



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Srikrishna Naik
Mrs. Meena Bhushan Kerur
Mr. Suryanarayana Murthy Krovi
Mr. Ramana Naik Bhukya Pedu

Chairman & Managing Director
Non Executive Director
Independent Director
Independent Director

CHIEF FINANCIAL OFFICER

Mr. Janardhan Mandala

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Manorama Maroo
(resigned w.e.f 29.06.2020)

AUDIT COMMITTEE

Mr. Ramana Naik Bhukya Pedu
Mr. Suryanarayana Murthy Krovi
Mrs. Meena Bhushan Kerur

STATUTORY AUDITORS

M/s. L. S. Reddy & Associates
Chartered Accountants

NOMINATION & REMUNERATION COMMITTEE

Mr. Ramana Naik Bhukya Pedu
Mr. Suryanarayana Murthy Krovi
Mrs. Meena Bhushan Kerur

REGISTERED OFFICE ADDRESS

8-2-596/5/B/1/A, Road No.10
Banjara Hills, Hyderabad-500 034, T.S.

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Srikrishna Naik
Mr. Suryanarayana Murthy Krovi
Mrs. Meena Bhushan Kerur

LISTING

Listed on BSE Limited
ISIN: INE595D01015
Script Code: 531928

REGISTRAR AND SHARE TRANSFER AGENTS

M/s. XL Softech Systems Limited
3, Sagar Society, Road No.2
Banjara Hills, Hyderabad - 500034
e-mail: xlfield@gmail.com
Website: www.xlsoftech.com

SECRETARIAL COMPLAINE CONSULTANTS

R&A Associates,
Company Secretaries, Hyderabad
Consultants to advice on the
Secretarial, & other Compliances

FACTORY

Sy.No. 36 & 37 Jeedipally Village,
Manoharabad Mandal
Medak District - 502334
Telangana, INDIA



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NOTICE

NOTICE IS HEREBY GIVEN THAT THE 26TH (TWENTY SIXTH) ANNUAL GENERAL MEETING (AGM) OF THE MEMBERS OF GOLDEN CARPETS LTD WILL BE HELD ON WEDNESDAY THE 30TH DAY OF SEPTEMBER 2020 AT 9:00 A.M. (IST) AT THE HOTEL MARRIOTT, TANK BUND ROAD, OPPOSITE HUSSAIN SAGAR LAKE, HYDERABAD- 500080, TELANGANA, INDIA TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESSES:

Item No. 1 - Adoption of Financial Statements for the financial year ended 31st March 2020:

To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March 2020 along with the Auditors' Report, Directors' Report and schedules thereon.

Item No. 2 - Appointment of Ms. Meena Bhushan Kerur as a Director liable to retire by rotation:

To appoint a Director in place of Ms. Meena Bhushan Kerur (DIN: 02454919) who retires by rotation and being eligible offers herself for re-appointment. Therefore, members are requested to consider and if thought fit, to pass the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Ms. Meena Bhushan Kerur (DIN: 02454919), who retires by rotation, be and is hereby re-appointed as Director liable to retire by rotation."

Item No. 3 -Re-appointment of M/s. L S Reddy & Associates, Chartered Accountants as the Statutory Auditors of the Company:

*To consider and if thought fit to pass with or without modifications the following resolution as an **Ordinary Resolution**:*

"RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules made there under, M/s. L S Reddy & Associates, Chartered Accountants (FRN: 012848S), be and are hereby re-appointed as the Statutory Auditors of the Company for a period of 5 years to hold office from the conclusion of this Annual General Meeting till the conclusion of the 31st Annual General Meeting and that the Board of Directors be and are hereby authorized to fix such remuneration including the manner of payment as may be determined in consultation with the Auditors."

SPECIAL BUSINESSES:

Item No. 4 -Re-appointment of Mr. Srikrishna Naik as Managing Director of the Company:

*To consider and if thought fit to pass with or without modifications the following resolution as an **Ordinary Resolution**:*

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and all other applicable provisions if any of the Companies Act, 2013 read with Companies (Appointment and Remuneration



of Managerial Personnel) Rules, 2014 and Schedule of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the members of the Company be and is hereby accorded to approve and ratify the re-appointment of **Mr. Srikrishna Naik (DIN: 01730236)** as Managing Director of the Company for a further period of 5 (five) years with effect from 9th August 2020 to 8th August 2025.

RESOLVED FURTHER THAT Mr. Srikrishna Naik shall be eligible to the following remuneration:

1. Salary: Rs. 1,00,000 per month
2. Commission: Nil
3. Perquisites: Nil
4. Other Allowances: Nil

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as it may deem necessary, desirable or expedient and to do all acts, deeds and things in connection therewith and incidental in order to give effect to this resolution.”

Item No. 5 –Appointment of Mr. Maqsood Ahmed as an Independent Director of the Company:

*To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **special resolution**:*

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 and 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the recommendation of the Nomination and Remuneration Committee, Mr. Maqsood Ahmed (DIN: 08861730), be and is hereby appointed as an Independent Director of the Company, to hold office for a period of 5 (five) years w.e.f. 30th September 2020.

RESOLVED FURTHER THAT Mr. Maqsood Ahmed (DIN: 08861730) as an Independent Director shall not be liable for retirement by rotation during the tenure of his office.”

Item No. 6 –Continuation of Directorship of Mr. Suryanarayana Murthy Krovi as non-Executive, Independent Director of the Company, notwithstanding that he has attained the age of 75 years:

*To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **special resolution**:*

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 and 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the consent of the members be and is hereby accorded to continue the services of Mr. Suryanarayana Murthy Krovi (DIN:02008285), who was appointed



as an Independent Director of the Company for a term of 5 years w.e.f. 12th April 2017 on the existing terms and conditions, notwithstanding that he has attained the age of 75 years.”

**By order of the Board of Directors
For Golden Carpets Ltd**

Place: Hyderabad
Date: 04.09.2020

Sd/-
SRIKRISHNA NAIK
Chairman & Managing Director
DIN: 01730236
Add: 8-2-596/5/B/1/A, Road No 10, Banjara Hills,
Hyderabad, 500034, Telangana, India



NOTES:

1. Keeping in view the outbreak of COVID-19 (Corona Virus) pandemic, the AGM of the Company will be held at the venue in accordance with the Guidelines as prescribed by the World Health Organization maintaining social distancing norms and the venue being thoroughly sanitized.
2. The members are requested to wear mask all the time and carry their own stationery including pen, notepad, etc. to avoid any kind of physical contact among the members present at the meeting.
3. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and poll to vote instead of himself / herself and such proxy need not be a member. The instrument appointing a proxy should however be deposited at the registered Office of the Company not less than 48 hours before the commencement of the meeting.
4. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
5. Members are requested to kindly bring their copy of the annual report with them at the AGM, as no extra copy of annual report would be made available at the AGM. Members/Proxies/ Authorized Representative should bring the Attendance slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No.

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.

6. The register of members and share transfer books of the Company will remain closed from **23rd day September 2020 to 29th day September 2020** (both days inclusive) for the purpose of Annual General Meeting.
7. Pursuant to Section 113 of the Companies Act, 2013, corporate members intending to appoint authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
8. As per Regulation 40 of SEBI Listing Regulation, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of Securities. In view of this and to eliminate all risk associated with physical form shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, M/s. XL Softech Systems Limited for assistance in this regard. Members may also refer to Frequently Asked Question ("FAQ"s) on Company's website www.goldencarpets.com.



9. Members may note that the Notice of the Twenty Sixth(26th) Annual General Meeting and the Annual Report for Financial Year 2019-20, copies of audited financial statements, Directors' report, Auditors Report etc., will also be available on the website of the Company, i.e., www.goldencarpets.com.
10. Members holding shares in electronic mode are requested to keep their e-mail addresses updated with the Depository participants.
11. Members holding shares in physical mode are requested to update their e-mail addresses, name, and residential address by sending an email to the Registrar and Transfer Agent of the Company at xlfield@gmail.com or by sending a letter at the address **M/s. XL Softech Systems Limited, 3, Sagar Society, Road No.2, Banjara Hills, Hyderabad - 500034, Telangana, India**
12. As per the provision of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them, Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website www.goldencarpets.com. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to XL Softech Systems Limited in case the shares are held in physical form.
13. The Company's Equity shares are listed at BSE Ltd., Phirozejee Jeebhoy Towers, Dalal Street, Mumbai - 400001 and the company has paid the Listing Fees to the said Stock Exchange.
14. As per Securities and Exchange Board of India (SEBI), it is now mandatory to furnish a Copy of PAN Card to the Company or its RTA in the following cases viz. Transfer of Shares, Deletion of Name, Transmission of Shares and Transposition of Shares. Shareholders are requested to furnish copy of PAN card for all the above-mentioned transactions.
15. A Statement giving the details of the Director (s) seeking appointment/re-appointment in the accompanying notice, as required under Regulation 36 of SEBI (Listing Obligations and disclosure requirements), Regulations, 2015 and Secretarial Standard - 2, is annexed thereto.
16. **In compliance with the MCA Circulars and SEBI Circular dated 12th May 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories.** Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.goldencarpets.com.
17. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 and Secretarial Standards on General Meeting (SS-2) which sets out details relating to Special Business at the meeting, is annexed hereto in respect of business set out under Item no.4.

VOTING THROUGH ELECTRONIC MEANS:

- ❖ Pursuant to provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and in pursuance with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the company is pleased to provide its members' the facility of 'remote e-voting (e-voting from a place other than venue of AGM) to exercise their right to vote at the 26th Annual General Meeting ("AGM") by electronic means and the business may be transacted



through e-voting services provided by CDSL on all resolutions set forth in this Notice. The members may cast their votes using an electronic voting system from a place other than the venue of the meeting ('remote e-voting').

- ❖ In order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in the Notice of Annual General Meeting, the Company has also enclosed a ballot form with the Annual Report for the financial year 2019-20.
- ❖ The facility for voting through polling paper shall be made available at the meeting and the members attending the meeting who have not cast their vote by remote e-voting/ ballot form shall be able to vote at the Meeting through polling paper.
- ❖ A member can opt for only single mode of voting i.e. either through e-voting or by Ballot Form. If a Member casts votes by both modes, e-voting shall prevail and vote by Ballot shall be treated as invalid. The members who have cast their vote by remote e-voting/ ballot form may also attend the meeting but shall not be entitled to cast their vote again.
- ❖ The Board of Directors of the Company has appointed Ms. Rashida Adenwala, Practicing Company Secretary (PCS No: 4020), Founder Partner of R&A Associates, Hyderabad as Scrutinizer to voting process (e-voting, ballot and poll) in a fair and transparent manner and Ms. Rashida Adenwala has communicated her willingness to be appointed and will be available for same purpose.
- ❖ The Voting rights of the members shall be in proportion to the paid-up value of their shares in the Equity Capital of the Company as on cut-off date (i.e. Record date) 22nd September 2020.
- ❖ A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the **cut-off date, i.e. 22nd September 2020** only shall be entitled to avail the facility of remote e-voting, ballot form as well as voting at AGM through polling paper.

Any person, who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. **22nd September 2020**, may obtain the User ID and password by writing to CDSL at helpdesk.evoting@cdslindia.com or contact 040-30722562 or Toll-Free No. **1800-200-5533**. However, if the person is already registered with CDSL for remote e-voting then the existing user ID and password can be used for casting vote.

- ❖ The e-voting facility will be available at the link www.evotingindia.com during the following period:

COMMENCING FROM 27TH SEPTEMBER 2020, 9.00 A.M. (IST) TO 29TH SEPTEMBER 2020, 5.00 P.M. (IST).

- ❖ E-voting shall not be allowed beyond **5.00 pm on 29th September 2020** and the remote e-voting shall be blocked forthwith. During the e-voting period, Shareholders of the Company holding shares either in physical form or in dematerialized form, as on **22nd September 2020** may cast their vote electronically.
- ❖ In case of any queries/ grievances relating to voting by ballot or by electronic means, members are requested to Contact Shiva Prasad Venishetty, by writing to CDSL at helpdesk.evoting@cdslindia.com or contact **040-3072 2562** or Toll-Free No. **1800-200-5533**.



- ❖ The Scrutinizer, after scrutinizing the vote cast at the meeting and through remote e-voting, will not later than 48 hours of conclusion of the meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.goldencarpets.com and on the website of CDSL. The results shall simultaneously be communicated to BSE Limited.
- ❖ **The instructions for shareholders to vote electronically are as under:**
 1. The voting period begins **on 27th September 2020 from 9.00 a.m. (IST)** and ends on **29th September 2020 at 5.00 p.m. (IST)**. During this period, shareholders of the Company holding shares either in physical or in dematerialized form, as on the cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 2. The shareholders should log on to the e-voting website www.evotingindia.com.
 3. Click on Shareholders.
 4. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 5. Next enter the Image Verification as displayed and Click on Login.
 6. 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.
 7. 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) ·
	<ul style="list-style-type: none"> ● 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. · ● 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. e.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. · † Please enter the DOB or Dividend Bank Details in order to login. If 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 (iv).

8. After entering these details appropriately, click on **"SUBMIT"** tab.



9. 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.
10. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
11. Click on the EVSN for the relevant <Golden Carpets Ltd> on which you choose to vote.
12. 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.
13. Click on the "**RESOLUTIONS FILE LINK**" if you wish to view the entire Resolution details.
14. 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.
15. Once you "**CONFIRM**" your vote on the resolution, you will not be allowed to modify your vote.
16. You can also take out print of the voting done by you by clicking on "**CLICK HERE TO PRINT**" option on the Voting page.
17. If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
18. Note for Non – Individual Shareholders and Custodians
 - 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 Corporate.
 - 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.



19. 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.
20. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting, i.e. 30th September, 2020.
21. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to rashida@rna-cs.com with a copy marked to helpdesk.evoting@cdslindia.com.

Instructions and other information relating to Ballot Form:

- (i) A member desiring to exercise voting by using Ballot Form shall complete the enclosed Ballot Form with assent (**FOR**) or dissent (**AGAINST**) and send it to the Scrutinizer, **Ms. Rashida Adenwala**, Practising Company Secretary, Partner at R&A Associates, Hyderabad, duly appointed by the Board of Directors of the Company, to the given address Office No. T 202, Technopolis, 1-10-74/B, Above Ratnadeep Super Market, Chikoti Gardens, Begumpet, Hyderabad, Telangana 500016. Ballot Forms deposited in person or sent by post or courier at the expense of the member will also be accepted at the Registered Office of the Company.
- (ii) Please convey your assent in Column “**FOR**” or dissent in the column “**AGAINST**” by placing a tick (“”) mark in the appropriate column in the Ballot Form only. The assent / dissent received in any other form / manner will not be considered.
- (iii) Duly completed and signed Ballot Forms shall reach the Scrutinizer on or before **29th September 2020 (5.00 P.M. IST)**. The Ballot Forms received after the said date / time shall be strictly treated as if the reply from the Member has not been received.
- (iv) Unsigned/ incomplete Ballot Forms will be rejected. Scrutinizer’s decision on validity of the Ballot Form shall be final.
- (v) A member may request duplicate Ballot Form, if so required, by writing to the Company at its Registered Office or by sending an email on goldencarpetsltd@gmail.com by mentioning their Folio No. / DP ID and Client ID. However, the duly filled in duplicate Ballot Form should reach the scrutinizer not later than **29th September 2020 (5.00 P.M. IST)**.

By order of the Board of Directors
For **Golden Carpets Ltd**

Place: Hyderabad
Date: .04.09.2020

Sd/-
SRIKRISHNA NAIK
Chairman & Managing Director
DIN: 01730236
Add: 8-2-596/5/B/1/A, Road No 10, Banjara Hills,
Hyderabad, 500034, Telangana



EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

Item No. 4 -Re-appointment of Mr. Srikrishna Naik as Managing Director of the Company:

The Board of Directors at their meeting held on 9th August 2020, re-appointed Mr. Srikrishna Naik (DIN: 01730236) as the Managing Director for a further period of 5 (five) years with effect from 9th August 2020.

He is the Promoter, Director of the Company and has been responsible for all the affairs and smooth functioning of the Company since inception as well as he has made the said Company totally self-reliant.

The Board is of the view that Mr. Srikrishna Naik has been solely responsible for the operations of the Company. Hence in order to avail his uninterrupted services for the functioning of the company and upon the recommendations made by the Nomination and Remuneration Committee, the Board has proposed to re-appoint him as the Managing Director of the Company on the same terms and conditions as mentioned in the resolution.

Pursuant to Sections 196 & 197 read with Schedule V of the Companies Act, 2013 the re-appointment of Mr. Srikrishna Naik as the Managing Director of the Company requires the approval of members in General Meeting by way of Ordinary Resolution pursuant to Section 196 of the Companies Act, 2013.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Mr. Srikrishna Naik and Mrs. Meena Bhushan Kerur, are interested or concerned in the resolution.

Item No. 5 - Appointment of Mr. Maqsood Ahmed as an Independent Director of the Company

Mr. Maqsood Ahmed is proposed to be appointed as an Independent Director on the recommendation of Nomination & Remuneration Committee with effect from 30th September 2020.

Mr. Maqsood Ahmed is a graduate and his experience and expertise will be instrumental for the growth of the Company. In the opinion of the Board, his presence on the Board of the Company will add value to the management.

Mr. Maqsood Ahmed has given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, he fulfills the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and he is independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of Mr. Maqsood Ahmed as an Independent Director is now being placed before the members for their approval by way of a special resolution.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are interested or concerned in the resolution.

Item No. 6 - Continuation of Directorship of Mr. Suryanarayana Murthy Krovi as non-Executive, Independent Director of the Company, notwithstanding that he has attained the age of 75 years:



Mr. Suryanarayana Murthy Krovi was appointed as an Independent Director on the recommendation of Nomination & Remuneration Committee for a period of 5 (five) years with effect from 12th April 2017. In the opinion of the Board, his presence on the Board of the Company will add value to the management.

Mr. Suryanarayana Murthy Krovi is aged about 78 years and the Regulation 17 (1A) of the SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015, inter-alia, prescribes that listed entity shall not appoint a person or continue Directorship of any person(s) as a Non-Executive Director(s) who has attained the age of 75 years, unless a special resolution is passed to this effect. In order to retain his services backed by his rich experience in various fields, the Board of the Company recommends members approval by way of special resolution.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives except, Mr. Suryanarayana Murthy Krovi, are interested or concerned in the resolution.



ADDITIONAL DISCLOSURE ABOUT THE APPOINTEE AS PER SCHEDULE V PART II OF THE COMPANIES ACT, 2013

I. GENERAL INFORMATION	
Nature of industry	Manufacturing Carpets
Date or expected date of commencement of commercial production	02/12/1993
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
Financial performance based on given indicators	The details of financial performance of the Company for the years 2018-19 and 2019-20 are provided in the Annual Report 2019- 20 which accompanies this Notice
Foreign investments or collaborations, if any.	The Company has not entered into any material foreign collaboration and no direct capital investment has been made in the Company. Foreign investors, mainly comprising NRIs, FIIs and Foreign Nationals are investors in the Company on account of past issuances of securities/ secondary market purchases.
II. INFORMATION ABOUT THE APPOINTEE:	
Background details	Mr. Srikrishna Naik is the Promoter & Managing Director of the Company
Past remuneration	Rs. 1,00,000/- per month
Recognition or awards	Nil
Job profile and his suitability	The information is provided under the Annexure-1.
Remuneration proposed	Rs. 1,00,000/- per month
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Compared to the remuneration profile of position and person with respect to this Industry and size, he deserves the above remuneration.



Pecuniary relationship directly or indirectly the with company, or relationship with the managerial personnel, if any	As on 31 st March 2020, Mr. Srikrishna Naik is holding 25,81,735 Equity Shares of Rs. 10/- each constituting 39.78% to the total equity capital of the Company.
III. OTHER INFORMATION	
Reasons of loss or inadequate profits	The Company does not have any borrowings and is reliant for its operations on its internal accruals. Due to limitation of availability of funds it is not able to scale up its production and expand its marketing efforts by way of advertisement and other means. While the Company has been able to sustain itself, it is not able to generate enough profits due to the limitations as stated above. But the revenue of the Company is gearing up and has generated profits for the year ended 31 st March 2020 against the losses incurred in the past years.
Steps taken or proposed to be taken for improvement	In tune with the changing trends the Company is proposing to implement a marketing plan and set up to create more visibility for its products and also upgrade the technology to meet the growing demands for the Carpets.
Expected increase in productivity and profits in measurable terms	The aforesaid steps taken / to be taken by the Company are expected to improve the Company's performance and profitability in the future by about 5 % year on year.
IV. DISCLOSURE: As required, the information is provided under Corporate Governance Section of Annual Report 2020	

**ANNEXURE TO ITEMS 2, 4 and 5**

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting
(Pursuant to Regulation 36 of Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name of the Director	Srikrishna Naik	Meena Bhushan Kerur	Mr. Maqsood Ahmed
DIN	01730236	02454919	08861730
Date of Birth	08/10/1964	08/10/1963	01/03/1954
Nationality	Indian	Indian	Indian
Date of Appointment on the Board	02/12/1993	16/02/1995	NA
Qualifications	Graduate	Graduate	Graduate
Expertise in specific functional area	27 years of experience in various fields of Business, administration and marketing	12 years of experience in various fields of Business	38 years of experience in various fields business
Number of shares held in the Company	25,81,735	10,24,764	8,600
List of the directorships held in other Companies	1. Golden Amusement Resorts Pvt Ltd 2. Golden Harvest International Private Limited 3. Golden Avenues Private Limited	1. Golden Harvest International Private Limited	Nil
Chairman/ Member in the Committees of the Board of Companies in which he is Director*	Nil	Nil	Nil
Relationship of Directors inter-se	Brother of Mrs. Meena Bhushan Kerur	Sister of Mr. SriKrishna Naik	Not applicable
Number of Board Meetings attended during the year	6 (During the FY 2019-20) 2 (During the FY 2020-21)	6 (During the FY 2019-20) 2 (During the FY 2020-21)	Nil
*Committee memberships/Chairmanships includes only Audit Committee and Stake holders' Relationship Committee of other Public Limited Companies (whether Listed or not).			



DIRECTORS' REPORT

Dear Shareholders,

We have pleasure in presenting the 26th (Twenty Sixth) Directors Report on the business and operations of the Company and Financial Results for the year ended 31st March, 2020.

FINANCIAL RESULTS:

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

Rs. In Lakhs.

S.No	Particulars	Year ended 31.03.2020	Year ended 31.03.2019
1	Sales	119.33	71.80
2	Other Income	3.50	1.43
3	Total Income (1+2)	122.83	73.23
4	Total Expenses (Excluding Depreciation)	100.42	83.49
5	Depreciation	10.15	10.15
6	Profit/ (Loss) before tax	12.25	(20.41)
7	Deferred Tax(Liability)/ Asset	4.29	(6.24)
8	Profit/(Loss) for the year after tax	7.97	(14.18)

PERFORMANCE:

During the financial year ended as on 31st March 2020, the Company recorded total revenue of Rs. 122.83 Lakhs which is higher as against previous financial year, i.e., Rs.73.23Lakhs and incurred Net Profit of Rs. 7.97 Lakhs as against loss of Rs. 14.18 Lakhs during the previous year.

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENT:

Unless as provided elsewhere in this Report, there were no significant material changes and commitments affecting financial position of the company between 31st March 2020 and as on the date of Board's Report.

IMPACT OF COVID-19

The World Health Organization declared a global pandemic of the Novel Coronavirus disease (COVID-19) on 11th February 2020. To prevent the rapid rise of infections, governments of almost all countries severely restricted travel, mandated extreme 'social distancing' measures and reduced demand supply chains to only those that are 'essential'. Office complexes, such as our campuses, our client offices and supplier offices, have been asked to operate with minimal or no staff for



extended periods of time. This in turn has caused uncertainty in near-term demand for our services from clients and disruptions in our ability to service some of our client engagements. The crisis has affected, and continues to impact, our key stakeholders – employees, clients, vendor partners and the communities that we operate in. In responding to this crisis, our primary objective is to ensure the safety of our employees and put in place mechanisms to protect the financial well-being of the Company and protect its long-term prospects.

CHANGE IN THE NATURE OF BUSINESS IF ANY:

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

SHARE CAPITAL:

The Authorized Share Capital of the Company as on 31st March 2020 was Rs. 10,50,00,000/- divided into 1,05,00,000 equity shares of Rs. 10/- each.

The issued share capital of the Company is Rs. 10,35,92,590/- divided into 1,03,59,259 equity shares of Rs. 10/- each.

The listed share capital of the Company is Rs. 6,49,01,590/- divided into 64,90,159 Equity shares of Rs. 10/- each.

The Paid-up Capital of the Company is Rs. 6,49,01,590/- divided into 64,90,159 Equity Shares of Rs. 10/- each.

Further, the difference of 99,600 Equity Shares between issued capital & listed capital represents the unsubscribed shares in the public issue & the further difference of 37,69,500 Equity Shares is due to forfeiture for non-payment of call money.

RESERVES:

Your Directors does not propose to carry any amount to General Reserve Account during the financial year.

DIVIDEND:

During the financial year under review, the Board does not recommend any dividend.

CORPORATE GOVERNANCE REPORT:

A separate report on Corporate Governance is enclosed as a part of this Annual Report. A certificate from the Auditors of the Company regarding compliance with Corporate Governance norms stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to the Report on Corporate Governance. *(Annexure-I)*.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the SEBI (LODR) Regulations, 2015 is presented in a separate section forming part of the Annual Report. *(Annexure-II)*.



DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. RETIREMENT BY ROTATION:

Pursuant to provisions of the Companies Act, 2013, **Ms. Meena Bhushan Kerur (DIN: 02454919)**, Director will retire at this Annual General Meeting and being eligible, offers herself for re-appointment.

The Board recommends her re-appointment.

B. APPOINTMENT:

- Mr. Srikrishna Naik was re-appointed as the Managing Director of the Company at the Board meeting held on 9th August 2020 subject to the approval of members at the ensuing Annual General Meeting.

Board of Directors recommends the above re-appointment and brief profile of Mr. Srikrishna Naik is given in the report.

- The tenure of Mr. Ramana Naik as an Independent Director shall conclude at the ensuing Annual General Meeting. As such, Mr. Maqsood Ahmed is proposed to be appointed as an Independent Director of the Company with the approval of members at the ensuing Annual General Meeting.

Board of Directors recommends the above appointment and brief profile of Mr. Maqsood Ahmed is given in the report.

C. APPOINTMENT OF KEY MANAGERIAL PERSONNEL AFTER THE CLOSURE OF FINANCIAL YEAR AND TILL THE DATE OF THE REPORT:

Ms. Manorama Maaroo has resigned as the Company Secretary cum Compliance Officer of the Company w.e.f 29th June 2020.

D. EVALUATION OF THE BOARD'S PERFORMANCE:

During the year, the Board adopted a formal performance evaluation policy for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Board's functioning such as composition of the Board & Committees, experience & competencies, performance of specific duties & obligations etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board, Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment etc. The evaluation of the Independent Directors and that of the Chairman was carried out by the entire Board excluding the Director being evaluated and the evaluation of Non-Independent Directors was carried out by the Independent Directors. A separate meeting of Independent Directors was also held during the year wherein the performance of Chairman, Board and Executive Directors was evaluated.



E. DECLARATION BY INDEPENDENT DIRECTORS:

All the Independent Directors of the Company have given declaration stating that they meet the criteria of independence as provided under Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

F. FAMILIARIZATION PROGRAMME OF INDEPENDENT DIRECTORS:

As required under Regulation 25(7) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, each newly appointed Independent Director is taken through a formal induction program including the presentation from the Managing Director on the Company's manufacturing, marketing, finance and other important aspects. The induction for Independent Directors include interactive sessions with Executive Committee members, Business and Functional Heads, visit to the manufacturing site etc.

G. POLICIES:

i. REMUNERATION POLICY:

The Board on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration as required under Sec 178 of the Companies Act, 2013 and Regulation 19(4) read with Schedule II of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

ii. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

The Company has formulated a Whistle blower policy and has established vigil mechanism for employees including Directors of the Company to report genuine Concerns. The provisions of this Policy are in line with the provisions of the Section 177(9) of the Act.

iii. POLICY ON BOARD DIVERSITY:

The Board on the recommendation of the Nomination & Remuneration Committee framed a policy on Board Diversity as required Regulation 19(4) read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

iv. RISK MANAGEMENT POLICY:

The Board of Directors has adopted an Enterprise Risk Management Policy framed by the Company, which identifies the risk and lays down the risk minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.

v. PRESERVATION OF DOCUMENTS AND ARCHIVAL POLICY:

The Company has formulated a Policy pursuant to Regulation 9 and 30(4) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 on Preservation of the Documents to ensure safekeeping of the records and safeguard the Documents from getting manhandled, while at the same time avoiding superfluous inventory of Documents.

**vi. POLICY ON DISCLOSURE OF MATERIAL EVENTS/INFORMATION:**

The Policy is framed in accordance with the requirements of the Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The objective of the Policy is to determine materiality of events or information of the Company and to ensure that such information is adequately disseminated in pursuance with the Regulations and to provide an overall governance framework for such determination of materiality.

vii. POLICY ON RELATED PARTY TRANSACTIONS:

The Board of Directors has adopted a Policy on materiality of and dealing with related party transactions. No material contract or arrangements with related parties were entered into during the year under review.

Your Company's Policy on Related Party Transactions as adopted by your Board can be accessed on the Company's website.

viii. INSIDER TRADING POLICY:

The Board of Director has adopted the Insider Trading Policy in accordance with the requirement of the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Insider Trading policy of the Company lays down guidelines & procedures to be followed, and disclosures to be made while dealing with the shares of the Company, as well as the consequences of the violations. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain highest ethical standards of dealing in Companies shares.

The Insider Trading Policy of the company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for preventing of insider trading, same is available on our website.

H. AUDITORS & AUDITORS' REPORT:**i. STATUTORY AUDITORS:**

Pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with rules made thereunder, M/s. L S Reddy & Associates, Chartered Accountants, were appointed as Statutory Auditor of the Company for a period of five years from the conclusion of 21st Annual General Meeting till the conclusion of 26th Annual General Meeting and the remuneration payable shall be as may be agreed upon between the Board of Directors and Auditors in addition to the reimbursement of service tax and actual out of pocket expenses incurred in relation with the audit of accounts of the Company.

The Auditors' Report does not contain any reservation, qualification or adverse remarks.

ii. SECRETARIAL AUDITOR:

During the financial year, the Company has appointed Mr. Ramesh Atluri, Company Secretary in Whole Time Practice, (Membership No. 9889, C P No. 16418) as Secretarial



Auditor. The Secretarial Audit report for the financial year 2019-20 is annexed herewith to this Report. (Annexure-III).

<i>Qualifications/ Remarks</i>	<i>Replies</i>
<i>1. The Company has not appointed Internal Auditor as required under the provisions of Section 138 read with Rule 13 of the Companies (Accounts) Rules, 2014.</i>	Since your company operations are limited and the company is running into losses, the company has not appointed an Internal Auditor during the financial year.

I. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

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

NAMES OF THE SUBSIDIARIES/ASSOCIATES/JOINT VENTURES:

The Company has no subsidiaries, joint ventures or associate companies during the financial year under review.

CORPORATE SOCIAL RESPONSIBILITY:

The Company is not required to constitute a Corporate Social Responsibility Committee and formulate policy on Corporate Social Responsibility as it does not fall within purview of Section 135(1) of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS:

There were no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the financial year under review.

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



The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, is annexed and marked and forms part of this Report. (*Annexure-IV*).

INTERNAL FINANCIAL CONTROLS:

The Company has in place adequate internal financial controls with reference to financial statements. During the financial year, such controls were tested and no reportable material weakness in the design or operation was observed.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

The Company has not given any loan, given guarantee or provided security or made any investments pursuant to the provisions of Section 186 of Companies Act, 2013.

DISCLOSURE PERTAINING TO SEXUAL HARRASMENT OF WOMEN AT WORKPLACE:

Your Company has always believed in providing a safe and harassment free workplace for every individual working in premises through various interventions and practices. The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment.

Also, there were no complaints reported under the Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

DISCLOSURES:

i. EXTRACT OF ANNUAL RETURN:

Extract of Annual Return of the Company is annexed herewith to this Report. (*Annexure-V*)

ii. COMMITTEES OF THE BOARD:

Currently the Board has three Committees:

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

a. COMPOSITION OF AUDIT COMMITTEE:

Currently, the Audit Committee consists of the following members:

- a. Mr. Ramana Naik - Chairperson
- b. Mr. Suryanarayana Murthy Krovi - Member
- c. Mrs. Meena Kerur - Member



The above composition of the Audit Committee consists of independent Directors viz., Mr. Ramana Naik and Mr. Suryanarayana Murthy Krovi who forms the majority.

b. COMPOSITION OF NOMINATION AND REMUNERATION COMMITTEE:

Currently, the Nomination and Remuneration Committee consists of the following members:

- a. Mr. Ramana Naik - Chairperson
- b. Mr. Suryanarayana Murthy Krovi - Member
- c. Mrs. Meena Kerur - Member

c. COMPOSITION OF STAKEHOLDERS RELATIONSHIP COMMITTEE:

Currently, the Stakeholders Relationship Committee consists of the following members:

- a. Mrs. Meena Kerur - Chairperson
- b. Mr. Srikrishna Naik - Member
- c. Mr. Suryanarayana Murthy Krovi - Member

iii. VIGIL MECHANISM:

The Company has implemented a vigil mechanism policy to deal with instance of fraud and mismanagement, if any. It provides for the directors and employees to report genuine concerns and provides adequate safeguards against victimization of persons who use such mechanism. The Policy on vigil mechanism may be accessed on the Company's website at the link: <http://www.goldencarpets.com/whistle-blower-policy.html>. There were no complaints received during the year 2019-20.

iv. NUMBER OF BOARD MEETINGS:

The Board of Directors of the Company met Six (6) times during the financial year. For further details like attendance of Directors, please refer report on Corporate Governance.

COMPLIANCE WITH SECRETARIAL STANDARDS:

During the year under review, the provisions of the Secretarial Standards applicable to the Company, i.e., Secretarial Standard-1 (SS-1) for Board and Committee Meetings and Secretarial Standards - 2 (SS-2) for General Meetings issued by the Institute of Company Secretaries of India (ICSI) were adhered to while conducting the respective Meetings.

LISTING FEES:

The Company has paid listing fees for the financial year to BSE Limited where its shares are listed.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

The information relating to remuneration of Directors and details of the ratio of the remuneration of each Director to the median employee's remuneration and other details as required pursuant to section 197(12) of the Act read along with Rule 5(1) of the Companies



(Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed. (Annexure- VI).

Pursuant to Rule 5(2) of the Companies (Appointment and Remuneration Managerial Personnel) Rule, 2014, there are no employees who are in receipt of remuneration of Rs. 1,02,00,000/- or more per annum or Rs. 8,50,000/- or more per month or where employed for a part of the year.

DETAILS OF DEPOSITS:

Your Company has not accepted any deposits as per Section 73 of the Companies Act 2013 from the public during the financial year.

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

During the financial year, there were no significant and material orders that were passed by the regulators or courts or tribunals impacting the going concern status and the Company operations in future.

DECLARATION WITH THE COMPLIANCE WITH THE CODE OF CONDUCT BY MEMBERS OF THE BOARD AND SENIOR MANAGEMENT PERSONNEL:

The Company has complied with the requirements about code of conduct for Board members and Sr. Management Personnel.

The said policy is available on the website of the Company.

APPRECIATION:

The Board of Directors are pleased to place on record their appreciation of the co-operation and support extended by the Financial Institutions, Banks and various State and Central Government Agencies.

The Board would also like to thank the Company's shareholders, customers, suppliers for the support and the confidence which they have reposed in the management. The Board place on record its appreciation of the contribution made by the employees at all levels for their hard work, solidarity, co-operation and support.

**By order of the Board of Directors
For Golden Carpets Ltd**

Place: Hyderabad
Date: 04.09.2020

Sd/-
SRIKRISHNA NAIK
Managing Director
DIN: 01730236

Add: 8-2-596/5/B/1/A, Road No 10,
Banjara Hills, Hyderabad - 500 034 Telangana



ANNEXURE - I

CORPORATE GOVERNANCE REPORT

1. Company's Philosophy on Corporate Governance:

The Company has a strong legacy of fair, transparent and ethical governance practices.

These are articulated through Company's Code of Conduct, Corporate Governance Guidelines and charters of various sub-committees of the Board. The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to Corporate Governance.

2. Board of Directors:

COMPOSITION, CATEGORY OF DIRECTORS AND ATTENDANCE RECORD FOR THE YEAR 2019-20:

(i) As on 31st March 2020, the Company has four Directors. Out of the four Directors, two (i.e., 50%) are Independent and Non-Executive Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013.

(ii) Details of Board Meetings held:

Six (6) Board Meetings were held during the financial year and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the said meetings were held are as follows:

18th April 2019; 30th May 2019; 17th June 2019; 10th August 2019; 11th November 2019 & 10th February 2020.

(iii) The names and categories of the Directors on the Board, their attendance at Board meetings held during the financial year and the number of Directorships and committee chairmanships / memberships held by them in other public companies as on 31st March 2020 are given herein below:



Name of Director	Category	Number of Board Meetings during the year 2019-20		Whether attended last AGM held on 30th September 2019	Number of Directorships in other public companies \$	Number of Committee position held in other Public Companies #	
		Entitled to Attend	Attended			Chairman	Member
Mr. Srikrishna Naik DIN: 01730236	Promoter, Executive	6	6	Yes	Nil	Nil	Nil
Ms. Meena Bhushan Kerur DIN: 02454919	Non Executive (Promoter)	6	6	No	Nil	Nil	Nil
Mr. Ramana Naik Bhukya Peda DIN: 01396345	Independent, Non-Executive	6	6	No	Nil	Nil	Nil
Mr. Suryana rayana Murthy Krovi DIN: 02008285	Independent, Non-Executive	6	6	No	Nil	Nil	Nil

\$ Other Directorships do not include Directorships of Private Limited Companies, Section 8 companies and of companies incorporated outside India.

Chairmanships / Memberships of Board committees shall include only Audit Committee and Stakeholders' Relationship Committee.

- (iv) During the year, the meeting of Independent Directors of the Company was held on 10th January 2020. The Independent Directors, inter-alia, reviewed the performance of non-independent Directors, Chairman of the Company and the Board as a whole.
- (v) Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015. The maximum tenure of the Independent Directors is in compliance with the Companies Act, 2013 ("Act"). All the Independent Directors have confirmed that they meet the criteria as mentioned under SEBI (LODR) Regulations, 2015 and Section 149 of the Companies Act, 2013. The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company. Details of familiarization



programme of Independent Directors are available on the website of the Company at the link www.goldencarpets.com.

- (vi) None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company and there are no inter-se relationships between any of the Directors.
- (vii) None of the Non- Executive Directors are holding any shares or convertible debentures of the Company.
- (viii) The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board:

1. Industry	Understanding of dynamics of the industry, market potential and the customers requirements.
2. Design and culture	Designing of the carpets based on the culture of the region is very important factor for the business growth.
3. Governance	Experience in developing governance practice, serving the best interests of all stakeholder engagements and driving corporate ethics and values.

3. AUDIT COMMITTEE:

COMPOSITION, NAME OF MEMBERS, CHAIRPERSON AND DATE OF MEETINGS:

DATES OF MEETINGS:

The Audit Committee met four (4) times during the financial year, i.e., 30th May 2019; 10th August 2019; 11th November 2019 and 10th February 2020. The gap between two meetings did not exceed 120 days and the necessary quorum was present for all the meetings.

The composition of the Audit committee and the details of meetings attended by its members are given below:

Name	Category	Number of meetings during the financial year 2019-20	
		Entitled to Attend	Attended
Mrs. Meena Bhushan Kerur	Non-Executive	4	4
Mr. Ramana Naik Bhukya Peda	Independent, Non- Executive	4	4
Mr. Suryana rayana Murthy Krovi	Independent, Non-Executive -	4	4



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

All the Audit Committee members are financially literate and bring in expertise in the fields of finance, economics and management. Also, the Chief Financial Officer attend the Committee meetings as invitees.

BRIEF DESCRIPTION OF TERMS OF REFERENCE:

The Audit Committee shall carry out role and review of information as stipulated in Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The scope of activity of the Committee is also in consonance with the provisions of Section 177 of the Act. The role of the Audit Committee is broadly as under:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by them;
4. Reviewing, with the management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Act;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Review and monitor the Auditor's independence and performance, and effectiveness of audit process;
7. Approval or any subsequent modification of transactions of the Company with related parties;
8. Scrutiny of inter-corporate loans and investments;
9. Valuation of undertakings or assets of the Company, wherever it is necessary;
10. Evaluation of internal financial controls and risk management systems;



11. Reviewing, with the management, performance of statutory and adequacy of the internal control systems;
12. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
13. To look into the reasons for substantial defaults in the payment creditors;
14. To review the functioning of the Whistle Blower mechanism;
15. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
16. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

4. NOMINATION AND REMUNERATION COMMITTEE:

COMPOSITION, NAME OF MEMBERS, CHAIRPERSON AND DATE OF MEETINGS;

The Nomination and Remuneration Committee met two (2) times during the financial year, i.e., 18th April 2019; and 11th November 2019.

The composition of the Nomination and Remuneration Committee and the details of meetings attended by its members are given below:

Name	Category	Number of meetings during the financial year 2019-20	
		Entitled to Attend	Attended
Mrs. Meena Bhushan Kerur	Independent, Non-Executive	2	2
Mr. Suryana rayana Murthy Krovi	Non-Executive	2	2
Mr. Ramana Naik Bhukya Peda	Independent, Non-Executive	2	2

BRIEF DESCRIPTION OF TERMS OF REFERENCE:

The Nomination and Remuneration Committee has been empowered with the role and functions as per the provisions specified under Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the appointment and finalizing the remuneration of senior level employees of our Company. The purpose of the Committee is to monitor the Company's nomination process of the senior level management and to identify and review the individuals capable of serving in the Board level or senior management team of the Company.

1. Formulation of the criteria for determining qualifications, positive attributes and Independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, key managerial personnel and other employees;



2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:

The Nomination & Remuneration Committee and the Board evaluated the performance of Independent Directors in terms of the provisions of the Act, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the policy adopted by the Company for performance evaluation. The criteria for evaluation included attendance, level of participation, commitment, effective management of relationship with stakeholders, independence of judgement, integrity and maintenance of confidentiality by Independent Directors.

DETAILS OF REMUNERATION TO DIRECTORS:

- (i) The criteria for making payment to Non-Executive Directors are contained in Nomination & Remuneration policy of the Company.
- (ii) The details of the salary paid to the executive/non-executive Directors of the Company are as follows:
 - (a) Remuneration to Whole-time/ Executive/ Managing Director of the Company:

Name of the Director	Salary and allowances (Rs.)	Other perquisites (Rs.)	Commission	Total (Rs.) per Annum
Mr. Srikrishna Naik (Managing Director)	12,00,000/-			12,00,000/-
Total	12,00,000/-			12,00,000/-

There was no sitting fees or any other remuneration paid to the other Directors.

Notes:

- a) The Company has not issued any Stock options.
- b) There were no service contracts/ Agreements with Directors.
- c) None of the Directors are eligible for severance pay.

5. Stakeholders' Relationship Committee:

The Committee is entrusted with the responsibility to resolve the grievances of Stakeholders and strengthen the Investor relations. The Committee comprises of:



- (i) Mrs. Meena Bhushan Kerur - Chairman
(ii) Mr. Srikrishna Naik - Member
(iii) Mr. Suryanarayana Murthy Krovi - Member

The Committee performs inter alia the role/functions as set out in Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes:

- (i) Investor relations and redressal of shareholders grievances in general and relating to non-receipt of dividends, interest, non- receipt of balance sheet etc.;
- (ii) Oversee the performance of Registrar and Transfer Agents; and
- (iii) Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended by such committee.

Name and designation of Compliance Officer:

- Ms. Manorama Maroo -Company Secretary & Compliance Officer

Details of investor complaints received and resolved from 1stApril 2019 to 31stMarch 2020 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
0	Nil	Nil	0

General Body Meetings:

- I. Location and time where last three Annual General Meetings held:

Year	Date	Venue	Time	Special Resolution(s) passed
2018-19	30th September 2019	Hotel Marriott Tank Bund Road, Opposite Hussain Sagar Lake, Hyderabad - 500 080 Telangana	9.00 A.M.	To receive, consider and adopt the Audited Financial Statements for the financial year ended 31 st March 2019 and along with the Auditors' Report and Directors' Report thereon. To appoint a Director in place of Mrs. Meena Bhushan Kerur who retires by rotation and being eligible offers herself for re-appointment.



2017-18	29th September 2018	Hotel Marriott Tank Bund Road, Opposite Hussain Sagar Lake, Hyderabad - 500 080 Telangana	9.00 A.M.	To receive, consider and adopt the Audited Financial Statements for the financial year ended 31 st March 2018 and along with the Auditors' Report and Directors' Report thereon. To appoint a Director in place of Mrs. Meena Bhushan Kerur who retires by rotation and being eligible offers herself for re-appointment.
2016-17	29th September 2017	Hotel Marriott Tank Bund Road, Opposite Hussain Sagar Lake, Hyderabad - 500 080 Telangana	9.00 A.M.	Re-appointment of Mr. Srikrishna Naik as an Managing Director of the Company. Appointment of Mr. Suryanarayana Murthy Krovi as an Independent Director

II. Postal Ballot: No resolution was passed through postal ballot during the year.

III. No resolution is proposed to be conducted through postal ballot at the ensuing AGM.

Means of Communication:

The quarterly, annual results and other statutory reports of the company are communicated by disseminating the same to BSE. The Company also publishes its financial results in the Financial Express (national dailies) and in Nava Telangana (vernacular (Telugu) daily) newspapers as prescribed under regulation 47 of Listing Obligation and Disclosure Requirement s) Regulations 2015.

The Annual Report and the financial results are also displayed on the Company's website www.goldencarpets.com.

1. General Shareholder information:

a) Annual General Meeting:

Date: Wednesday, 30th September, 2020

Time: 9.00 AM

Venue: Hotel Marriott Tank Bund Road, Opposite Hussain Sagar Lake, Hyderabad - 500 080 Telangana, India

b) **The financial year of the Company** is ranging from 01st April 2019 to 31st March 2020.



c) **Dividend Payment date:** Not Applicable

d) **Listed at:**

BSE Limited, Floor 25, P. J. Towers, Dalal Street, Mumbai- 400 001.

Listing fees for the financial year 2019-20 has been paid to the Stock Exchange, where the shares of the Company are listed.

e) **Stock Codes/Symbol** at BSE Limited: 531928

f) **Date of Book Closure:** 23rd day of September 2020 to 29th day of September 2020.

g) **Date fixed for dispatch of Annual report:** 5th September, 2020

**Pursuant to the General Circular numbers 20/2020, 14/2020, 17/2020 issued by the Ministry of Corporate Affairs (MCA) and Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 an-mail will be sent to all the shareholders on their registered e-mail IDs and the same shall be construed as the date of dispatch of Annual Report.*

h) **Market price data & performance in comparison to broad-base indices i.e., Company's shares are being traded on BSE only and the high and low prices during each month are given below:**

MONTH	HIGH	LOW
April, 2019*	-	-
May, 2019	4.60	4.60
June, 2019	4.37	4.16
July, 2019*	-	-
August, 2019	4.16	4.15
September, 2019	4.14	3.95
October, 2019	4.14	4.14
November, 2019	4.14	4.14
December, 2019	4.14	4.14
January, 2020	4.18	4.14
February, 2020*	-	-
March, 2020*	-	-

** Trading in the shares of the Company does not took place during the month.*

i) **Commodity price risk or foreign exchange risk and hedging activities:**

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.



j) Registrar and Transfer Agents & Place for Acceptance of Documents:

XL Softech Systems Ltd.,
3, Sagar Society, Road No.2, Banjara Hills,
Hyderabad - 500 034.
Tel No; 040 23545913/14/15, Fax No. 040 23553214
e-mailxlfield@gmail.com
Website: www.xlsoftech.com

- k)** A certificate has been received from Mr. Ramesh Atluri, Practicing Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

l) Share Transfer System:

Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. The Board of Directors has delegated the power of approving transfer of shares to the Managing Director of the Company and the details regarding the transfers are placed before the Board of Directors at the subsequent board meeting to for taking note. The Company's Registers and Share Transfer Agent is XL Softech, Hyderabad, who looks after shares transfers and other related works.

The Company ensures that all transfers are affected within a prescribed period from the date of their lodgment with the Company.

In terms of SEBI circular No. D&CC/FITTC/CR-16 dated 31-12.2002, Share Capital Audit is conducted on a quarterly basis by a Practicing Company Secretary for the purpose of, inter alia and reconciliation of the total submitted equity share capital with the depositories and in the physical form with the total issued/paid up equity capital of the Company. Certificates are placed before the Board of Directors and are also forwarded to BSE Limited, where the shares of the Company are listed.

Transfers of shares in physical form are processed within fifteen days from the date of receipt, if the documents are complete in all respects.

m) Shareholding Pattern of the Company & Distribution of shareholding as on 31st March 2020:

Shareholding pattern as on 31st March 2020:

Category code	Category of shareholder	No. of shareholders	Total No. of shares	As a percentage of (A+B+C)
(A)	Promoter and Promoter Group			
(1)	Indian	4	39,18,239	60.37
(2)	Foreign	-	-	-
	Total shareholding of promoter and promoter group	4	39,18,239	60.37
(B)	Public Shareholding: Non-Institutions:			
(1)	Bodies Corporate	25	4,26,773	6.58
(2)	Individuals	737	16,11,278	24.83
(3)	Others	38	5,33,869	8.22
	Total public shareholding	800	25,71,920	39.63
(C)	Shares held by custodians, against which Depository Receipts have been issued			
(1)	Promoter and Promoter Group	-	-	-
(2)	Public	-	-	-
	GRAND TOTAL (A+B+C):	804	64,90,159	100

n) Dematerialization of shares & liquidity:

As on 31st March 2020, 56,79,517 equity shares amounting to 87.51% of the paid-up equity capital of the Company are held in dematerialized form. The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE595D01015.

o) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:

As on 31st March, 2020, the Company did not have any outstanding GDRs / ADRs / Warrants or any Convertible instruments.

p) Location of offices/production centers:

Sy No. 36 & 37, Jeedipally Village, Majoharabad Mandal, Medak District - 502334, Telangana, India



q) Address for correspondence:

For transfer/ dematerialization of share, change of address of members and other queries relating to the shares of the Company:

XL Softech Systems Ltd.,
3, Sagar Society, Road No.2, Banjara Hills,
Hyderabad - 500 034
Tel No. 040 23545913/14/15, Fax No. 040 23553214
E-mail: xlfield@gmail.com
Website: www.xlsoftech.com

For other queries;
Golden Carpets Ltd,
8-2-596/5/B/1/A, Road No.10, Banjara Hills
Hyderabad – 500034, Telangana, India
Phone No(S): 040 - 66771111
Fax No: 040 - 23351576
Email ID: goldencarpetsltd@gmail.com

7. Other Disclosures:

- a) During the period under review, the Company had not entered into any material transaction with any of its related parties.
- b) In the FY 2019-20, the SEBI/ Stock Exchanges has imposed penalty of Rs. 1,26,260/- in the matter of for non-compliance with Regulation 6(1) of SEBI (Listing Obligations and Disclosure Requirements), 2015 which requires mandatory appointment of whole-time Company Secretary & Compliance Officer by a listed Company. The said penalty has been paid and Ms. Manorama Maroo was appointed as a Company Secretary cum Compliance Officer w.e.f. 18th April 2019.
- c) The Company has formulated a Whistle Blower Policy to provide Vigil Mechanism for employees including Directors of the financial year Company to report genuine concerns. We affirm that no personnel have been denied access to the Audit Committee during the year under review.
- d) THE DISCLOSURES OF THE COMPLIANCE WITH MANDATORY REQUIREMENTS AND COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUB-REGULATION (2) OF REGULATION 46 ARE AS FOLLOWS:**

Regulation	Particulars of Regulation	Compliance Status(Yes/No)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination & Remuneration Committee	Yes
20	Stakeholder Relationship Committee	Yes
21	Risk Management Committee	Not applicable



22	Vigil Mechanism	Yes
23	Related Party Transaction	Not applicable
24	Corporate Governance Requirements with respect to subsidiary of listed entity	Not applicable
25	Obligation with respect to independent Directors	Yes
26	Obligations with respect to Directors and senior management	Yes
27	Other Corporate Governance Requirements	Yes
46(2) (b) to (i)	Website	Yes

e) Weblink where policy on material subsidiaries – Not Applicable

f) DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS:

The Company has complied with all the mandatory requirements of Corporate Governance prescribed under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

g) Code of Conduct

The Board has approved a code of conduct for Board Members and Senior Management Personnel of the Company. The code of conduct has been posted on the website of the company. All Directors and senior management personnel have affirmed compliance with the code of conduct for the year ended 31st March 2020. A declaration to the effect signed by the Managing Director is given below:

DECLARATION:

As provided under Regulation 34(3) read with in Part D of Schedule V of SEBI (LODR), 2015, all Board members and Senior Management Personnel have affirmed compliance with Golden Carpets Ltd Code of Conduct for the year ended 31st March 2020.

**By order of the Board
For Golden Carpets Ltd**

Place: Hyderabad
Date: 04.09.2020

Sd/-
Srikrishna Naik
Chairman & Managing Director
DIN : 01730236
Address: 8-2-596/5/B/1, Road No 10,
Banjara Hills, Hyderabad – 500 034,
Telangana, India



MANAGEMENT DISCUSSION ANALYSIS REPORT

(Pursuant to Regulation 34 read with Schedule V of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015)

Industry Structure and Development:

This carpet industry is flourishing in the states of Rajasthan, Kashmir, Punjab, Uttar Pradesh, Telangana, Andhra Pradesh, and Himachal Pradesh.

Today, India is the world's largest producer and exporter of handmade carpets in terms of value and volume. Around 75–85 per cent of carpets manufactured in India are exported. Indian carpets are known worldwide for their excellent design, fascinating colours and quality.

India contributes approximately 40 per cent of the worldwide export of handmade carpets. Exports of handmade carpets from India stood at US\$ 1.37 billion in the financial year 2019-20. India is exporting to more than 70 countries in the world, mainly to the USA, Germany, Canada, U.K., Australia, South Africa, France, Italy, Brazil, etc. USA with 48.84% share followed by Europe with 27.25% share (Germany, UK, France).

The Indian carpet industry is very vibrant and has considerable potential for growth. However, lesser innovation techniques, outdated technology, labor law issues and lack of infrastructural facilities are major barriers that make this industry less competent as compared to other carpet supplying countries.

Opportunities and Threats:

● Opportunities

Increased consumer expenditure on interiors of houses, hotels and offices and luxury vehicles as well as cars is expected to contribute significantly to the growth in the demand for carpets. Development of innovative designed light weight carpets and floorings is expected to open opportunities for the growth of the market in the near future.

● Threats

Alternative flooring materials such as Ceramics, marble, granite and other innovative and decorative flooring materials are replacing carpets as they are easy on maintenance and is a major threat for the carpet industry. Further due to increase in raw material prices the Indian manufacturers are not able to compete with other carpet producing countries and this has had an impact on the exports of the carpets from India.

Segment Wise Performance:

As the Company is dealing in only one product, the same is not applicable.

Outlook:

Given the capacity and the current available technology, the company will continue to perform on existing lines and will continue to strive to improve the performance going forward.



Risk and concerns:

The Company derives revenue from domestic market. Considering there are a multiple flooring options available and the high cost of maintenance of carpets, there is a risk of change in customer preference which may adversely affect the demand of the products and indirectly revenue and growth of the Company.

Non-availability of raw materials, lack of manpower, technologies up-gradation in the peer group and non-availability of timely working capital needs affects a lot in this business.

Company is taking appropriate steps in order to tackle the aforementioned risks by adopting in time suitable strategies, so as to positively modify the risk profile of the Company by eliminating key risk factors and minimizing the risk areas.

Internal Control Systems and their Adequacy:

The company has a proper and adequate system of internal controls commensurate with its size to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, recorded and reported correctly.

Material Development in Human Resources/Industrial Relations:

The Company recognizes the importance and contribution made by its employees to the growth and development of the Company. The Company has cordial relations with employees and staff.

Cautionary Statement:

Statements in the Management and Discussion Analysis which seek to describe the Company's objective, projections, estimates, expectations or predictions may be considered to be forward looking statements within the meaning of the applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include Indian demand and supply conditions, availability of working capital, raw material prices, changes in government regulations, tax regime, economic developments within India and globally.

Significant changes in the Key financial ratios and other parameters:

There are no significant changes in the Key financial ratios and other parameters of the Company as compared to the previous year.



FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2020

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

To,
The Members
GOLDEN CARPETS LTD
8-2-596/5/B/1/A, Road No.10
Banjara Hills, Hyderabad -500034
Telangana, India.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Golden Carpets Ltd (hereinafter called the “**Company**”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the M/s. Golden Carpets Ltd 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2020 complied with the statutory provisions, listing Regulations and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 -**Not applicable to the Company during the Audit Period.**



- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014-**Not applicable to the Company during the Audit Period.**
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- **Not applicable to the Company during the Audit Period.**
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not applicable to the Company during the Audit Period;** and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not applicable to the Company during the Audit Period.**

vi. There are no other laws specifically applicable to the Company in view of the management.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.
- ii. The Listing Regulations.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

The Company has not appointed Internal Auditor as required under the provisions of Section 138 read with Rule 13 of the Companies (Accounts) Rules, 2014.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

Relying on the representation given by the Company and its officers with regard to adequate systems and processes in the Company to monitor and to ensure the compliance with applicable laws, rules, etc., and based on the review done by us, we report that there are systems and processes to monitor and ensure compliance with applicable laws, rules, regulations and guidelines and there is need for its improvement for its adequacy.

Place: Hyderabad
Date: 03.09.2020

Sd/-
Mr. Ramesh Atruli
Company Secretary in Practice
ACS No- 30844
CP No- 16418
UDIN ; F009889B000657745



*This report is to be read with our letter of even date, which is annexed as
"Annexure - A" and forms an integral part of this report.*

"Annexure - A"

To,
The Members
GOLDEN CARPETS LTD
8-2-596/5/B/1/A, Road No.10, Banjara Hills
Hyderabad-500034
Telangana, India

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

1. Maintenance of secretarial records is the responsibility of the management of M/s. Golden Carpets Ltd. ("the Company"). Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our 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: Hyderabad
Date: 03.09.2020

Sd/-
Mr. Ramesh Atruli
Company Secretary in Practice
ACS No- 30844
CP No- 16418



ANNEXURE - IV

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

[Pursuant to Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY

i)	The steps taken or impact on conservation of energy	The necessary steps were undertaken by a Company to improve upon the energy conservation measures.
ii)	The steps taken by the Company for utilizing alternate sources of energy	-
iii)	The capital investment on energy conservation equipment's	Nil

B. TECHNOLOGY ABSORPTION

i)	The efforts made towards technology absorption	NA
ii)	The benefits derived like product improvement, cost reduction, product development or import substitution	NA
iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	NA
	a. The details of technology imported	NA
	b. The year of import	NA
	c. Whether the technology been fully absorbed	NA
	d. If not fully absorbed, areas where absorption has not taken place and the reasons thereof and	NA
iv)	The expenditure incurred on Research and Development	NA

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange Earnings & Outgo:	Amount in lakhs	
	2019-20	2018-19
Earnings	Nil	Nil
Outgo	58.46	29.54



ANNEXURE - V

FORM NO. MGT - 9
EXTRACT OF ANNUAL RETURN
as on the financial year ended 31.03.2020
[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L17220TG1993PLC016672
ii)	Registration Date	02/12/1993
iii)	Name of the Company	Golden Carpets Ltd
iv)	Category / Sub-Category of the Company	Company Limited by shares / Indian Non-Government Company
v)	Address of the Registered Office and contact details	8-2-596/5/B/1, Road No.10, Banjara Hills, Hyderabad, Telangana - 500034 Contact Number 040-66771111
vi)	Whether listed company Yes / No	Yes
vii)	Name, address and contact details of Registrar and Transfer Agent, if any	M/s. XL Softech Systems Limited#3,Sagar Society, Road No.2,Banjara Hills, Hyderabad, Telangana - 500 034 Phone: 040 23545913/14/15, Fax: 040 23553214

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacturing Carpets	1393	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

S. No.	Name and address of the Company	CIN/GLN	Holding/ subsidiary/ Associate	% of shares held	Applicable section
			Nil		



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				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	35,47,039	3,71,200	39,18,239	60.37	39,15,739	2,500	39,18,239	60.37	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1):	35,47,039	3,71,200	39,18,239	60.37	39,15,739	2,500	39,18,239	60.37	-
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2):	-	-	-	-	-	-	-	-	-
Total Share holding of Promoters (A) = (A)(1)+ (A)(2)	35,47,039	3,71,200	39,18,239	60.37	39,15,739	2,500	39,18,239	60.37	-
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds / UTI	-	-	-	-	-	-	-	-	-



b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1):	-	-	-	-	-	-	-	-	-
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	3,54,608	1,00,000	4,54,608	7.00	3,26,773	1,00,000	4,26,773	6.58	(0.42)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders Holding nominal share capital upto Rs.2 lakh	7,88,951	82,402	8,71,353	13.43	8,12,501	82,402	94,902	13.98	0.55
ii) Individual Shareholders holding nominal share capital in excess of Rs. 2 lakh	5,63,875	1,40,000	7,03,875	10.85	5,63,875	1,40,000	7,03,875	10.85	-
c) Others									
i) NRI	56,344	4,85,740	5,42,084	8.35	60,629	4,73,240	5,33,869	8.22	(0.13)
ii) Clearing Members / Clearing House	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2):	1,63,778	24,08,142	25,71,920	39.63	17,63,778	8,08,142	25,71,920	39.63	
Total Public Shareholding (B)=(B)(1)+(B)(2)	1,63,778	24,08,142	25,71,920	39.63	17,63,778	8,08,142	25,71,920	39.63	
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	37,10,817	27,79,342	64,90,159	100	56,79,517	8,10,642	64,90,159	100	-



ii) SHARE HOLDING OF PROMOTERS

S. No	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total share	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total share	
1	Srikrishna Naik	23,48,035	36.17	—	25,81,735	39.78	--	3.61
2	Meena Bhushan Kerur	10,24,764	15.79	—	10,24,764	15.79	—	—
3	G K Naik	2,33,700	3.61	—	-	-	—	(3.61)
4	Malini Govind Naik	3,09,240	4.77	—	3,09,240	4.77	—	—
5	SB Kerur	2,500	0.04	-	2,500	0.04	—	—
	Total	39,18,239	60.37	—	39,18,239	60.37	—	-

iii) Change in Promoters' Shareholding (please specify, if there is no change)

S. No.	Promoter's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Srikrishna Naik				
	At the beginning of the year	23,48,035	36.17	23,48,035	36.17
	Date wise Increase/Decrease in promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc) :	2,33,700 equity Shares increased by way of acquisition of shares	3.61	25,81,735	39.78
	At the end of the year	25,81,735	39.78	25,81,735	39.78



S. No.	Promoter's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2	MEENA BHUSHAN KERUR				
	At the beginning of the year	10,24,764	15.49	10,24,764	15.79
	Date wise Increase/Decrease in promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc) :	-	-	10,24,764	15.79
	At the end of the year	10,24,764	15.49	10,24,764	15.79

S. No.	Promoter's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3	<u>G K Naik</u>				
	At the beginning of the year	2,33,700	3.60	2,33,700	3.60
	Date wise Increase/Decrease in promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc) :	2,33,700 equity chares decreased by way of transfer of shares	3.60	-	-
	At the end of the year			-	-



S. No.	Promoter's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4	MALINI GOVIND NAIK				
	At the beginning of the year	3,09,240	4.77	3,09,240	4.77
	Date wise Increase/Decrease in promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc) :	—	—	3,09,240	4.77
	At the end of the year	3,09,240	4.77	3,09,240	4.77

S. No.	Promoter's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	S B KERUR				
	At the beginning of the year	2,500	0.04	2,500	0.04
	Date wise Increase/Decrease in promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc) :	—	—	2,500	0.04
	At the end of the year	2,500	0.04	2,500	0.04



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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Stressed Assets Stabilished Fund	1,85,185	2.85	1,85,185	2.85
2.	C H Kiron	1,40,000	2.16	1,40,000	2.16
3.	Hemendra Ratilal Mehta	1,16,000	1.78	1,16,000	1.78
4.	Meera Keerthi	1,13,440	1.75	1,13,440	1.75
5.	Ramachandra Rao K	1,05,000	1.62	1,05,000	1.62
6.	Prudential Capital Markets Limited	1,00,000	1.54	1,00,000	1.54
7.	N Parameswari	71,500	1.10	71,500	1.10
8.	Dattani Ceramics Pvt Ltd	70,480	1.09	70,480	1.09
9.	DilipDadlani	51,800	0.80	51,800	0.80
10.	Mohan Lal Kapoor	50,000	0.77	50,000	0.77
11.	A A N Kumar	50,000	0.77	50,000	0.77

v - Change in Directors Shareholding & KMP

S. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Srikrishna Naik				
	At the beginning of the year	23,48,035	36.17	23,48,035	36.17
	Date wise Increase/Decrease in promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc) :	2,33,700 equity Shares increased by way of acquisition of shares	3.61	25,81,735	39.78
	At the end of the year	25,81,735	39.78	25,81,735	39.78



S. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2	MEENA BHUSHAN KERUR				
	At the beginning of the year	10,24,764	15.49	10,24,764	15.79
	Date wise Increase/Decrease in promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc) :	-	-	10,24,764	15.79
	At the end of the year	10,24,764	15.49	10,24,764	15.79

S. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3	RAMANA NAIK BHYKYAPEDA				
	At the beginning of the year	—	—	—	—
	Date wise Increase/Decrease in promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc) :	—	—	—	—
	At the end of the year	—	—	—	—



S. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4	SURYANARAYANA MURTHY KROVI				
	At the beginning of the year	—	—	—	—
	Date wise Increase/Decrease in promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc) :	—	—	—	—
	At the end of the year	—	—	—	—
5	JANARDHAN MANDALA				
	At the beginning of the year	—	—	—	—
	Date wise Increase/Decrease in promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc) :	—	—	—	—
	At the end of the year	—	—	—	—
6	MANORAMA MAROO				
	At the beginning of the year	—	—	—	—
	Date wise Increase/Decrease in promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc) :	—	—	—	—

- *Company Secretary was appointed on 18th April 2019, as such the beginning of the year shall be construed accordingly.*

**V. INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits
Indebtedness at the beginning of the financial year			
i) Principal Amount	-	4,64,01,952	-
ii) Interest due but not paid	-	-	-
iii) Interest accrued but not due	-	-	-
Total (i+ii+iii)	-	4,64,01,952	-
Changes in Indebtedness during the year			
Addition	-	-	-
Reduction	-	-	-
Net Change	-	-	-
Indebtedness at the end of the financial year			
i) Principal Amount	-	4,64,01,952	-
ii) Interest due but not paid	-	-	-
iii) Interest accrued but not due	-	-	-
Total (i+ii+iii)	-	4,64,01,952	-

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

(Rs. in Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Sri Krishna Naik, Managing Director	
1.	Gross salary	1,00,000 (per month)	12,00,000 (per annum)
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-
2.	Stock Option		-



3.	Sweat Equity		-
4.	Commission		
	- as % of profit		-
	- others, specify...		-
5.	Others, please specify Contribution to Provident fund		-
	Total (A)		12,00,000

B. Remuneration to other Directors:

(Amount in Rs.)

S.No.	Particulars of Remuneration	Total Amount	
		Mr. Suryanarayana Murthy Krovi	Mr. Ramna Naik Bhukya Peda
1.	Independent Directors	Mr. Suryanarayana Murthy Krovi	Mr. Ramna Naik Bhukya Peda
	• Fee for attending board / committee meetings		-
	• Commission	-	-
		-	-
	Total (1)	-	-
2.	Other Non-Executive Directors	Ms. Meena Bhushan Kerur (Director)	
	• Fee for attending board / committee meetings	-	-
	• Commission	-	-
	• Others, please specify	-	-
	Total (2)	-	-
	Total (B)=(1+2)		
	Total Managerial Remuneration (A+B)		
	Overall Ceiling as per the Act (for Independent directors)		

**C. Remuneration to Key Managerial Personnel other than MD/ Manager/WTD: (Rs. in Lakhs)**

Sl. No	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr. Janardhan M, CFO	Ms. Manoram Maroo, Cs	
1.	Gross salary	3,91,702	2,40,000	6,31,702
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5.	Others, please specify Contribution to Provident fund			
	Total	3,91,702	2,40,000	6,31,702

VII. PENALTIES/PUNISHMENT/COMPUNDING 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					

By Order of the board
for Golden Carpets Ltd.

Sd/-

Srikrishna Naik

Chairman & Managing Director

DIN: 01730236

Add: 8-2-596/5/B/1, Road No 10, Banjara Hills
Hyderabad, 500034, Telangana, India

Place: Hyderabad

Date: 04.09.2020



ANNEXURE - VI

Details of Ratio of Remuneration of Directors

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

- The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:**

S. No.	Name of the Director	Ratio
1.	Srikrishna Naik	11.37:1

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

During the financial year there was an increment by 14.28% in the remuneration of Mr. Janardhan Mandala, Chief Financial Officer of the Company w.e.f September 2019.

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

During the year there is no increment in the remuneration of employees of the Company.

- The number of permanent employees on the rolls of the Company:**

There are 10 (Ten) employees on the rolls of the Company.

- Average percentile increases 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:**

During the financial year there were no such events.

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

Company hereby affirms that remuneration paid is as per the remuneration policy of the Company.

By Order of the board
for Golden Carpets Ltd.
Sd/-

Srikrishna Naik

Chairman & Managing Director

DIN: 01730236

Add: 8-2-596/5/B/1, Road No 10, Banjara Hills
Hyderabad, 500034, Telangana, India

Place: Hyderabad
Date: 04.09.2020



AUDITORS CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

[Pursuant to Regulation 34(3) read with in Part E of Schedule V of SEBI (LODR), 2015]

To

The members

Golden Carpets Ltd

Hyderabad

We have examined the compliance of conditions of Corporate Governance by Golden Carpets Ltd, for the year ended 31st March 2020, as stipulated in Regulation 34(3) read with Part E of Schedule V of SEBI (LODR) Regulations, 2015.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, the Company has complied with the conditions of Corporate Governance as stipulated in the above listing Regulation.

We state that in respect of investor grievances received during the year ended 31st March 2020, no investor grievances are pending against the Company, as per the records maintained by the Company and presented to the Investors/ Shareholders Grievance Committee. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For L S Reddy & Associates
Chartered Accountants

Place: Hyderabad
Date : 04.09.2020

Sd/-
L S Reddy
Proprietor
(Membership No. 218221)



CERTIFICATION BY MANAGING DIRECTOR & CHIEF FINANCIAL OFFICER OF THE COMPANY

(Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015 read with PART B of Schedule II)

To
The Board of Directors
Golden Carpets Ltd

- A. We have reviewed the financial statements and the Cash Flow Statement for the year and that to the best of their knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit committee:
1. significant changes in internal control over financial reporting during the year;
 2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 3. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For Golden Carpets Ltd

Place: Hyderabad
Date: 04.09.2020

Sd/-
Mr. Srikrishna Naik
Managing Director

Sd/-
Janardhan Mandala
CFO



**NO DISQUALIFICATION CERTIFICATE FROM
COMPANY SECRETARY IN PRACTICE**

(Pursuant to Regulation 34(3) of SEBI (LODR) Regulations, 2015 read with
PARA-C Clause 10(i) of Schedule V)

To
**The members
Golden Carpets Ltd
Hyderabad**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Golden Carpets Ltd** having **CIN L17220TG1993PLC016672** and having registered office at 8-2-596/5/B/1, Road No.10, Banjara Hills, Hyderabad- 500034, Telangana, India (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

S. No.	Name of the Director	DIN	Date of appointment
1.	SRIKRISHNA NAIK	01730236	02/12/1993
2.	MEENA BHUSHAN KERUR	02454919	16/02/1995
3.	SURYANARAYANA MURTHY KROVI	02008285	12/04/2017
4.	RAMANA NAIK BHUKYAPEDA	01396345	30/09/2015

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these, based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 03.09.2020
Place: Hyderabad

Sd/-
Mr. Ramesh Atluri
Company Secretary in Practice
ACS No: 30844; CP No: 16418
UDIN - F009889B000657811



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF M/s. GOLDEN CARPETS LIMITED

Report on the Financial Statements

We have audited the financial statements of **M/s. Golden Carpets Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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



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

Opinion

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

Report on Other Legal and Regulatory Requirements

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 and with the accounts of the branches.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of 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 other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Hyderabad

Date: 29.06.2020

For L S Reddy & Associates
Chartered Accountants

Sd/-
L.S. Reddy
Proprietor
M.No. 218221



The Annexure referred to in Our Report of even date to the members of M/s. Golden Carpets Limited on the standalone financial statements for the year ended 31st March, 2020, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
(b) The fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Therefore, requirements of clauses (a), (b) of paragraph 3(iii) of the order are not applicable.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. In our opinion and according to the explanations given to us The Company has not accepted any deposits from the public.
6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act 2013.
7. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no



outstanding statutory dues as on 31st of March, 2020 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
8. The Company has accumulated loss as at the end of the financial year and its accumulated losses are not less than fifty percent of its net worth and the Company has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
9. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
10. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
11. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
12. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

Place : Hyderabad
Date : 29.06.2020

For L S Reddy & Associates
Chartered Accountants

Sd/-
L.S. Reddy
Proprietor
M.No. 218221



Balance Sheet as at 31st March, 2020

Particulars	Notes	As at 31 March 2020	As at 31 March 2019
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	1	84,411,590	84,411,590
Reserves and Surplus	2	(80,118,620)	(80,915,270)
Non-Current Liabilities			
Long Term Borrowings	3	46,592,322	46,592,322
Deferred Tax liability(Net)		-	
Current Liabilities			
Trade payables	4	428,503	1,348,159
Other Current Liabilities	5	4,136,448	2,821,484
		55,450,243	54,258,286
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	6	18,142,644	19,157,953
Deposits	7	483,410	483,410
Deferred Tax Asset	20	3,552,243	3,980,749
Current Assets			
Inventories	8	30,392,144	27,053,284
Trade Receivables	9	457,564	815,695
Cash and Bank Balances	10	1,757,276	2,059,105
Short Term Loans and Advances	11	0	0
Other Current Assets	12	664,964	708,091
		55,450,243	54,258,286

As per Report of even date attached

For L.S.Reddy & Associates
Chartered Accountants
FRN No.012848S

For and On Behalf of Board Of Directors

Sd/-
L.S.Reddy
Proprietor
M.No.218221

Sd/-
Sri Krishna Naik
Managing Director

Sd/-
Meena Kerur
Director

Place : Hyderabad
Date : 29.06.2020

Statement of Profit and Loss for the period ended 31st March 2020

Particulars	Notes	As at 31 March 2020	As at 31 March 2019
Revenue			
Revenue from operations	13	11,932,980	7,180,082
Other Income	14	349,718	143,282
Total Revenue		12,282,698	7,323,364
Expenses:			
Cost of raw material and components Consumed	15	3,844,980	2,651,593
(Increase)/ decrease in inventories of finished goods and work-in -progress ¹⁶		231,616	286,509
Employee benefit expense	17	2,587,272	2,283,874
Financial costs	18	1,254	15,937
Depreciation and amortization expense	6	1,015,307	1,015,469
Other expenses	19	3,377,111	3,111,764
Total Expenses		11,057,540	9,365,146
Profit before tax		1,225,158	(2,041,782)
Tax expense:			
Current tax		-	-
Deferred tax expense/(saving)	20	428,505	(623,892)
Profit(Loss)from the perid from continuing operations		796,651	(1,417,891)
Profit/(Loss) for the period		796,651	(1,417,891)
Earning per equity share:			
Basic & Diluted		0.12	(0.22)

As per Report of even date attached

For L.S.Reddy & Associates
Chartered Accountants
FRN No.012848S

For and On Behalf of Board Of Directors

Sd/-
L.S.Reddy
Proprietor
M.No.218221

Sd/-
Sri Krishna Naik
Managing Director

Sd/-
Meena Kerur
Director

Place : Hyderabad
Date : 29.06.2020



CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2020
(Pursuant to Clause 32 of the Listing Agreement)

PARTICULARS	Year ended 31 st March 2020	Year ended 31 st March 2019
	Rs.	Rs.
A. Cash flow from Operating activities		
Profit Before Tax	1,225,158	(2,041,782)
Adjustment for		
Deffered tax liability		
Depreciation and amortisation	1,015,307	1,015,469
Operating Profit before working capital changes	2,240,465	(1,026,313)
Movement in Working capital		
Increase/ (Decrease) in Inventories	(3,338,860)	(1,060,529)
Increase/ (Decrease) in Trade Receivables	(358,131)	(144,878)
Increase/ (Decrease) in Short Term Loans and Adv.	-	140,425
Increase/ (Decrease) in Other current assets	43,127	(475,911)
(Increase)/Decrease in Current Liabilities	395,308	879,795
Cash Generated from operations	(301,829)	(1,687,411)
Direct tax paid		
Net Cash flow from Operating activities (A)	(301,829)	(1,687,411)
B. Cash flow from Investing activities		
Purchases of Fixed Assets	-	(1,082,119)
Net Cash flow used in Investing Activities (B)	-	(1,082,119)
C. Cash flow from financing activities		
Proceeds from Share Capital	0	0
Payments Towards Long Term Borrowings	(0)	1,172,973
Net Cash flow used in Financing Activities (C)	0	1,172,973
Net increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(301,829)	(1,596,558)
Cash & Cash Equivalents at the beginning of the year	2,059,105	3,655,662
Cash & Cash Equivalents at the end of the year	1,757,276	2,059,104

As per Report of even date attached

For L.S.Reddy & Associates
Chartered Accountants
FRN No.012848S

Sd/-
L.S.Reddy
Proprietor
M.No.218221

For and On Behalf of Board Of Directors

Sd/-
Sri Krishna Naik
Managing Director

Sd/-
Meena Kerur
Director

Place : Hyderabad
Date : 29.06.2020

**SCHEDULES FORMING PART OF BALANCE SHEET**

1	Share Capital	31-Mar-20	31-Mar-19
	Authorised 10500000 equity shares of Rs.10 each	105,000,000	105,000,000
	Issued 6490159 equity shares of Rs. 10 each	64,901,590	64,901,590
	Subscribed 6490159 equity shares of Rs. 10 each	64,901,590	64,901,590
	Add:Forfieted Shares	19,510,000	19,510,000
		84,411,590	84,411,590

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	31-Mar-20		31-Mar-19	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	6,490,159	64,901,590		64,901,590
Shares Issued during the year	-	-		
Shares bought back during the year	-	-		
Shares outstanding at the end of the year	6,490,159	64,901,590		64,901,590

2 Reserves & Surplus

Particulars	31-Mar-20	31-Mar-19
Securities Premium account	22,407,396	22,407,396
Surplus/(Deficit) in the statement of profit and loss	22,407,396	22,407,396
Opening Balance	(103,322,667)	(101,904,776)
Add:Profit/(Loss) for the year	796,651	(1,417,891)
Less: Depreciation charged to retained Earnings	-	-
Net surplus in the Statement of profit and loss	(102,526,016)	(103,322,667)
Total	(80,118,620)	(80,915,271)



3 Long term Borrowings

Particulars	31-Mar-20	31-Mar-19
Deferred Sales tax loan (Interest free)	190,370	190,370
	190,370	190,370
Unsecured Loans from Related Parties S.K.Naik	46,401,952	46,401,952
	46,401,952	46,401,952

4 Trade payables

Particulars	31-Mar-20	31-Mar-19
Audit Fees Payable	50,000	50,000
Rent payable	70,320	70,320
Telephone & Internet Charges Payable	720	560
Sundry Creditors	307,463	1,227,279
	428,503	1,348,159

5 Other Current liabilities

Particulars	31-Mar-20	31-Mar-19
Other liabilities		
Salaries Payable	105,484	88,774
Directors Remuneration Payable	3,454,450	2,552,750
TDS Payable	134,100	134,100
Calls Unpaid payable on allotment money	2,500	2,500
Advances from Customers	439,914	43,360
	4,136,448	2,821,484

7 Deposits

Particulars	31-Mar-20	31-Mar-19
Electricity Deposit	148,410	148,410
Deposit With FAPCCI	5,000	5,000
Sales tax Deposit	3,000	3,000
Rent Deposit	312,000	312,000
Telephone Deposit	15,000	15,000
	483,410	483,410



DEPRECIATION AS PER COMPANIES ACT (F. YEAR 2019-2020)

Schedule: 6

6. Tangible Assets

Description	GROSS BLOCK		As at 31.03.20	As on 31.03.19	DEPRECIATION			NET BLOCK			
	As at 01.04.19	Addition During the period			Deletion during the period	Charged to retained earnings	FOR THE PERIOD		Total as at 31.03.20	WDV as at 31.03.20	31.03.19
							Current depreciation year				
Building others	2,062,860	-	2,062,860	1,050,787	-	106,749	1,157,536	905,324	1,012,073		
Building factory	17,686,462	-	17,686,462	11,018,848	-	569,536	11,588,384	6,098,078	6,667,615		
Computers & Software	2,699,509	-	2,699,509	2,400,757	-	168,979	2,569,736	129,773	298,752		
Electrical	4,334,968	-	4,334,968	3,898,792	-	59,592	3,958,384	376,584	436,176		
Furniture & fixtures	1,989,872	-	1,989,872	1,509,795	-	60,605	1,570,400	419,472	480,077		
Land & site development	2,655,433	-	2,655,433	-	-	-	-	2,655,433	2,655,433		
Misc Fixed Assets - Plant & Machinery	4,882,747	-	4,882,747	4,652,510	-	-	4,652,510	230,237	230,237		
Plant & machinery	135,379,439	-	135,379,439	128,016,681	-	49,848	128,066,529	7,312,910	7,362,738		
Vehicles	351,686	-	351,686	336,855	-	-	336,855	14,831	14,831		
	172,042,976	-	172,042,976	152,885,025	-	1,015,307	153,900,332	18,142,644	19,157,953		

**8 Inventories**

Particulars	31-Mar-20	31-Mar-19
Raw materials	28,012,800	24,442,324
Finished goods	2,379,344	2,610,960
	30,392,144	27,053,284

9 Trade Receivables and other asstes

Particulars	31-Mar-20	31-Mar-19
Unsecured and considered good Outstanding for a period		
Less than 6 months from the date they are due for payment	105,677	761,809
Exceeding 6 months from the date they are due for payment	351,887	53,886
	457,564	815,695

10 Cash and Bank Balances

Particulars	31-Mar-20	31-Mar-19
Cash and Cash equivelents		
Cash on hand	2,611	2,304
Balances with Banks In Current accounts	967,997	798,000
	970,608	800,304
Other bank balances		
Fixed Deposits & Interest on Fixed Deposits	786,668	1,258,801
	1,757,276	2,059,105

11 Short Term Loans and other Advances

Particulars	31-Mar-20	31-Mar-19
Advances to Employees	-	0
	-	0

12 Other Current Assets

Particulars	31-Mar-20	31-Mar-19
Advances given to Creditors	130,879	879
TDS Receivables	95,166	243,788
Excess GST Tax inputs	438,919	463,424
	664,964	708,091

**13 Revenue from Operations**

Particulars	31-Mar-20	31-Mar-19
Sale of Finished goods	11,932,980	7,180,082
	11,932,980	7,180,082

14 Other Income

Particulars	31-Mar-20	31-Mar-19
Interest Income		
Interest on Fixed Deposit - Axis Bank	55,794	120,692
Interest on Sweep term Deposit - Axis Bank	27,853	10,367
Other Income	-	4,656
Foreign Fluctuation Profit	266,071	7,567
	349,718	143,282

15 Cost of Raw material and components consumed

Particulars	31-Mar-20	31-Mar-19
Inventory at the beginning of the year	24,442,324	23,095,286
Add : Purchases	7,415,456	3,998,631
	31,857,780	27,093,917
Less : Inventory at the end of the year	28,012,800	24,442,324
Consumption for the year 2019 20 :	3,844,980	2,651,593

16 (Increase)/decrease in Inventories

Particulars	31-Mar-20	31-Mar-19
Inventories at the beginning of the year (April,19)		
Finished goods	2,610,960	2,897,469
Inventories at the end of the year (Mar,2020)		
Finished goods	2,379,344	2,610,960
Change in inventory	231,616	286,509

17 Employee benefit Expenses

Particulars	31-Mar-20	31-Mar-19
Salaries and Wages	1,147,272	1,083,874
Directors Remuneration	1,200,000	1,200,000
Company Secretary Remuneration	240,000	
	2,587,272	2,283,874

**18 Finance Cost**

Particulars	31-Mar-20	31-Mar-19
Bank Charges	1,254	15,937
	1,254	15,937

19 Other Expenses

Particulars	31-Mar-20	31-Mar-19
Advertisement Expenses	43,050	38,806
Annual Custodial Fees	345,000	299,873
Board Meeting Expenses	30,000	26,000
Business Promotion Expenses	25,714	27,000
Backcoating Material	28,000	-
Customs Duty & Other Expenses		12,307
Commission and brokaraage charges	39,754	-
Discount allowed		1,478
E-Voting Charges	6,000	5,000
Factory & Garden Maintainence	180,000	344,032
Foreign Fluctation Loss	3,635	-
Interest & Late Fees - TDS & BSE	161,593	57,456
Laying Material & Underlay Expenses	119,070	96,337
Rates & Muncipal & Grampanchayat Taxes	123,333	79,886
Office & Building Maintenance expenses	24,720	17,168
Postage & Courier charges	23,010	20,583
Power & Diesel	476,409	430,381
Printing & Stationery	22,858	22,514
Professional Charges	225,000	230,989
Professional Tax	20,000	-
Rent	843,840	843,840
Repair & Maintanance	255,040	116,640
ROC filing fee Expenses	2,900	600
Share Transfer Processing fees	60,000	32,864
Staff Welfare Expenses	19,200	5,500
Telephone & Internet Expenses	163,902	189,627
Transport Charges	110,083	36,159
Travelling Expenses	-	151,724
Payment to Auditor		
Audit fee	25,000	25,000
	3,377,111	3,111,764



I. BASIS OF PREPARATION OF FINANCIAL STATEMENTS :

(I) COMPLIANCE WITH INDAS :

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'IndAS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

(II) HISTORICAL COST CONVENTION :

The financial statements have been prepared on a historical cost basis, except for the following:

1. Certain financial assets and liabilities that are measured at fair value;

(III) CURRENT AND NON - CURRENT CLASSIFICATION :

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (not exceeding twelve months) and other criteria

(IV) USE OF ESTIMATES AND JUDGMENTS :

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognized in the period in which the results are known/materialized.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about

2. REVENUE RECOGNITION :

The company derives revenue primarily from the sale of carpets. Revenue from sale of goods is recognized when significant risks and rewards in respect of ownership of products are transferred to customers. Revenue from domestic sales of products is recognized on dispatch of products. Revenue from products is stated exclusive of duties, taxes, returns, and applicable trade discounts and allowances.

3. FIXED ASSETS :

Fixed assets are recognized at cost of acquisition and installation less accumulated depreciation. The cost comprises purchase price, freight, duties, levies, borrowing cost and directly attributable cost of bringing the assets to their working condition for Intended use. Subsequent expenditure related to an item of fixed assets is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance or extend its estimated useful life.



4. INVENTORIES :

Inventories of Raw Materials, Finished Goods, Stores and spares, are stated 'at cost or net realizable value, whichever is lower'. Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used are 'Weighted Average cost' or 'Specific identification', as applicable.

5. DUES TO MICRO AND SMALL ENTERPRISES :

The Company has no dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act').

6. DEPRECIATION METHODS, ESTIMATED USEFUL LIVES AND RESIDUAL VALUE :

Depreciation on Factory Buildings, Specific non factory buildings, Plant and Equipment, is provided as per the Straight Line Method and in case of other assets as per the Written down Value Method, over the estimated useful lives of assets.

The Company depreciates its property, plant and equipment (PPE) over the useful life in the manner prescribed in Schedule II to the Act. However the management will take up the technical evaluation of its assets for life in the future to arrive at the useful life of assets which may be different from that prescribed in Schedule II of the Act

Useful life considered for calculation of depreciation for various assets class are as follows.

S.NO	ASSET CLASS	USEFUL LIFE AS PER SCHEDULE XIV
01	Building - Others	60 Years
02	Computers & Cameras	6 Years
03	Electricals	21 Years
04	Factory Buildings	30 Years
05	Free hold Land	
06	Furniture and fixtures	16 Years
07	Misc. fixed assets-Plant and machinery	21 Years
08	Plant & Machinery	21 Years
09	Vehicles	11 Years

Depreciation on additions / deletions is calculated pro-rata from the month of such addition / deletion, as the case maybe

7. TAX EXPENSE :

The tax expenses for the period comprises of current tax and deferred income tax. Tax is recognized in Statement of Profit and Loss account.

**(i) Current Tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the Balance sheet date.

(ii) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period

8. OTHER NOTES TO ACCOUNTS AND DISCLOSURES :**I Related party disclosures (AS-18): NIL**

- i Key Management Personnel: Mr Sri Krishna Naik ,Managing Director
ii. Particulars of transactions with related parties:

(Amount in Rupees)

Sl. No.	Type of Relationship	Name of the Company/ Party	Nature of Transaction	As on 31-03-2020	As on 31-03-2019
1	Managing Director	Mr Sri krishna Naik	Remuneration	12,00,000	12,00,000
2.	Managing Director	Mr. Srikrishna Naik	Unsecured Loans received	4,64,01,952	4,64,01,952

II. Remuneration to Auditors:-

Particulars	As on 31-03-2020	As on 31-03-2019
Audit Fee	25,000	25,000

III. Earnings Per Share:-

Particulars	As on 31-03-2020	As on 31-03-2019
Net Profit/(Loss) attributable to Equity Share Holders	8,13,926	(14,17,476)
Weighted Average No of Equity Shares	64,90,159	64,90,159
Basic and Diluted Earnings per Share	0.13	(0.22)


IV. Contingent Liabilities and commitments - (AS-29):

- i) Guarantees and letters of credit: Nil
- ii) Bank Guarantees: Rs. Nil

V. Quantitative and other information:-
a) Opening Stock and closing stock:-
(a) Raw- Materials Quantities:-

Particulars	Raw Material(in Kgs)			
	Opening 01.04.2019	Purchases During the year 2019-20	Consumption During the year 2019-20	Closing 31.03.2020
Raw Materials	103730	35010	20462	118278

(b) Raw- Materials in Value (In Rs) for the year 2019-20:-

Raw Material	2,44,42,324	74,15,456	38,44,980	2,80,12,800
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(c) Finished Goods:

Particulars	Opening (in SQMT)	Produced (in SQMT)	Sales (SQMT)	Closing Stock (in SQMT)	Closing stock in Value
Finished Goods	4517	9378	9744	4151	23,79,344

(d) Goods Purchased:- (In Rs)

Particulars	2019-20	2018-19
Raw Material Purchased	74,15,456	39,98,631

(e) Raw Material Consumed:- (In Rs)

Particulars	2019-20	2018-19
Raw material consumed	38,44,980	26,51,593

f) Sales (in Rs)

Particulars	2019-20	2018-19
Sale of Goods	1,19,32,980	71,80,082

VI. Foreign Exchange Details:	As at 31.03.2020	As at 31.03.2019
Foreign Exchange Outgo:	-	-
Foreign Exchange Outgo:	58,45,638	29,54,377



VII. Deferred Tax Liability/(Asset)

Opening Value of deferred tax Liability / (Asset) as on 01.04.2019	(39,80,563)
Deferred tax on account Depreciation and Accumulated Losses	4,36,230
Closing Value of deferred tax Liability as on 31.03.2020	(35,44,518)

VIII. Other Disclosures:-

- a) The Previous year's figures have been regrouped and recast wherever necessary to bring them in line with the current year's figures.

For L.S. Reddy & Associates
Chartered Accountants
Firm Reg. No.012848S

For and on behalf of the Board

Sd/-
L.S.Reddy
Proprietor
M.No.218221

Sd/-
Sri Krishna Naik
Managing Director

Sd/-
Meena Kerur
Director

Place : Hyderabad
Date : 29.06.2020



**26th Annual General Meeting
GOLDEN CARPETS LTD**

Registered Office: 8-2-596/5/B/1, ROAD NO.10, BANJARA HILLS,
Hyderabad - 500 034

Phone: 040-66771111; Fax: 040-23351576

Website: www.goldencarpets.com, Email: goldencarpetsltd@gmail.com

CIN: L17220TG1993PLC016672

**PLEASE COMPLETE THE ATTENDANCE SLIP AND HAND OVER AT THE ENTRANCE
OF THE MEETING HALL.**

ATTENDANCE SLIP

I / We hereby record my / our presence at the 26th Annual General Meeting of the Golden Carpets Ltd held on Wednesday 30th September, 2020 at 9.00 A.M. at **Hotel Marriott Tank Bund Road Opposite Hussain Sagar Lake , Hyderabad, 500080 Telangana, India.**

For Physical Holding	For Electronic Form (Demat) NSDL / CDSL		No. of shares
Folio No.	DP ID	CLIENT ID	
NAME OF THE MEMBER / JOINT MEMBER(S) (IN BLOCK CAPITALS):			

Signature of the member / Joint member(s) / proxy

Note: Please complete the Attendance Slip and hand over at the entrance of the meeting hall

PROXY FORM

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

Name of the member(s)	
Registered Address	
Email ID	
Folio No./ Client ID	
DP ID	

I/We, being the member(s) of shares of the above named company, hereby appoint



1. Name :
Address:
Email ID
2. Name :
Address :
Email ID :
Signature : or failing him / her
3. Name :
Address :
Email ID :
Signature : or failing him / her

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the Annual General Meeting of the company, to be held on Wednesday, 30th September 2020 at 9:00 AM at Hotel Marriott, Tank Bund Road, Opposite Hussain Sagar Lake, Hyderabad- 500080, Telangana, India at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Particulars	FOR	AGAINST
	Ordinary Business		
1	Adoption of Financial Statements for the financial year ended 31 st March 2020.		
2	Appointment of Ms. Meena Bhushan Kerur as a Director liable to retire by rotation.		
3	Re-appointment of M/s. L S Reddy & Associates, Chartered Accountants as the Statutory Auditors of the Company.		
	SPECIAL BUSINESSES		
4	Re-appointment of Mr. Srikrishna Naik as Managing of the Company		
5	Appointment of Mr. Maqsood Ahmed (DIN: 08861730) as an Independent Director of the Company 2020		
6	Continuation of Directorship of Mr. Suryanarayana Murthy Krovi as Non-Executive, Independent Director of the Company, notwithstanding that he has attained the age of 75 years		

Signed this _____ day of _____ 2020

Affix Revenue stamp

Signature of Shareholder

Signature of Proxy holder(s)

Affix
Revenue
stamp

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



GOLDEN CARPETS LTD
CIN: L17220TG1993PLC016672

Registered Office: 8-2-596/5/B/1, Road No.10, Banjara Hills, Hyderabad- 500 034

Phone: 040-66771111; Fax: 040-23351576

Website: www.goldencarpets.com, Email:goldencarpetsltd@gmail.com

POSTAL BALLOT PAPER

(Pursuant to Section 110 of the Companies Act, 2013 and Rule 22 of the Companies (Management and Administration) Rules, 2014)

Name of the first named shareholder (in Block letters)	
Postal Address	
Registered Folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
Class of shares	Equity

I hereby exercise my vote in respect of the ordinary / special resolutions for the business enumerated below and as stated in the Notice of 26th Annual General Meeting of the Company to be held on Wednesday, the 30th September 2020 at 9:00 AM (IST) at Hotel Marriott, Tank Bund Road, Opposite Hussain Sagar Lake, Hyderabad- 500080, Telangana, India by recording my/ assent or dissent to the said resolution by placing tick (") at the appropriate box below:

S. No.	Item No.	No. of shares	I/ we assent to the resolution) (FOR	I/ we dissent to the resolution (AGAINST)
	Ordinary Business			
1	Adoption of Financial Statements for the financial year ended 31st March 2020: To receive, consider and adopt the Audited Financial Statements for the financial year ended 31 st March 2020 and the Reports of the Directors and Auditors thereon.			
2	To appoint of Ms. Meena Bhushan Kerur as director liable to retire by rotation. To appoint a Director in place of Ms. Meena Bhushan Kerur (DIN: 02454919) who retires by			



	rotation and being eligible offers herself for re-appointment. Therefore, members are requested to consider and if thought fit, to pass the following resolution as an ordinary resolution: “RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Ms. Meena Bhushan Kerur (DIN: 02454919), who retires by rotation, be and is hereby re-appointed as Director liable to retire by rotation.”			
3.	Re-appointment of M/s. L S Reddy & Associates, Chartered Accountants as the Statutory Auditors of the Company <i>To consider and if thought fit to pass with or without modifications the following resolution as an Ordinary Resolution:</i> “RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules made thereunder, M/s. L S Reddy & Associates, Chartered Accountants (FRN: 012848S), be and are hereby re-appointed as the Statutory Auditors of the Company for a period of 5 years to hold office from the conclusion of this Annual General Meeting till the conclusion of the 31 st Annual General Meeting and that the Board of Directors be and are hereby authorized to fix such remuneration including the manner of payment as may be determined in consultation with the Auditors.”			
	SPECIAL BUSINESSES			
4.	Re-appointment of Mr. Srikrishna Naik as Managing of the Company <i>To consider and if thought fit to pass with or without modifications the following resolution as an Ordinary Resolution:</i> “RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and all other applicable provisions if any of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the members of the Company be and			



	<p>is hereby accorded to approve and ratify the re-appointment of Mr. Srikrishna Naik (DIN: 01730236) as Managing Director of the Company for a further period of 5 (five) years with effect from 9th August 2020 to 8th August 2025. RESOLVED FURTHER THAT Mr. Srikrishna Naik shall be eligible to the following remuneration: 1. Salary: Rs. 1,00,000 per month 2. Commission: Nil 3. Perquisites: Nil 4. Other Allowances: Nil RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as it may deem necessary, desirable or expedient and to do all acts, deeds and things in connection therewith and incidental in order to give effect to this resolution.”</p>			
5.	<p>Appointment of Mr. Maqsood Ahmed as an Independent Director of the Company <i>To consider and if thought fit, to pass, with or without modification(s), the following resolution as a special resolution: “RESOLVED THAT</i> pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 and 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the recommendation of the Nomination and Remuneration Committee, Mr. Maqsood Ahmed (DIN: 08861730), be and is hereby appointed as an Independent Director of the Company, to hold office for a period of 5 (five) years w.e.f. 30th September 2020. RESOLVED FURTHER THAT Mr. Maqsood Ahmed (DIN: 08861730) as an Independent Director shall not be liable for retirement by rotation during the tenure of his office.”</p>			
6.	<p>Continuation of Directorship of Mr. Suryanarayana Murthy Krovi as non-Executive, Independent Director of the Company,</p>			

	<p>notwithstanding that he has attained the age of 75 years<i>To consider and if thought fit, to pass, with or without modification(s), the following resolution as a special resolution: “RESOLVED THAT</i> pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 and 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the consent of the members be and is hereby accorded to continue the services of Mr. Suryanarayana Murthy Krovi (DIN:02008285), who was appointed as an Independent Director of the Company for a term of 5 years w.e.f. 12th April 2017 on the existing terms and conditions, notwithstanding that he has attained the age of 75 years.”</p>			
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Place:

Date:

Signature of the member

26th
Annual Report
2019-2020

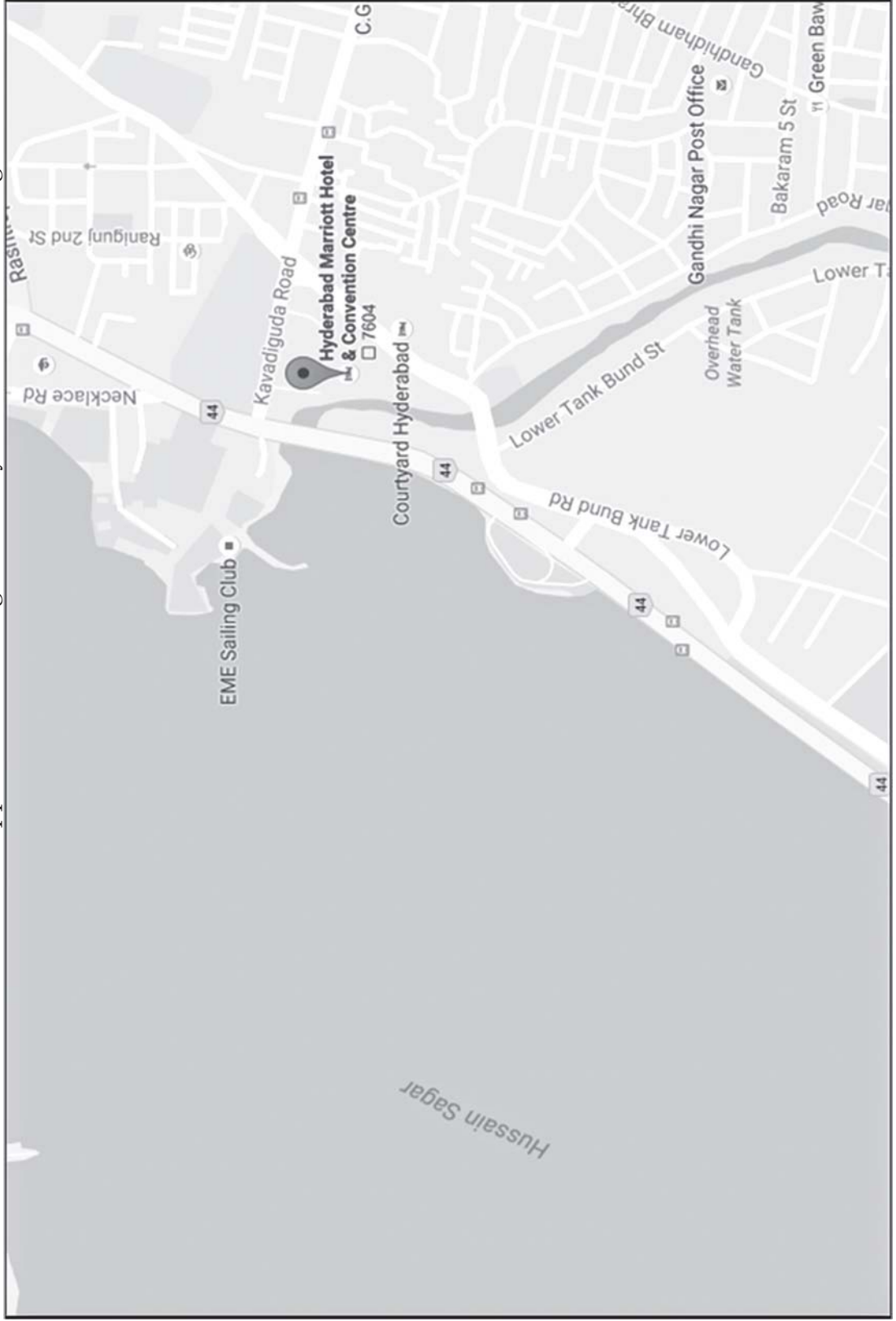


Golden Carpets Limited

Regd. Office : 8-2-596/5/B/1/A, Road No. 10,
Banjara Hills, Hyderabad – 500 034

ROAD MAP FOR THE VENUE OF 25TH ANNUAL GENERAL MEETING:

Hotel Marriott Tank Bund Road, Opposite Hussain Sagar Lake, Hyderabad - 500 080 Telangana, India



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If Undelivered please return to

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