of the National Stock Exchange of India Limited.

Note: 2. Significant Accounting Policies:-

a) Basis of preparation of financial statement (AS-1):

These financial statements have been prepared to comply with Generally accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements are prepared under the historical cost basis. All expenses and income to the extent considered payable and receivable, respectively. Accounting Policies not specifically referred to otherwise, are consistent and in consonance with generally accepted Accounting Principles.

b) Use of estimates:

The preparation of financial statements in conformity with Indian GAAP requires judgments, estimates and assumptions to be made that affect the reported amount of Assets & Liabilities, disclosure of Contingent Liabilities on the date of Financial Statements and the reported amount of Expenses and Income during the reporting period. Difference between the estimates and actual results are recognized in the period in which the results are known /materialize.

c) Revenue Recognition (AS-9):

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection.

Sales of goods: Sales are recognized when substantial risks and rewards of ownership in the goods transferred to the buyer, usually on delivery of the goods. Revenue from operations includes sale of goods, adjustment for discounts (net) and taxes.

Other Income: Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

d) Property, Plant and Equipment (AS-10):

Tangible Fixed assets (Except Land) are stated at cost of acquisition less accumulated depreciation and any accumulated impairment losses. Cost comprises of the purchase price, net changes on foreign exchange contracts, adjustments arising from exchange rate

variations attributable and attributable cost of bringing the asset to working condition for its intended use.

e) Intangible Fixed Assets (AS-26):

Intangible fixed assets are stated at cost of acquisition less accumulated amortisation and any accumulated impairment losses, if any. The cost comprises its purchase price and any cost, duties and taxes (other than those recovered by the enterprise) directly attributable to bringing the asset to its working condition for its intended use.

f) Depreciation and Amortization:

The depreciation and amortization on fixed asset is provided on S.L.M. in the books of accounts at the rates based on the useful life prescribed as per Sch. II to the companies act, 2013. The residual value and the useful life has been reviewed by the management during the year.

g) Purchases:

Purchases are net of rebate/special discounts, GST credits and goods returned.

h) Investments (AS-13):

Investments are classified into current and non-current investments. Current investments are stated at the lower of cost or fair value determined on individual investment basis. Non-current investments are stated at cost.

i) Borrowing Cost (AS-16):

Borrowing costs that are attributable to the acquisition, construction or production of qualifying asset are capitalized as part of cost of such asset till such time as the asset is ready for its intended use. A qualifying asset is an asset that requires a substantial period of time to get ready for its intended use.

All other borrowing costs are recognized as expense in the statement of profit & loss in the period in which they are incurred.

j) Inventories Valuation (AS-2):

Cost of inventories comprise of cost of purchase, cost of conversion and appropriate portion of variable and fixed proportion overheads and such other costs incurred in bringing them to their respective present location and condition. Fixed production overheads are based on normal capacity of production facilities.

- Raw Material is valued at cost or Net Realizable Value whichever is less. The cost is determined mostly on FIFO basis.
- WIP valued at cost of production, depending upon its level of completion.
- Finished Goods valued at Cost of Production or Net Realizable Value whichever is less.

k) Employee Benefits (AS-15):

- I. Retirement benefits in the form of Provident Fund, which are defined contribution plans, are accounted for on accrual basis and charged to the Statement of Profit & Loss of the year.
- II. The benefit in the form of Leave Encashment is a non-accumulating short term compensated absences. It is accounted in the year when absences occur and charged to Statement of Profit & Loss of the year.
- III. Retirement benefits in the form of Gratuity, which is define benefit plan, is determined every year as employees render the service. The company has followed the accounting standard 15, so far as it is related to recognition, measurement, presentation and disclosures of Post-employment Benefits consisting of defined benefit Plan covering the gratuity payable to employees on their retirement.

The company has obtained a LIC Policy from LIC to fund the obligation under the Plan. The Company has relied on the actuarial valuation done by independent actuary for the purpose of recognition, measurement, presentation and disclosures of its obligation under defined benefit plan for gratuity Expense and valuation under post-employment benefit plan.

The following tables summarize the components of net benefit expense recognized in the Statement of Profit & Loss and the funded status and amounts recognized in the Balance Sheet for the Gratuity Plan:

Employee benefit obligation consists of the following:

A. Change in the present value of the defined benefit obligation:		
Particulars	As at 31st March 2020	As at 31st March 2019
PV of Benefit obligations, opening balance	15,90,531	0
Current service cost	3,66,630	4,22,358
Interest cost	1,08,951	0
Net actuarial loss/(gain)	(10,66,311)	0
Past Service cost	0	7,57,191
Benefit obligation, closing balance	9,99,801	11,79,549

Note:- The opening balance of present value of the defined benefit obligation was not computed as on 01-04-2018, therefore not reported for previous year.

B. Change in the net defined benefit obligation:		
Particulars	As at 31st March 2020	As at 31st March 2019
Benefit obligations, opening balance	11,79,549	4,12,530
Current service cost	3,66,630	4,22,358
Interest cost	1,08,951	-
Net actuarial loss/(gain)	(11,54,143)	-
Past Service Cost	-	3,44,661
Benefit obligation, closing balance	5,00,987	11,79,549

C. Change in the fair value of plan assets:		
Particulars	As at 31st March 2020	As at 31st March 2019
Fair value of plan assets, opening balance	4,10,984	-
Interest income	28,152	29,609
Actuarial (gains)/ losses	59,680	-
Employer's contributions (net of charges)	7,59,470	3,81,375
Benefits paid	-	-
Fair Value of plan assets, closing balance	12,58,286	4,10,984

D. Details of provision for Gratuity:		
Particulars	As at 31st March 2020	As at 31st March 2019
Present Value of funded defined benefit obligation	9,99,801	11,79,549
Fair value of plan assets	12,58,286	4,10,984
Deficit / (Surplus)	(2,58,485)	7,68,565

E. The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:		
Particulars	As at 31st March 2020	As at 31st March 2019
Managed by insurer (LIC of India)	100%	100%

F. The principal assumptions used in determining gratuity for the Company's plan:		
Particulars	As at 31st March, 2020	As at 31st March, 2019
Mortality	LIC (2006-08) (Ultimate)	LIC (2006-08) (Ultimate)
Withdrawal Rates	10% p.a. at younger age reducing to 2% depending on age	1% to 3% depending on age
Discount Rate (%)	6.85% p.a.	7.5% p.a.
Salary escalation rate (%)	6.00% p.a.	7.00% p.a.
Rate of Return on Plan Assets (%)	6.85% p.a.	6.85% p.a.

The significant actuarial assumptions for the determination of the defined benefit obligations are discount rate and expected salary increase.

G. Statement of Profit and Loss : Net Employee benefit expense		
Particulars	As at 31st March 2020	As at 31st March, 2019
Current service cost	3,66,630	4,22,358
Interest cost	1,08,951	0
Net actuarial loss/(gain)	(11,25,991)	0
Expected return on plan assets	(28,152)	(29,610)
Other charges	0	3,74,271
Expenses recognized in the statement of P&L	(6,78,562)	7,67,019

H. Withdrawal Rates p.a.:		
Age Band	As at 31st March, 2020	As at 31st March, 2019
25 & Below	10 %	N.A.
25 to 35	8 %	N.A.
35 to 45	6 %	N.A.
45 to 55	4 %	N.A.
55 & above	2 %	N.A.

I. Amounts for the current and previous years are as follows:		
Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Defined Benefit obligation	9,99,801	15,90,531
Plan Assets	12,58,286	4,10,984
Surplus / (Deficit)	2,58,485	(11,79,547)
Experience loss/(gain) on plan liabilities	(10,66,311)	0
Experience loss/(gain) on plan assets	(59,680)	0

J. A quantitative sensitivity analysis for significant assumption as at March 31, 2020 is as shown below:				
Particulars	Change in Discount Rate		Change in salary increase	
	Increase by 0.5%	Decrease by 0.5%	Increase by 0.5%	Decrease by 0.5%
Impact on defined benefit obligation	9,42,544	10,62,573	10,60,205	9,43,483

l) Accounting for Taxes on income (AS-22):

Company has followed accounting standard AS 22 for determination of tax expense in the accounts. Tax provision for current tax is made for income tax, based on the tax liability computed, after considering tax allowances and exemptions. For deferred tax the relevant information is stated at note no. 6.1 to balance sheet.

m) Provisions, Contingent Liabilities and Contingent Assets (AS-29):

Provision is recognized in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent Liabilities and contingent assets are not recognized in the financial statements.

n) Foreign Currency Transactions (AS-11):

- Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction
- Monetary items denominated in foreign currency at the end of year are reported using the closing rate.
- Non monetary foreign currency items are carried at cost using the exchange rate at the date of transaction.
- Any Gain or Loss on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit & Loss except in case they relate to acquisition of fixed assets, they are adjusted to the carrying cost of such assets.

o) Segment (AS-17):

The Company is engaged in the manufacturing activities of Elevator parts and Electrical products. The Company has also started new business line of polishing, processing, designing and finishing of Stainless Steel Sheets. Segment Revenue, Segment Expenses, Segment Assets & Segment Liabilities have been identified to the segments on the basis of their relationship to the operating activities of the segment. The Revenue, Expenses, Assets & Liabilities which are not allocable to segments, have been included under "Unallocated Revenue, Expenses, Assets & Liabilities."

i. Primary segment:

Based on the following guiding principles given in the Accounting Standard-17 "Segment Reporting" issued by The Institute of Chartered Accountants of India, the Company's primary segments are Elevators, Electrical and Steel Polishing.

Revenue and Expenses have been accounted for based on the basis of their relationship to the operating activities of the segments.

Revenue and Expenses, which relates to the enterprise as a whole and are not allocable to the segments on a reasonable basis, have been included in under "Un-allocable Expenses & Revenue".

Assets and Liabilities, which relates to the enterprise as a whole and are not allocable to the segments on a reasonable basis, have been included in under "Un-allocable Assets / Liabilities".

ii. Segment revenue and results:

Description	Elevator		Electrical		Steel Polishing		Unallocated		Total	
	19-20	18-19	19-20	18-19	19-20	18-19	19-20	18-19	19-20	18-19
Segment Revenue										
a. External Sales	183671325	149350132	13921348	26081244	16399264	101051	0	0	213991937	175532426
b. Internal Segmental Sales	0	0	0	0	0	0	0	0	0	0
Sales	183671325	149350132	13921348	26081244	16399264	101051	0	0	213991937	175532426
Segment Result										
Profit before Interest and Taxes	69576425	72618049	6688843	11406079	-26933348	-1668801	-24878736	-64890245	24453185	17465081
Less: Interest expenses	133465	148472	0	0	3405781	493861	1873005	1434716	5412251	2077049
Add: Other Income	74510	51836	0	0	0	0	874078	22103	948588	73939
Add: Gain on sale of investment	0	0	0	0	0	0	0	138988	0	138988
Add: Interest Income	64603	0	0	0	0	0	82232	131091	146835	131091
Profit before Taxes	69582073	72521413	6688843	11406079	-30339129	-2162662	-25795431	-66032778	20136356	15732051
Current Tax	0	0	0	0	0	0	3361160	3238725	3361160	3238725
Deferred Tax	0	0	0	0	0	0	2532179	1904258	2532179	1904258
Provision for Taxes of earlier year	0	0	0	0	0	0	0	0	0	0
Net Profit After Taxes	69582073	72521413	6688843	11406079	-30339129	-2162662	-31688770	-71175761	14243017	10589068
Other Information:										
Segment Assets	55947745	56822677	5619351	7102681	102659722	86098476	26906293	25101648	191133111	175125482
Segment Liabilities	13376412	13940576	634954	280685	40497785	40135764	28613706	27036265	83122857	81393290
Capital Expenditure	0	0	0	0	14509381	72946282	476047	1661645	14985428	74607927
Depreciation	0	0	0	0	3914637	788152	1626025	1234766	5540662	2022918

Notes Forming Parts of Accounts for the Year 2019-20

Note:	3: Share Capital		
Sr. No	Particulars	As at 31-03-2020	As at 31-03-2019
	AUTHORIZED CAPITAL 6000000 (5000000) Equity Shares of Rs. 10/- each.	60000000.00	50000000.00
	ISSUED, SUBSCRIBED & PAID UP CAPITAL SHARE CAPITAL A/C 5261114 (4782838) Equity Shares of Rs. 10/- each.	52611140.00	47828380.00
	Total	52611140.00	47828380.00

Note:	3.1: Reconciliation of equity shares			
Particulars	As at 31-03-2020		As at 31-03-2019	
	Authorized Capital	Issued/paid up Capital	Authorized Capital	Issued/paid up Capital
Opening Balance of Number of Shares	5000000	4782838	4000000	1880447
Addition during the year	1000000	478276	1000000	2902391
Deduction During the year	0	0	0	0
Closing Balance of Number of Shares	6000000	5261114	5000000	4782838

Note:	3.2 - List of shareholder holding share more than 5 % of total shareholding			
Name	As at 31-03-2020		As at 31-03-2019	
	No. of Shares	% of Shares Holding	No. of Shares	% of Shares Holding
Amar C Doshi	1389275	26.41%	1262978	26.41%
Karan A Doshi	751207	14.28%	682916	14.28%
Monish A Doshi	731581	13.91%	665074	13.91%
Radhika R. Doshi	582513	11.07%	529558	11.07%
	3454576	65.66%	3140526	65.67%

Note:	3.3	The Authorized share capital stood at the year end to Rs. 6,00,00,000 divided into 60,00,000 equity shares of Rs. 10 each after increase of additional 10,00,000 equity shares of Rs 10/- each ranking pari passu in all the respect with the existing equity shares of the Company.
Note:	3.4	The company has issued and allotted 4,78,276 aggregate number of shares on 03-09-2019 as fully paid up by way of bonus shares in the ratio of 1 equity shares for every 10 existing equity shares by capitalising part of Securities Premium account.
Note:	3.5	The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.

Note: 4: Reserve & Surplus			
Sr. No	Particulars	As at 31-03-2020	As at 31-03-2019
1	Capital Reserve	0.00	0.00
2	Capital Redemption Reserve	0.00	0.00
3	Securities Premium reserve		
	Opening Balance (Balance brought forward from previous year)	35314743.07	7267304.23
	Add:- Shares issued for premium	0.00	35196000.00
	Less : Bonus Shares	4782760.00	7148561.16
	Closing Balance	30531983.07	35314743.07
4	Debenture Redemption Reserve	0.00	0.00
5	Revaluation Reserve	0.00	0.00
6	Shares Option Outstanding Account	0.00	0.00
	Closing Balance	30531983.07	35314743.07

Sr. No	Particulars	As at 31-03-2020	As at 31-03-2019
	Profit & Loss Account		
	Opening Balance (Balance brought forward from previous year)	10589068.42	9305348.84
	Less: Bonus Shares	0.00	9305348.84
	Add: Refund FY 17-18	35045.00	0.00
	Add: Profit for the period	14243017.08	10589068.42
	Closing Balance	24867130.50	10589068.42
	Total	55399113.57	45903811.49

Note: 5: Long Term Borrowings			
Sr. No	Particulars	As at 31-03-2020	As at 31-03-2019
	<u>Term Loan Secured</u>		
	From Bank		
i)	HDFC MACHINERY LOAN - 82447535	0.00	1717242.76
ii)	HDFC CONSTRUCTION T/L- 83558395	6073573.45	8031389.64
iii)	HDFC MACHINERY LOAN - 83610279	7639969.47	7808111.86
iv)	HDFC MACHINERY LOAN - 83222410	11501472.84	15998440.56
vi)	HDFC BANK - CAR LOAN 58296181	900470.86	1257657.38
	<u>Loan and Advances UnSecured From Directors</u>		
	AMARBHAI C DOSHI	258624.00	149156.00
	KARAN A DOSHI	237195.00	474140.00
	MONISH A DOSHI	59417.00	61354.00
	Total	26670722.62	35497492.20

Note: 5.1 i) The Machinery Term Loan (Account No.- 82447535) has been prepaid during the year.

5.1 ii) The Machinery Term Loan (Account No. - 83558395) of Rs. 60,73,573.45 is repayable in 60 monthly installments alongwith interest @ 9.95% p.a.

5.1 iii) The Machinery Term Loan (Account No. - 83610279) of Rs. 76,39,969.47 is repayable in 60 monthly installments alongwith interest @ 9.95% p.a.

5.1 iv) The Machinery Term Loan (Account No. - 83222410) of Rs. 1,15,01,472.84 is repayable in 60 monthly installments alongwith interest @ 9.95% p.a.

5.1 v) The company has availed a non-fund credit limit as Letter of credit facility of Rs. 1.35 crore for purchase of Raw material, which is not matured as on 31-03-2020.

All the above 5.1 i) to v) borrowings are secured primarily by a) personal guarantee of promoter directors, associate firms and their partners b) factory Building Plot No. B-65 and 66 at Udhna, Surat owned by associate concerns and Factory Building Block No. 251, Mangrol, Kosamba owned by company c) Fixed Deposit for Letter of credit, d) Other Current Asset for Letter of Credit, e) Stock and Debtors, f) Plant and Machinery @ 25%.

5.1 vi) The Car Loan (Account No. -58296181) of Rs. 9,00,470.86 is secured by hypothecation of vehicle. The loan is repayable in 60 monthly installments alongwith interest @ 9% p.a.

Note: 6: Deffered Tax Liability			
Sr. No	Particulars	As at 31-03-2020	As at 31-03-2019
	DEFERRED TAX LIABILITIES	4991155.39	2458976.31
	Total	4991155.39	2458976.31

Note: 6.1 As required by the Accounting Standard AS 22 Accounting for Taxes on Income issued by Institute of Chartered Accountants of India, the relevant details are as under.

a) i) The opening balance of DTL is Rs. 2458976.31

ii) During the year DTL of Rs. 25,60,848 is recognised due to originating Timing diff between accounting and Tax Depreciation. The DTA of Rs. 57,337.42 is recognised as opening difference and Rs. 28,668.92 is reversed as difference between period over which Preliminary expenses is written off in books as compared to period over which it is claimed u/s 35D under Income Tax Act,1961.

iii) Net deferred Tax liability as on 31-03-2020 after set off of DTA of Rs. 86,006.34 works out to Rs. 49,91,155.39

b) Net DTL of Rs 49,91,155.39 comprises of the following items.

DTL Rs. 50,77,161.73 representing difference between accounting and tax depreciation.

DTA Rs. 86006.34 represents difference between preliminary expense written off in Books and as claimed u/s 35D of the Income Tax Act.

Note: 7: Short Term Borrowings			
Sr. No	Particulars	As at 31-03-2020	As at 31-03-2019
	<u>Secured</u> HDFC BANK	16516086.32	9023763.49
	Total	16516086.32	9023763.49

Note: 7.1 The company has been sanctioned a CC limit of Rs. 3.5 crores from HDFC bank and is secured primarily by a) personal guarantee of promoter, directors, associate firms and their partners b) factory Building Plot No. B-65 and 66 at Udhna, Surat owned by associate concerns and Factory Building Block No. 251, Mangrol, Kosamba owned by company c) Fixed Deposit for Letter of credit , d) Other Current Asset for Letter of Credit, e) Stock and Debtors, f) Plant and Machinery @ 25%.

Note: 8: Trades Payable			
Sr. No	Particulars	As at 31-03-2020	As at 31-03-2019
	Total outstanding dues of Micro and small Enterprise	5835947.00	8431817.00
	Total outstanding dues of creditors other than Micro and small Enterprise	9694704.00	7659815.00
	Total	15530651.00	16091632.00

Note: 8.1: For FY 2018-19 and FY 2019-20, dues to Micro and Small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. (Refer Notes on Accounts 34)

Note:		9: Other Current Liabilities	
Sr. No	Particulars	As at 31-03-2020	As at 31-03-2019
	Employee Related		
	O/S SALARY EXPENSE	982299.00	1040008.00
	DEFINED BENEFIT OBLIGATION (GRATUITY)	500987.00	1179549.00
	SATISH S SINGH - SARAFI	0.00	2040.00
	LEAVE SALARY PAYABLE A/C	125962.00	97149.00
	O/S PROFESSIONAL TAX	14230.00	14790.00
	BONUS PAYABLE	256121.00	354911.00
	O/S PROVIDAND FUND A/C	212330.00	180805.00
	O/S ESI EXPENSE	35869.00	63805.00
	Other Payable		
	TDS PAYABLE A/C	283413.00	231323.00
	C - FORM DEPOSITE FUND	2323.00	67355.00
	C FORM DEPOSIT 2015-16	0.00	27179.00
	C FORM DEPOSIT 2017-18	272066.00	277006.00
	C FORM DEPOSIT 2016-17	205331.00	205331.00
	SGST PAYABLE	128546.00	0.00
	CGST PAYABLE	128546.00	0.00
	GST CREDIT 19-20	623057.28	0.00
	IGST PAYABLE	1744242.00	1275833.73
	Term Loan Secured (Current Part)		
	HDFC MACHINERY LOAN - 82447535	0.00	667012.60
	HDFC BANK - CAR LOAN 58296181	345472.58	315842.88
	HDFC CONSTRUCTION T/L- 83558395	1882518.71	1668998.44
	HDFC MACHINERY LOAN - 83610279	2248396.39	1536621.43
	HDFC MACHINERY LOAN - 83222410	4410216.82	3972280.30
	Advance from customer	5012315.00	5143585.65
	Total	19414241.78	18321426.03

Note:		10: Short Term Provisions	
Sr. No	Particulars	As at 31-03-2020	As at 31-03-2019
	Others		
	TAX PAYABLE	0.00	0.00
	Total	0.00	0.00

Note	11: Fixed Assets										
Sr. No.	Particulars	Gross Block				Depreciation				Net Block	
		Value at the beginning as on 01/04/2019	Addition during the year	Deduction during the year	Value at the end as on 31/03/2020	Value at the beginning as on 01/04/2019	Addition during the year	Deduction during the year	Value at the end as on 31/03/2020	WDV as on 31.03.2020	WDV as on 31.03.2019
I	Tangible Assets										
	LAND	5295250.00	0.00	0.00	5295250.00	0.00	0.00	0.00	0.00	5295250.00	5295250.00
	FACTORY BUILDING	30047779.88	920792.00	0.00	30968571.88	251387.00	972004.00	0.00	1223391.00	29745180.88	29796392.88
	COMPUTER	462528.00	85045.76	0.00	547573.76	131094.00	175748.00	0.00	306842.00	240731.76	331434.00
	PRINTER	12627.12	22194.92	0.00	34822.04	404.00	10349.00	0.00	10753.00	24069.04	12223.12
	ELECTRICAL INSTALLATION	3966278.17	328508.22	0.00	4294786.39	95974.00	411922.00	0.00	507896.00	3786890.39	3870304.17
	FURNITURE & FITTINGS	171356.00	148490.00	0.00	319846.00	75241.00	20559.00	0.00	95800.00	224046.00	96115.00
	MOTOR CAR	2402759.00	0.00	0.00	2402759.00	214541.00	285317.00	0.00	499858.00	1902901.00	2188218.00
	VEHICLE	1714362.00	0.00	0.00	1714362.00	371757.00	151249.00	0.00	523006.00	1191356.00	1342605.00
	OFFICE EQUIPMENT	34737.00	307660.16	0.00	342397.16	7331.00	34051.00	0.00	41382.00	301015.16	27406.00
	PLANT AND MACHINERY	45766112.40	9521317.40	0.00	55287429.80	1929193.00	3384660.00	0.00	5313853.00	49973576.80	43836919.40
	SUB TOTAL (A)	89873789.57	11334008.46	0.00	101207798.03	3076922.00	5445859.00	0.00	8522781.00	92685017.03	86796867.57
II	Intangible Assets										
	SOFTWARE	448810.00	77000.00	0.00	525810.00	183337.00	94803.00	0.00	278140.00	247670.00	265473.00
	SUB TOTAL (B)	448810.00	77000.00	0.00	525810.00	183337.00	94803.00	0.00	278140.00	247670.00	265473.00
III	Capital Work-in-progress										
	Building Under Construction	0.00	3574419.00	0.00	3574419.00	0.00	0.00	0.00	0.00	3574419.00	0.00
	SUB TOTAL (C)	0.00	3574419.00	0.00	3574419.00	0.00	0.00	0.00	0.00	3574419.00	0.00
IV	Intangible Assets Under Development										
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	SUB TOTAL (D)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total [A + B + C + D] (Current Year)	90322599.57	14985427.46	0.00	105308027.03	3260259.00	5540662.00	0.00	8800921.00	96507106.03	87062340.57
	(Previous Year)	15739672.93	74607926.64	25000.00	90322599.57	1261091.00	2022918.00	23750.00	3260259.00	87062340.57	

Note: 12: Long Term Loans & Advances			
Sr. No	Particulars	As at 31-03-2020	As at 31-03-2019
	GRATUITY SCHEME CURRENT A/C DEPOSIT	15000.00	0.00
	DEPOSIT - NEWTURN (CAR LIFTS)	300000.00	500000.00
	DGVCL DEPOSIT A/C KOSAMBA	1977557.30	2098834.00
	GUJARAT GAS LIMITED DEPOSIT	71880.00	50250.00
	NATIONAL STOCK EXCHANGE OF INDIA LIMITED - DEPOSIT	0.00	477660.00
	AKSHAR INDUSTRIAL GASES-DEPOSITE	10000.00	10000.00
	Total	2374437.30	3136744.00

Note: 13: Non Current Investment			
Sr. No	Particulars	As at 31-03-2020	As at 31-03-2019
	FIX DEPOSIT IN LAXMI VILAS BANK	838398.97	0.00
	ACCURAL INTEREST- LAXMI VILAS BANK	121124.26	0.00
	PLANNED ASSETS	1258286.00	410984.00
	Total	2217809.23	410984.00

Note: 14: Inventories			
Sr. No	Particulars	As at 31-03-2020	As at 31-03-2019
	RAW MATERIAL	33000849.00	30081127.00
	READY GOODS	17655753.36	11874272.00
	SEMI PROCESSED GOODS	4494385.64	3652591.00
	PACKING MATERIAL	502412.00	342130.00
	Total	55653400.00	45950120.00

Note: 15: Trade Recievables			
Sr. No	Particulars	As at 31-03-2020	As at 31-03-2019
	Outstanding for more than six months		
	a) Unsecured, Considered Good	2507381.00	2636444.50
	Others		
	a) Unsecured, Considered Good	22599030.75	15796390.25
	Total	25106411.75	18432834.75

Note: 15.1: Trade Receivables shown above is treated as Current Asset as we are informed that the same are likely to be realized within one year from the reporting date.

Note: 16: Cash and Bank Balances			
Sr. No	Particulars	As at 31-03-2020	As at 31-03-2019
	Cash and Cash Equivalent		
1	Cash-in-Hand		
	CASH	353355.00	7740.00
		353355.00	7740.00
2	a) Bank Balance with Scheduled Bank		
	Current Account		
	INDIAN BANK	28884.00	18687.00
	b) Bank Balance with Other Bank		
	Current Account		

	HDFC BANK ESCREW IPO A/C	0.00	74.00
	HDFC BANK ESCREW 50100238216264	0.00	454204.22
	c) Fixed Deposit		
	HDFC LC DEPOSIT	1067887.00	3359500.00
		1096771.00	3832465.22
	Total	1450126.00	3840205.22

Note: 16.1: LC Deposit -Rs. 10,67,887 shown above is treated as Cash and Bank Balance as we are informed that the same is likely to be realized within 3 months from the reporting date.

Note:	17: Short Terms Loans and Advances		
Sr. No	Particulars	As at 31-03-2020	As at 31-03-2019
	To employees		
	Unsecured, Considered good	495365.00	417581.00
	Total	495365.00	417581.00

Note: 17.1: Short term Loans and Advances shown above is treated as Current Asset as we are informed that the same are likely to be realized within one year from the reporting date.

Note:	18: Other Current Assets		
Sr. No	Particulars	As at 31-03-2020	As at 31-03-2019
	MEIS SCRIPT PURCHASE	198151.06	0.00
	KORMAS ELECTIRIKLI MOTOR SAN VE TIC	1063035.00	537687.20
	LOGO MY MART	191750.00	0.00
	NICKEL IMPEX LLP	4338813.00	0.00
	PULSAR ENTERPRISES PVT LTD	183785.00	0.00
	SHARP ENGINEERS	60180.00	0.00
	SANJAY PATIL-TEMPOWALA	768.00	0.00
	AVADH INFRATECH	12000.00	0.00
	COUNTRYWIDE LOGISTICS INDIA PVT LTD	11287.00	0.00
	MAA BHAGWATI ENGINEERS AND CONTRACTOR	44500.00	0.00
	PRAVIN ROAD LINE	334.00	0.00
	RAJDHANI TRANSPORT	3147.00	0.00
	SAHARA TRANSPORT	600.00	0.00
	GANESH ROAD LINE	2174.00	0.00
	R KRISHNA INTERNATIONAL	0.00	30629.86
	FOSHAN JILI JIA MACHINERY CO.,LTD.	0.00	0.00
	IGST CREDIT AGAINST EXPORT	0.00	661781.00
	JIO DIGITAL LIFE	0.00	2553.00
	NATIONAL SECURITIES DEPOSITORY LIMITED	4000.00	25600.00
	PRAKASH PARCEL SERVICE LIMITED	27150.00	0.00
	GST CREDIT	0.00	115422.06
	SHREE DEVNARAYAN CANTEEN	20000.00	0.00
	TINY ERP PVT LTD	53421.00	0.00
	VIRGO PUBLICATIONS	10000.00	10000.00
	IN PUT @ CGST	0.00	937986.68
	IN PUT @ SGST	0.00	665619.68
	CUSTOM DUTY PAYABLE A/C	0.00	90844.96
	PRAKASH S SHAH	0.00	10000.00

AMBUJA CEMENT LIMITED	0.00	4000.00
CONTAXIVE	0.00	34000.00
GRETEX CORPORATE SERVICE PVT LTD	0.00	120510.00
IMROS FABRICATION	0.00	70000.00
NATIONAL STOCK EXCHANGE OF INDIA LTD	1500.00	3500.00
RMS INDUSTRIES	0.00	433650.00
SARAS MICRON TOOLS (P) Ltd	0.00	27555.00
XIANG TAN LONGSHING TECHNOLOGY TRADING CO. LTD	0.00	5395361.00
BAHRU STAINLESS SDN BHD	0.00	2938177.60
CIXI CITY HONGFENG ELEVATOR FITTINGS CO. LTD	0.00	321728.40
C P MEHTA AND SONS INTERNATIONAL	0.00	1569.00
DARSHNA STATIONERY	0.00	445.00
PREM ELECTRICAL INDUSTRIES	0.00	3898.00
SUZHOU MONADRIVE EQUIPMENT CO. LTD	49759.90	271392.90
CENTRAL DEPOSITORY SERVICES (INDIA)LIMITED	3188.00	1101.00
IPO EXPENSE FUND A/C	595351.41	1190703.41
IT REFUND	411476.00	903160.00
PROJECT ADVANCE INTEREST EXPENSE	0.00	146374.00
ADVANCE SALARY	4300.00	0.00
ACCURAL INTEREST- LC	37785.00	18042.00
FIX DEPOSIT IN LAXMI VILAS BANK	0.00	838398.97
ACCURAL INTEREST- LAXMI VILAS BANK	0.00	62981.26
Total	7328455.37	15874671.98

Note: 18.1: The above capital advances and Balances with Government Authorities shown is treated as Current Asset as we are informed that the same are likely to be realized and adjusted within one year from the reporting date.

Note:	19: Revenue from Operations		
Sr. No	Particulars	Year ended 31-03-2020	Year ended 31-03-2019
	Sales of Product SALES A/C - TOTAL	213991936.83	175532426.16
	Details of Sales		
	Gross 251351605 (Pre.Yr. 206289651)		
	Duties 37359668 (Pre.Yr. 30747025)		
	Net 213991937 (Pre. Yr. 175542626)		
	Total	213991936.83	175532426.16

Productwise Sales Details

Particulars	Value	Value
1. Manufacturing		
(A) Elevator parts & Accessories :-		
Elevator Doors	96220794.00	79349206.00
Elevator Kits	23670940.00	12242159.00
Elevators Cabin	37149114.00	38257518.00
Other	673620.00	1393561.00
Total	157714468.00	131242444.00
(B) Steel polishing and finishing		
Job Work on SS Sheets	2580186.00	101050.00
SS Sheets	13407755.00	0.00
Total	15987941.00	101050.00
(C) Electrical Equipments and Accessories :-		
Busbar	2535067.00	3365486.00
MCB D.B.	1003692.00	1679656.00
Boxes	4673094.00	15557627.00
Switch & Accessories	7314148.00	4552708.00
Z Perline	68374.00	1437949.00
Total	15594375.00	26593426.00
Manufacturing Grand Total (A+B+C)	189296784.00	157936920.00
2. Trading		
Traction Machine	16436203.00	10103622.00
Elevators Kit Parts	4025468.00	3833812.00
DBG	4218682.00	2119150.00
Boom Barrier	0.00	251000.00
Sensor	14800.00	407000.00
Others	0.00	880922.00
Trading Grand Total	24695153.00	17595506.00
Total	213991937.00	175532426.00

Note: 20: Other Income			
Sr. No	Particulars	Year ended 31-03-2020	Year ended 31-03-2019
	INTEREST - SARAFI	75466.00	50356.00
	INTEREST ON BANK FDR	146835.00	80735.00
	EXPORT DRAWBACK	35945.00	0.00
	MEIS SCRIPT BENEFIT	13808.32	0.00
	MISCELLANEOUS INCOME	18409.36	22103.40
	COMPENSATION OF CANCELED ORDER	38565.00	51836.00
	SHORT TERM GAIN ON SALE OF LIQUID FUND	0.00	138988.00
	NET ACTUARIAL GAIN	678562.00	0.00
	RETURN ON PLANNED ASSET	87832.00	0.00
	Total	1095422.68	344018.40

Note: 21: Cost of Material Consumed			
Sr. No	Particulars	Year ended 31-03-2020	Year ended 31-03-2019
	<u>Opening Stock</u>		
	OPENING STOCK PACKING MATERIAL	342130.00	390888.00
	OPENING STOCK RAW MATERIAL	23005178.00	15113852.00
	OPENING STOCK TRADING GOODS - RAW MATERIAL	7075949.00	3804599.00
	<u>Add: Purchases</u>		
	PACKING MATERIAL PURCHASE	4585247.84	4445275.94
	RAW MATERIAL	143686122.08	119445528.28
	<u>Less: Closing Stock</u>		
	CLOSING STOCK PACKING MATERIAL	502412.00	342130.00
	CLOSING STOCK RAW MATERIAL	24396950.00	23005178.00
	CLOSING STOCK TRADING GOODS - RAW MATERIAL	8603899.00	7075949.00
		145191365.92	112776886.22

Details of Consumption	Opening	Purchase	Closing	Consumption
M.S.Bar/patti/S.S.Sheet/CRC Sheet				
FY 19-20	8841091.00	71378145.02	10807018.00	69412218.02
FY 18-19	5827408.00	66330789.76	8841091.00	63317106.76
Raw Material				
FY 19-20	14365566.00	52711325.63	15677478.00	51399413.63
FY 18-19	9035044.00	26499581.92	14365566.00	21169059.92
Packing Material				
FY 19-20	342130.00	4585247.84	502412.00	4424965.84
FY 18-19	390888.00	4445275.94	342130.00	4494033.94
Other Materials				
FY 19-20	6874470.00	19596651.43	6516353.00	19954768.43
FY 18-19	4055999.00	26615156.60	6874470.00	23796685.60

TOTAL	30423257.00	148271369.92	33503261.00	145191365.92
	19309339.00	123890804.22	30423257.00	112776886.22
Details of Closing Stock	Year ended 31-03-2020	Year ended 31-03-2019		
Raw Materials	24396950.00	23005178.00		
Raw Materials Trading Goods	8603899.00	7075949.00		
Packing Materials	502412.00	342130.00		
Total	33503261.00	30423257.00		

Note: 22: Changes in Inventories			
Sr. No	Particulars	Year ended 31-03-2020	Year ended 31-03-2019
	<u>Opening Stock</u>		
	SEMI PROCESSED GOODS	3652591.00	3508858.00
	FINISHED GOODS	11874272.00	14091582.00
	Less:- TRADING GOODS	0.00	3804599.00
	<u>Less: Closing Stock</u>		
	SEMI PROCESSED GOODS	4494385.64	3652591.00
	FINISHED GOODS	17655753.36	11874272.00
	Less:- TRADING GOODS	0.00	0.00
		(6623276.00)	(1731022.00)
	Total	(6623276.00)	(1731022.00)
	Details of Closing Stock		
	Semi Finished Goods	4494385.64	3652591.00
	Ready Goods	17655753.36	11874272.00
		22150139.00	15526863.00

Note: 23: Employment Benefit Expenses			
Sr. No	Particulars	Year ended 31-03-2020	Year ended 31-03-2019
	DIRECTOR SALARY	3465000.00	4140000.00
	HRA DIRECTOR	440000.00	0.00
	EMPLOYMENT POLICY PREMIUM	884751.67	886896.00
	INCENTIVE AND ALLOWANCE EXPENSE	0.00	2666167.00
	LEAVE SALARY EXPENSE	127269.00	349627.00
	STAFF SALARY EXPENSE	7958040.00	6729555.00
	WORKER SALARY EXPENSE	8706972.00	6001023.00
	BONUS EXPENSE	370789.00	1051086.00
	EMPLOYEE WELFARE EXP	137965.00	116644.00
	ESI EXPENSE	398079.00	496045.00
	GRATUITY EXPENSE	0.00	767019.00
	GUJARAT LABOUR WELFARE FUND	2052.00	1944.00
	PROVIDENT FUND EXPENSE	1142407.00	832926.00
	SPECIAL ALLOWANCE DIRECTOR	1015000.00	780000.00
	Total	24648324.67	24818932.00

Note: 24: Financial Cost			
Sr. No	Particulars	Year ended 31-03-2020	Year ended 31-03-2019
	BANK CHARGES	167050.57	220663.70
	INTEREST EXPENSE - BANK	5255071.06	1779297.87
	INTEREST EXPENSES - DIRECTOR	133760.00	144466.00
	INTEREST EXPENSES - OTHER	23420.00	16792.00
	INTEREST EXPENSE - INCOME TAX	0.00	134356.00
	INTEREST ON TDS	10177.00	2137.00
	LOAN PROCESSING EXPENSE	294850.00	565011.00
	Total	5884328.63	2862723.57

Note: 25: Depreciation & Amortised Cost			
Sr. No	Particulars	Year ended 31-03-2020	Year ended 31-03-2019
	FACTORY BUILDING	972004.00	234297.00
	FURNITURE	20559.00	9795.00
	ELECTRICAL INSTALLATIONS	411922.00	95974.00
	PLANT & MACHINERY	3384660.00	1122391.00
	SOFTWARE	94803.00	89743.00
	COMPUTER	186097.00	103969.00
	VEHICLE	436566.00	361642.00
	OFFICE EQUIPMENT	34051.00	5107.00
	Total	5540662.00	2022918.00

Note: 26: Other Expenses			
Sr. No	Particulars	Year ended 31-03-2020	Year ended 31-03-2019
	Manufacturing Expenses		
	CUSTOMS & CHA CHARGES	975151.80	355689.31
	DAI MAINTANANCE	297751.50	388959.88
	ELECTRIC EXPENSE – DGVCL	3269095.70	1661118.00
	FACTORY INSURANCE EXPENSE	26312.00	45619.00
	FACTORY MAINTANANCE EXPENSE	786413.24	814126.23
	FRIGHT IN - TRANSPORT EXPENSE	2807738.12	1644833.35
	LOADING & UN LOADING EXPENCE	38835.00	92700.00
	MACHINERY MAINTENANCE & PARTS PURCHASE	682412.14	1371872.75
	PACKING EXPENSE	324060.83	1208988.00
	PLATTING EXPENSE	87498.54	129532.60
	PROCESSING EXPENSE	1013187.10	2388665.69
	RAW MATERIAL REPARING & MAINTENANCE	17640.00	0.00
	SAFETY EXP	422002.01	492104.00
	SERVICE TAX EXP	0.00	83301.00
	TESTING EXP	23780.00	12400.00
	TOOLS EXPENSE	172435.48	607176.23
	TOOLS PURCHASE	133469.42	74225.54
	Administrative and General Expenses		
	GRATUITY POLICY ADMIN CHARGES	37725.00	3411.00
	BAD-DEBT A/C	4699.00	22058.00
	ADVERTISEMENT EXPENSE	19080.00	88443.00
	COMPUTER EXPENSE	221679.57	237954.00
	CONSULTING FEES & LEGAL EXPENSE	1806834.00	1213668.00
	EVENT CELEBRATION EXPENSE	84097.00	73434.95
	FREIGHT OUT- TRANSPORT EXPENSE	425756.42	129499.00
	MISC. EXPENSE	10831.85	7066.35
	EXPENSE AND TAX WRITE OFF	0.00	32038.00
	COMMISSION EXPENSE	1182899.00	836921.00
	OFFICE EXPENSE	381673.30	314282.50
	REFRESHMENT EXPENSE	117913.21	352776.00
	POST & COURIER EXPENSE	107693.91	145825.25
	PROFESSIONAL TAX	2391.00	4110.00
	ROC FEE EXPENSE	142000.00	147549.00
	RENT EXPENSE	144000.00	144000.00
	STATIONARY EXPENSE	124816.70	86370.82
	TELEPHONE EXPENSE	97820.06	94851.69
	TRAVELLING EXPENSE	319205.00	640950.00
	VEHICLE EXPENSE	254194.00	205306.15
	FOOD EXPENSE	624841.00	0.00
	MUNICIPALITY TAX	193891.00	200816.00
	SECURITY EXPENSE	99600.00	158150.00
	REGISTRATION AND CERTIFICATION EXPENSE	32324.00	25549.98

SALES PROMOTION EXPENSE	83500.00	59457.40
IPO EXPENSE	595352.00	1777727.00
LEGAL EXPENSE	220608.00	263270.00
FUEL EXPENSE	359473.00	385724.00
MEMBERSHIP FEE EXPENSE	13846.61	120570.00
INSURANCE EXP	234983.10	21071.00
FOREX LOSS	158673.46	145194.10
EXHIBITION EXPENSE	801760.00	84600.00
GST EXPENSE	327654.06	0.00
Total	20309598.13	19393955.77

Note:	27	Payment to auditors for auditing Rs. 90000, for Taxation Services Rs. 28000 and for other Services Rs. 47000 is included in legal expense.
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Note:	28	Expenditure in foreign currency (INR)	0.00	0.00
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Note:	29	Value of Imports on C.I.F basis (INR)		
		1. Raw material	33146586.22	10585184.00
		2. Components and Spare Parts	157068.30	0.00
		3. Capital Goods	6275990.69	28133209.00

Note:	30	Earnings in foreign currency (INR)		
		1. Export of goods calculated on FOB Basis	13258.70	1809387.00
		2. Royalty, Know-how, professional and consultancy fees	0.00	0.00
		3. Interest and Dividend	0.00	0.00
		4. Other income, indicating the nature	0.00	0.00

Note:	31	Consumption of imported raw materials (INR)	33413829.00	9068957.00
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Note:	32	Total Weighted average number of shares outstanding for calculation of EPS	5261114	4727319
		Net profit after tax from continuing operations	14243017.08	10589068.42
		EPS	2.71	2.24

33. Related Party Disclosure (AS-18):

In compliance to AS-18, Disclosures of transaction with related parties is given as under.

(i) Name of related parties and description of relationship.

Sr. No.	Description of Relationship	Name of Related Parties
1.	Key Management Personnel	Mr. Amar Doshi (Managing Director) Mr. Karan Doshi (Whole-time Director) Mr. Monish Doshi (Director & CFO) Mr. Ankitkumar Tank (Company Secretary)
2.	Relatives of Key Management Personnel	Mrs. Radhika Doshi (Spouse of Mr. Amar Doshi) Mrs. Toral Doshi (Spouse of Mr. Karan Doshi) Mrs. Bhoomi Doshi (Spouse of Mr. Monish Doshi)

		Amar Doshi – HUF (HUF of Mr. Amar Doshi) Monish Doshi – HUF (HUF of Mr. Monish Doshi) Karan Doshi – HUF (HUF of Mr. Karan Doshi) Mr. Chinubhai Doshi (Father of Mr. Amar Doshi)
3.	Associates	Moti Industries (Director is partner in above firm) Super Coating (Relative is Partner)

(ii) Transactions during the year with related parties.

(Amount in Rs.)

Sr. No.	Nature of transaction	Associates / Key Management Personnel including Relatives F.Y. 2019-20	Associates / Key Management Personnel including Relatives F.Y. 2018-19
1.	Payment of Interest on Loan	Mr. Amar Doshi – 71825 Mr. Karan Doshi - 55588 Mr. Monish Doshi - 6347	Mr. Amar Doshi - 63592 Mr. Karan Doshi - 55721 Mr. Monish Doshi - 25153
2.	Payment of Salary to Director/CFO/CS	Mr. Amar Doshi - 2640000 Mr. Karan Doshi - 2280000 Mr. Monish Doshi – 2280000 Mr. Ankitkumar Tank – 364713	Mr. Amar Doshi - 2640000 Mr. Karan Doshi - 2280000 Mr. Monish Doshi - 2309750 Mr. Ankitkumar Tank - 338150
3.	Payment of Rent expenses	Moti Industries - 124000	Moti Industries - 120000
4.	Payment of Professional Fees	Mr. Chinubhai Doshi - 540000	Mr. Chinubhai Doshi - 90000
5.	Payment of Job Work	-	Super Coating - 781397

34. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

Particulars	As at	
	31st March, 2020	31st March, 2019
Principal amount remaining unpaid to any supplier as at the end of the accounting year	58,35,947	-
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
The amount of interest due and payable for the year	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

For FY 2018-19, FY 2019-20 dues to Micro and Small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

35. Other:

- (i) Investment shown in the balance sheet is long term in nature.
- (ii) In the opinion of the company the current assets loans & advances are approximately of the value stated if realized in the ordinary course of business.
- (iii) Figures for the previous year as well as current year have been regrouped wherever necessary.

for P. J. DESAI & CO
Chartered Accountants

CA PALLAV J DESAI
Partner
M. No. 039868
FRN No. 102330W

Date: 30/06/2020
Place: Surat

AARON INDUSTRIES LIMITED

(CIN: L31908GJ2013PLC077306)

Registered office : B-65 & 66, Jawahar Road No. 4, Udhog Nagar, Udhana, Surat – 394210, Gujarat

Email: info1@aaronindustries.net; website: www.aaronindustries.net, Phone: 0261-2278410

ATTENDANCE SLIP

Please fill attendance slip and hand it over at the entrance of the meeting hall
(Joint shareholders may obtain additional slip at the venue of the meeting)

Folio No.	
DP ID	
Client ID	
No. of Shares	

I/We hereby record my/our presence at the 7th Annual General Meeting of the Company held on Thursday, 20th August, 2020 at 10:30 a.m. at B-65 & 66, Jawahar Road No. 4, Udhog Nagar, Udhana, Surat – 394210, Gujarat.

Name of the Member Signature

Name of the Proxy holder Signature

AARON INDUSTRIES LIMITED

(CIN: L31908GJ2013PLC077306)

Registered office : B-65 & 66, Jawahar Road No. 4, Udhog Nagar, Udhana, Surat – 394210, Gujarat

Email: info1@aaronindustries.net; website: www.aaronindustries.net, Phone: 0261-2278410

PROXY FORM

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

Name of Member(s):
Registered Address:
E-Mail Id::
Folio No/Client Id/DP ID:

I/We, being the member(s) of Aaron Industries Limited holding _____ shares of, hereby appoint:

1	Name:	
	Address:	
	E-mail Id:	
	Signature:	or failing him/her;

2	Name:	
	Address:	
	E-mail Id:	
	Signature:	or failing him/her;

3	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 7th Annual General Meeting held on Thursday, 20th August, 2020 at 10:30 a.m. at the Registered Office of the Company at B-65 & 66, Jawahar Road No. 4, Udhog Nagar, Udhana, Surat – 394210, Gujarat and at any adjournment thereof in respect of such resolutions as are indicated below:

=====✂=====✂=====

Sr. No.	Description of Resolutions	Type of Resolution (Ordinary /Special)	For*	Against*
1	Consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31 st March, 2020 together with the Reports of the Board of Directors and the Auditors thereon.			
2	Declaration of Dividend on Equity shares for Financial year ended 31 st March, 2020.			
3	Appointment of Mr. Monish Doshi (DIN: 06690246), who retires by rotation, and being eligible, seeks re-appointment.			
4	Increase in the Authorized Share Capital of the Company and consequential alteration to Clause V of the Memorandum of Association of the Company			
5	Issue of Bonus Shares			

Signed this _____ day of _____ 2020.

Signature of the Shareholder _____

Signature of Proxy Holder(s) _____

Affix Revenue Stamp

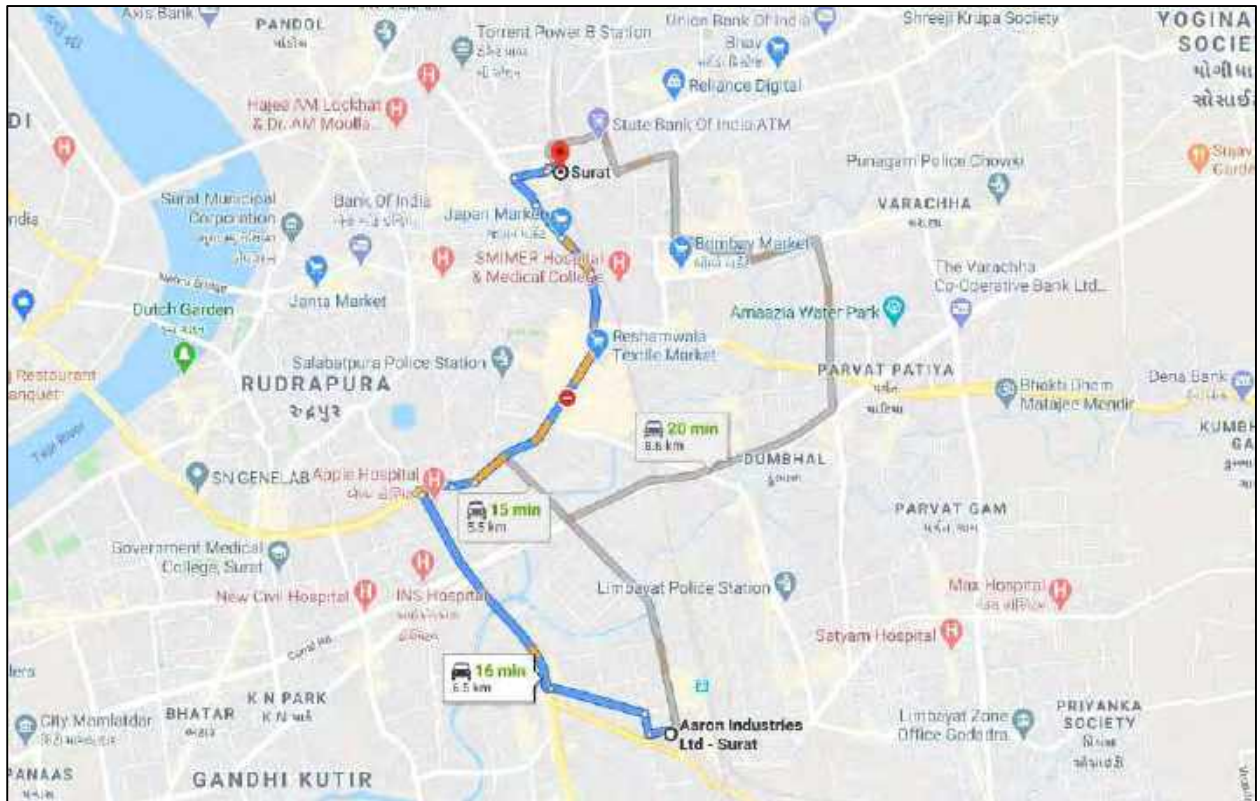
Notes:

1. The proxy form duly stamped, completed and signed must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding of the aforesaid meeting. The Proxy need not be a member of the Company.
2. A Proxy need not be a member of the Company.
3. Appointing a proxy does not prevent a member from attending the meeting in person if he / she so wishes.
4. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.
5. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.
6. The holders of the Proxy shall be entitled to vote either for or against the above mentioned resolutions.
7. *It is optional to put (v) in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Route Map - AGM Venue:

AARON INDUSTRIES LIMITED

B-65 & 66, Jawahar Road No. 4,
Udhyog Nagar, Udhana,
Surat – 394210, Gujarat



BLOOD DONATION CAMP

We at Aaron believe in taking necessary towards welfare of people around us. From last 4 years, we have been organizing Blood Donation camp at our unit , where all the employees and their family members can contribute to the cause. Every year we have seen increase in participants which elevates our energy level to organize such activities every year.



TRAINING & KNOWLEDGE SHARING

It is very important for everyone to keep himself and his team into a continuous state of learning. Keeping team updated with new concepts and teaching new areas which would help them cope up with current challenges. At Aaron, we organize such trainings so our employees can keep learning new things.





Aaron Industries Limited

B-65 & 66, Jawahar Road No. 4, Udhog Nagar,
Udhna,
Surat - 394210, Gujarat
India

Email:- info1@aaronindustries.net

www.aaronindustries.net