

MANAGEMENT DISCUSSION ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS:

At the end of the year the COVID-19 pandemic resulted tremendous drop in the market growth because of the drop of overall economy as well as slow growth in the travel sector. As of now it is difficult to predict the control in near future and timing and the nature of the bounce back in consumer demand.

COVID-19 has certainly brought many challenges and uncertainties to the business. However, company is making all the efforts to revive back by reducing cost, shifting dependency from International Market to domestic market for sourcing, working on adding other product category.

SEGMENTWISE OR PRODUCT WISE PERFORMANCE AND DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The total revenue of the company for the financial year 2019-20 has posted of Rs. 83,38,41,118/- as compared to Rs. 87,02,79,529/- in the corresponding previous year. As a result, your company has posted profit after tax of Rs. 4,20,75,922/- as compared to Rs. 2,27,09,955/- in the corresponding previous year.

OPPORTUNITIES AND THREATS:

The COVID-19 is spreading throughout the world, including India which affected the business substantially from mid of March, 2020 by overall reducing the consumer demand across industries, but its impact is expected to more severe and long lasting in trading. Our business is largely dependent on the manufacturing sector which are affected in current scenario.

OUTLOOK AND RISKS

In any business, risks and prospects are inseparable. As a responsible management, the Company's principal endeavor is to maximize returns. The Company continues to take all steps necessary to minimize losses through detailed studies and interaction with experts.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal control system is commensurate with its size and scale of operations. Roles and responsibilities are clearly defined and assigned. Standard operating procedures are in place and have been designed to provide a reasonable assurance. Internal checks from time to time ensure that responsibilities are executed effectively. The observations and good practices suggested are thoroughly reviewed by the Management and appropriately implemented for strengthening the controls of various business processes.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financial statements have been prepared in accordance with the requirement of the Companies Act 2013, and applicable accounting standards issued by the Institute of Chartered Accountants of India.

Particulars	2019-20	2018-19
Revenue from operations	81,90,92,324	85,05,02,611
Other income	1,47,48,794	1,97,76,918
Total income	83,38,41,118	87,02,79,529
Total expenses	77,45,69,254	83,65,78,264
Profit/(loss) before tax	5,92,71,864	3,37,01,265
Provision for taxation	1,64,89,432	89,59,603
Deferred tax	7,41,516	3,863
Income tax for Earlier year	14,48,025	20,35,570
Profit/(Loss) after tax	4,20,75,922	2,27,09,955

HUMAN RESOURCE AND INDUSTRIAL RELATIONS

Human resource has played a very important role in the growth of the Company. Managing a full team of more than 134 plus people at different locations needs a lot of efforts. We believe that our employees are key contributors to our success.

Retail industry sees a high employee turnover. We have been fortunate enough to have people who have been committed to the organization at all times even this crucial situation of COVID-19. Our Company also looks for specific skill-sets, interests and background that would be an asset for its kind of business. Our team has a good mix of the experienced and young people, which gives us the dual advantage of stability and growth. Our people are our strength that derives success. Our basic objective is to ensure that a robust talent pipeline and a high-performance culture, centered on accountability is in place. We feel this is critical to enable us retain our competitive edge.

CAUTIONARY STATEMENT

Statement in this Management's Discussion and Analysis detailing the Company's objectives, projections, estimates, expectations or predictions are "forward-looking statements" within the meaning of 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 global and Indian demand-supply conditions, feedstock availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which the Company conducts business and other factors such as litigation and labour negotiations.

**BY ORDER OF THE BOARD OF DIRECTORS**

SD/-

DATE: 12.10.2020
PLACE: Delhi**SANJAY BANSAL**
MANAGING DIRECTOR
DIN: 01467290
ADD: KU-109, VISHAKHA ENCLAVE
PITAMPURA, DELHI-110034

CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

CERTIFICATE

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing obligation and Disclosure Requirements) Regulations, 2015

To
The members of
AVSL Industries Limited
Reg. Office: Unit No. 1001, 10th Floor, NDM-2,
Wazirpur District Centre, Netaji Subhash Place, Pitampura, New Delhi- 110034

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of AVSL Industries Limited having CIN L18101DL2003PLC121698 and having registered office at Unit No. 1001, 10th Floor, NDM-2, Wazirpur District Centre, Netaji Subhash Place, Pitampura, Delhi- 110034 IN("the Company"), produced before me/us by the Company for the purpose of issuing the Certificate, in accordance with Regulation 34(3) read with the Schedule V of Para-C sub clause 10(i) of the Securities Exchange Board of India (Listing Obligation and Disclosures 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.

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

FOR AKSHIT GUPTA & ASSOCIATES

COMPANY SECRETARIES

Sd/-

FCS AKSHIT GUPTA

PLACE: NEW DELHI

M.NO-F8479

DATE: 26.08.2020

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UDIN: F008472B000620248