

SHUBHAM POLYSPIN LIMITED

(CIN: L17120GJ2012PLC069319)

NINETH
ANNUAL REPORT
2020-21

SHUBHAM POLYSPIN LIMITED
(CIN: L17120GJ2012PLC069319)

9th ANNUAL REPORT 2020-21

BOARD OF DIRECTORS	:	Mr. Ankit A. Somani (DIN: 05211800) Mr. Anil D. Somani (DIN: 06373210) Mr. Akshay A. Somani (DIN: 05244214) Ms. Radhika A. Chandak (DIN: 07904592) Mr. Kush P. Kalaria (DIN: 08086553) Dr. Urva P. Patel (DIN: 08193058)	Managing Director Managing Director Director & CFO Director Director Director
CHIEF FINANCIAL OFFICER	:	Mr. Akshay A. Somani	
COMPANY SECRETARY	:	CS Dhara M. Sanghavi	
BANKERS	:	Yes Bank Ltd. Ahmedabad	
STATUTORY AUDITORS	:	M/s. Jain P. C. & Associates Practicing Chartered Accountants Ahmedabad	
SECRETARIAL AUDITORS	:	M/s. Manoj Hurkat & Associates Practicing Company Secretaries Ahmedabad	
REGISTERED OFFICE	:	Block No. 748, Saket Industrial Estate, Nr. Kaneria Oil Mill, Jetpura- Basantpura Road, Borisana, Tal-Kadi Dist:-Mehsana-382728	
ISIN (for demat purpose)	:	INE01J501010	

NOTICE

NOTICE is hereby given that the **9th ANNUAL GENERAL MEETING** of the Shareholders of **SHUBHAM POLYSPIN LIMITED** will be held as under:

Date	: 1 st September, 2021
Day	: Wednesday
Time	: 12.00 Noon
Place	: At the Registered Office of the Company at: Block No. 748, Saket Industrial Estate, Nr. Kaneria Oil Mill, Jetpura- Basantpura Road, Borisana, Tal-Kadi Dist:-Mehsana-382728

to transact the following business:

ORDINARY BUSINESS:

1. To receive and adopt Audited Financial Statements of the Company for the financial year 2020-21 and to pass the following resolution, with or without modification, as an ORDINARY RESOLUTION:

“RESOLVED THAT Audited Financial Statements of the Company for the financial year 2020-21 comprising of Balance Sheet as on 31st March, 2021 and Profit and Loss Statement for the Financial year ended on 31st March, 2021 together with all annexure and attachment thereto including Directors’ Report and Auditors’ Report thereon, which have already been circulated to the Members and as laid before this meeting, be and the same are hereby approved and adopted.”

2. To appoint Director in place of Mr. Akshay A. Somani (DIN: 05244214), who retires by rotation and, being eligible, offers himself for re appointment and to pass following resolution, with or without modification, as an ORDINARY RESOLUTION:

“RESOLVED THAT the retiring Director, Mr. Akshay A. Somani (DIN: 05244214), be and is hereby reappointed as a Director of the Company, liable to retire by rotation.”

3. To Re appoint Auditors of the Company to hold office from the conclusion of this Annual General Meeting i.e. 9th AGM till the conclusion of 14th Annual General Meeting and to fix their remuneration and to pass following resolution, with or without modification, as an Ordinary Resolution:

“RESOLVED THAT pursuant to provisions of Section 139 of the Companies Act, 2013 and Rules made thereunder, M/s. Jain P.C. & Associates, Chartered Accountants be and are hereby re-appointed as Auditors of the Company to hold the office from the conclusion of this Annual General Meeting i.e. 9th AGM till the conclusion of 14th Annual General Meeting (from F.Y. 2021-22 to 2025-26)

RESOLVED FURTHER THAT any one of the Directors of the Company be and is hereby authorised to fix their remuneration in consultation with them.”

SPECIAL BUSINESS:

4. To Re-appoint Mr. Anil D. Somani (DIN: 06373210) as Managing Director of the Company for a term of three years w.e.f. 4th August, 2021 and to pass with or without modification, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 & 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Rules made thereunder and all applicable guidelines issued by the Central Government from time to time and subject to such other approvals, as may be necessary, consent of the Members be and is hereby accorded to the re-appointment of Mr. Anil D. Somani (DIN: 06373210) as Managing Director of the Company for the period of three years w.e.f. 4th August, 2021 on the following terms and conditions including remuneration with further liberty to the Board of Directors of the Company from time to time to alter the said terms and conditions of remuneration of Mr. Anil D. Somani in the best interest of the Company and as may be permissible by law, viz.:

TERMS AND CONDITIONS

- I. Subject to the superintendence, direction and control of the Board of Directors of the Company, Mr. Anil D. Somani (DIN: 06373210), Managing Director of the Company shall be entrusted with day to day affairs of the Company and also such other duties and responsibilities as may be entrusted to him by the Board of Directors from time to time.
- II. The Managing Director shall not be liable to retire by rotation.
- III. The Managing Director shall be entitled to receive the remuneration and perquisites as stated below even in the event of inadequacy or absence or profit by the Company in any year.
- IV. The Managing Director shall be paid remuneration and perquisites as under:

- (A) **Salary:** A Salary of Rs. 50,000/- per month with liberty to the Board to increase or decrease the salary within the limits laid down in Schedule V of the Companies Act, 2013.
- (B) **Bonus:** Discretionary bonus as may be decided by Nomination and Remuneration Committee/ Board of Directors, depending upon the performance of the appointee, working of the Company and other relevant factors subject to maximum of of annual salary within the limits laid down under Para A of Section II of Part II of Schedule V of the Companies Act, 2013.
- (C) **Perquisites:** The Managing Director may be paid perquisites including but not limited to the Medical reimbursement, Children education allowance, Leave travel concession, Contribution to P.F., Gratuity, Super Annuation fund, Use of Company's car with Driver, Telephone/Mobile facility, as may be decided by the Board of Directors from time to time in line with the norms applicable to the employees of the Company.

RESOLVED FURTHER THAT the approval of the members by way of Special Resolution be and is hereby specifically given for payment of remuneration to Mr. Anil D. Somani as Managing Director, within the limits laid down under the provision of provisions of Para A of Section II of Part II of Schedule V of the Companies Act of 2013, even if the same is in excess of limits under Regulation 17(6)(e) of the SEBI (LODR) Regulations, 2015 at any time during his tenure as Managing Director.

RESOLVED FURTHER THAT the Board of Directors are at liberty to alter and vary the terms and conditions of the Remuneration and Perquisites so as not to exceed the limit specified in Schedule V of the Companies Act, 2013 or any amendments of modification that may hereafter be made thereto by the Central Government and as may be agreed between the Board of Directors and Mr. Anil D. Somani without referring the matter to the members of the Company in general meeting once again.

RESOLVED FURTHER THAT any one of the Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

5. To Re-appoint Mr. Ankit Anil Somani (DIN: 05211800) as Managing Director of the Company for a term of three years w.e.f. 4th August, 2021 and to pass with or without modification, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 & 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Rules made thereunder and all applicable guidelines issued by the Central Government from time to time and subject to such other approvals, as may be necessary, consent of the Members be and is hereby accorded to the re-appointment of Mr. Ankit Anil Somani (DIN: 05211800) as Managing Director of the Company for the period of three years w.e.f. 4th August, 2021 on the following terms and conditions including remuneration with further liberty to the Board of Directors of the Company from time to time to alter the said terms and conditions of remuneration of Mr. Ankit Anil Somani in the best interest of the Company and as may be permissible by law, viz.:

TERMS AND CONDITIONS

- I. Subject to the superintendence, direction and control of the Board of Directors of the Company, Mr. Ankit Anil Somani (DIN: 05211800), Managing Director of the Company shall be entrusted with day to day affairs of the Company and also such other duties and responsibilities as may be entrusted to him by the Board of Directors from time to time.
- II. The Managing Director shall be liable to retire by rotation.
- III. The Managing Director shall be entitled to receive the remuneration and perquisites as stated below even in the event of inadequacy or absence or profit by the Company in any year.
- IV. The Managing Director shall be paid remuneration and perquisites as under:
 - (A) **Salary:** A Salary of Rs. 1,50,000/- per month with liberty to the Board to increase or decrease the salary within the limits laid down in Schedule V of the Companies Act, 2013.
 - (B) **Bonus:** Discretionary bonus as may be decided by Nomination and Remuneration Committee/ Board of Directors, depending upon the performance of the appointee, working of the Company and other relevant factors subject to maximum of of annual salary within the limits laid down under Para A of Section II of Part II of Schedule V of the Companies Act, 2013.
 - (C) **Perquisites:** The Managing Director may be paid perquisites including but not limited to the Medical reimbursement, Children education allowance, Leave travel concession, Contribution to P.F., Gratuity, Super Annuation fund, Use of Company's car with Driver, Telephone/Mobile facility, as may be decided by the Board of Directors from time to time in line with the norms applicable to the employees of the Company.

RESOLVED FURTHER THAT the approval of the members by way of Special Resolution be and is hereby specifically given for payment of remuneration to Mr. Ankit Anil Somani as Managing Director, within the limits laid down under the provision of provisions of Para A of Section II of Part II of Schedule V of the Companies Act of 2013, even if the

same is in excess of limits under Regulation 17(6)(e) of the SEBI (LODR) Regulations, 2015 at any time during his tenure as Managing Director.

RESOLVED FURTHER THAT the Board of Directors are at liberty to alter and vary the terms and conditions of the Remuneration and Perquisites so as not to exceed the limit specified in Schedule V of the Companies Act, 2013 or any amendments of modification that may hereafter be made thereto by the Central Government and as may be agreed between the Board of Directors and Mr. Ankit Anil Somani without referring the matter to the members of the Company in general meeting once again.

RESOLVED FURTHER THAT any one of the Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

Registered Office:

Block No. 748, Saket Industrial Estate,
Nr. Kaneria Oil Mill, Jetpura- Basantpura Road, Borisana,
Tal-Kadi Dist:-Mehsana-382728

Date: 5th June, 2021

CIN: L17120GJ2012PLC069319

By Order of the Board,
sd/-

Anil D. Somani
(DIN: 06373210)

Chairperson & Managing Director

NOTES:

- 1. In view of Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) vide circular no. 20/2020 dated 5th May, 2020 read with circular No. 14/2020 dated 8th April, 2020 and circular No. 17/2020 dated 13th April, 2020 and circular No. 02/2021-22 dated 13th January, 2021 (collectively referred to as ‘MCA Circulars’) and Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/ CIR/P/2021/11 January 15, 2021 issued by the Securities and Exchange Board of India (collectively referred to as ‘SEBI Circulars’), inter alia, permitted the holding of the Annual General Meeting (“AGM”) through Video Conferencing (“VC”) without the physical presence of the Members at a common venue. Hence, the Company is providing VC option to the members of the company to attend the meeting through video conferencing. However, the members attending the meeting through VC shall not be entitled to attend proxy. The credentials of attending the meeting through VC are given elsewhere in this Notice.**
- 2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.**
- 3. Pursuant to the provisions of SEBI (LODR) Regulations, 2015 and Section 91 of the Companies Act, 2013, Register of Members and Shares Transfer Books of the Company will remain closed from Wednesday, 25th August, 2021 to Wednesday, 1st September, 2021 (both days inclusive).**
- 4. Members intending to require information about accounts at the meeting are requested to write to the Company at least 10 days in advance of the Annual General Meeting.**
- 5. Shareholders holding shares in dematerialized form should communicate the change of address, if any, to their Depository Participant and other who hold shares in physical form (if any) should communicate the change of address, to the Registrar and Share Transfer Agent of the Company at the following address:**

Link Intime India Pvt. Ltd. [Unit: Shubham Polyspin Ltd.]
5th Floor, 506 to 508, Amarnath Business Centre – 1 (ABC-1),
Beside Gala Business Centre, Nr. St. Xavier’s College Corner,
Off C. G. Road, Ellisbridge, Ahmedabad – 380006.
- 6. The Notice of the 9th AGM along with the Financial Statements are being sent by electronic mode to all the members whose email addresses are registered with Company/ Depository Participant(s) unless a member has requested for a hard copy of the same.**
- 7. The members whose email ids are not registered in their Demat Account with their Depository Participant and who have not provided their email ids to the Company/RTA, are requested to provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company (compliance.spl@gmail.com) / RTA (rnt.helpdesk@linkintime.co.in).**

8. REMOTE E-VOTING AND ALSO E-VOTING DURING THE AGM:

Pursuant to provision of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 the Company is pleased to offer Remote E-voting facility to the members to cast their votes electronically on all resolution set forth in the Notice convening 9th AGM. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide E-voting facility (both remote and E-voting during the AGM). The complete details of instructions for e-voting are annexed to this notice.

9. The instructions for shareholders voting on the day of the AGM on e-voting system and instructions for attending the AGM through VC / OAVM are also annexed to this Notice separately.

10. Members, Directors, Auditors and other eligible persons to whom this notice is being circulated can attend this annual general meeting through video conferencing at least 15 minutes before the schedule time and shall be closed after expiry of 15 minutes from the scheduled time.

11. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013. Attendance of the members will be recorded on the CDSL platform at the time when the member login to attend the AGM through VC/OAVM.

12. Additional information pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and para 1.2.5 of Secretarial Standard on General Meeting (SS-2) notified under the Companies Act, 2013 in respect of the directors seeking appointment/reappointment at the AGM are furnished and annexed to the notice.

EXPLANATORY STATEMENT

ITEM NO. 4:

At the 6th Annual General meeting held on 4th August, 2018, Mr. Anil D. Somani (DIN: 06373210) was appointed as Managing Director of the Company for a period of three years w.e.f. 4th August, 2018 on the terms and conditions as approved by the shareholders at the said General meeting. Moreover, the present term of appointment of Mr. Anil D. Somani as Managing Director has expired on 3rd August, 2021. The Board of Directors at their meeting held on 5th June, 2021 have, subject to the approval of the members, re-appointed Mr. Anil D. Somani as Managing Director of the Company with effect from 4th August, 2021 for a period of 3 years on the remuneration, terms and conditions recommended by the Nomination and Remuneration Committee and as set out in the resolution mentioned at Item No. 4.

The Board is of the opinion that his services should continue to be available to the Company to achieve still greater heights, by re-appointing him as Managing Director as mentioned in the resolution, subject to the approval of shareholders. The Board at their meeting held on 5th June, 2021 approved the remuneration, terms and conditions of the reappointment of Mr. Anil D. Somani as Managing Director of the Company, for a period of three (3) years from 4th August, 2021 on the terms and conditions as set out in the resolution set out in the Notice of 9th AGM, subject to approval of the shareholders.

The Board recommends the adoption of the Special Resolution contained in Item no. 4 of the Notice.

Mr. Ankit A. Somani, Managing Director and Mr. Akshay A. Somani, Director are deemed to be concerned or interested in the said resolution. No other Director, key managerial personnel or their relatives are concerned or interested in passing of Special Resolution as set out at Item No. 4 of the Notice convening the 9th Annual General Meeting.

The above proposal is in the interest of the Company and the Directors recommend the Resolution in Item No. 4 of the Notice for approval of the Members.

ITEM NO. 5:

At the 6th Annual General meeting held on 4th August, 2018, Mr. Ankit Anil Somani (DIN: 05211800) was appointed as Managing Director of the Company for a period of three years w.e.f. 4th August, 2018 on the terms and conditions as approved by the shareholders at the said General meeting. Moreover, the present term of appointment of Mr. Ankit Anil Somani as Managing Director has expired on 4th August, 2021. The Board of Directors at their meeting held on 5th June, 2021 have, subject to the approval of the members, re-appointed Mr. Ankit Anil Somani as Managing Director of the Company with effect from 4th August, 2021 for a period of 3 years on the remuneration, terms and conditions recommended by the Nomination and Remuneration Committee and Audit Committee as set out in the resolution mentioned at Item No. 5.

The Board is of the opinion that his services should continue to be available to the Company to achieve still greater heights, by re-appointing him as Managing Director as mentioned in the resolution, subject to the approval of shareholders. The Board at their meeting held on 5th June, 2021 approved the remuneration, terms and conditions of the reappointment of Mr. Ankit Anil Somani as Managing Director of the Company, for a period of three (3) years w.e.f. 4th August, 2021 on the terms and conditions as set out in the resolution set out in the Notice of 9th AGM, subject to approval of the shareholders.

The Board recommends the adoption of the Special Resolution contained in Item no. 5 of the Notice.

Mr. Anil D. Somani, Managing Director and Mr. Akshay A. Somani, Director are deemed to be concerned or interested in the said resolution.

No other Director, key managerial personnel or their relatives are concerned or interested in passing of Special Resolution as set out at Item No. 5 of the Notice convening the 9th Annual General Meeting.

The above proposal is in the interest of the Company and the Directors recommend the Resolution in Item No. 5 of the Notice for approval of the Members.

Additional information required to be given alongwith a Notice calling Annual General Meeting as per sub-Para (B) of Para 1 of Section II of Part II of Schedule V of the Companies Act, 2013 is given hereunder:

I.	General Information:					
(1)	Nature of Industry:	Manufacturing of high-quality PP Multifilament Yarn				
(2)	Date or expected date of commencement of Commercial production:	The Company is already in operation.				
(3)	In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable (In Rs.)				
(4)	Financial performance based on given indicators	2016-17	2017-18	2018-19	2019-20	2020-21
	Turnover	17,51,38,675	26,87,64,820	36,77,96,054	33,25,60,930	38,51,12,024
	Net profit/ (loss) as per Statement of Profit & Loss	20,49,169	1,27,72,676	73,96,878	37,85,267	44,41,043
	Amount of Dividend paid	-	-	-	-	-
	Rate of Dividend declared	-	-	-	-	-
	Earnings before taxes	32,74,089	1,76,79,433	89,88,288	53,04,054	59,58,152
	% of EBT to turnover	1.87	6.58	2.44	1.59	1.55
(5)	Foreign investments or collaborations, if any.	NIL				
II.	Information about the appointee 1:					
(1)	Background details	Name: Mr. Anil D. Somani Designation: Managing Director Father's name: Shri Devikishan Somani Nationality: Indian Date of Birth: 06/06/1962 Qualifications: B. Com Experience: 38 Years				
(2)	Past remuneration	He is appointed as a Managing Director w.e.f. 4 th August, 2021. Earlier, he was drawing Rs. 50,000 p.m. as MD				
(3)	Recognition or awards	NIL				
(4)	Job profile and his suitability	The Managing Director shall be entrusted with day-to-day affairs of the Company and also such other duties and responsibilities as may be entrusted to him by the Board of Directors from time to time. Considering the above and having regard to age, qualifications, ability and experience and looking to the business requirement the proposed remuneration is in the interest of the Company.				
(5)	Remuneration proposed	A gross remuneration of Rs. 50,000/- per month with liberty to Board to increase or decrease the remuneration. Discretionary bonus as may be decided by Nomination and Remuneration Committee/ Board of Directors, depending upon the performance of the appointee, working of the Company and other relevant factors subject to Maximum of Annual Salary within the limits laid down under Para A of Section II of Part II of Schedule V of the Companies Act, 2013.				
(6)	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 w.r.t. the country of his origin)	Compared to the remuneration with respect to the industry, size of the Company etc. the remuneration proposed to be paid to him is just adequate.				
(7)	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Mr. Anil D. Somani, Managing Director is father of Mr. Ankit Anil Somani, Managing Director and Mr. Akshay Anil Somani, Director of the Company				
III	Other information:					
(1)	Reasons of loss or inadequate profits	NA				
(2)	Steps taken or proposed to be taken for improvement.	NA				
(3)	Expected increase in productivity and profits in measurable terms	NA				

ANNUAL REPORT 2020-2021

III.	Information about the appointee 2:	
(1)	Background details	Name: Mr. Ankit Anil Somani Designation: Managing Director Father's name: Mr. Anil Devikishan Somani Nationality: Indian Date of Birth: 01/08/1989 Qualifications: MBA Experience: 11 Years
(2)	Past remuneration	He is appointed as Managing Director w.e.f. 4 th August, 2021. Earlier, he was drawing Rs. 1,50,000 p.m. as WTD
(4)	Job profile and his suitability	The Managing Director shall be entrusted with day to day affairs of the Company and also such other duties and responsibilities as may be entrusted to him by the Board of Directors from time to time. Considering the above and having regard to age, qualifications, ability and experience and looking to the business requirement the proposed remuneration is in the interest of the Company.
(5)	Remuneration proposed	A gross remuneration of Rs. 1,50,000/- per month with liberty to Board to increase or decrease the remuneration. Discretionary bonus as may be decided by Nomination and Remuneration Committee/ Board of Directors, depending upon the performance of the appointee, working of the Company and other relevant factors subject to Maximum of Annual Salary within the limits laid down under Para A of Section II of Part II of Schedule V of the Companies Act, 2013.
(6)	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 w.r.t. the country of his origin)	Compared to the remuneration with respect to the industry, size of the Company etc. the remuneration proposed to be paid to him is just adequate.
(7)	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Mr. Ankit Anil Somani, Managing Director is son of Mr. Anil D. Somani, Managing Director and brother of Mr. Akshay A. Somani, Director of the Company.
III	Other information:	
(1)	Reasons of loss or inadequate profits	NA
(2)	Steps taken or proposed to be taken for improvement.	NA
(3)	Expected increase in productivity and profits in measurable terms	NA

Details of Director/s Seeking Appointment/Re-appointment at the Annual General Meeting	
Particulars	Mr. Akshay Anil Somani (DIN: 05244214)
Date of Birth	17/04/1993
Date of the first Appointment on the Board	10/07/2018
Qualification	MBA
Expertise in Specific functional areas	Accounts, Finance and Administration
Directorships held in other Companies	2
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable	He will be appointed as Director liable to retire by rotation
Number of Board Meetings attended during the year	4
Memberships/ Chairmanships of committees of Board of Directors of Company	Nil
Memberships/ Chairmanships of committees of Board of Directors of other Companies in which he is director	Nil
Number of shares held in the Company	15,60,000
Disclosure of relationship between directors inter-se	Mr. Anil D. Somani, Managing Director is father of Mr. Akshay A. Somani and Mr. Ankit A. Somani, Managing Director is brother of Mr. Akshay A. Somani.

INSTRUCTIONS FOR REMOTE E-VOTING:

The instructions for members for voting electronically are as under:

- (i) The Remote E-voting period begins on 29th August, 2021 (Sunday) at 9.00 a.m. (IST) and ends on 31st August, 2021 (Tuesday) at 5.00 p.m. (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 25th August, 2021 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting after 5.00 p.m. (IST) on 31st August, 2021.
- (ii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iii) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi. After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the E voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/NSDL/KARVY/LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a

	Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(iv) Login method of e-Voting for **shareholders other than individual shareholders & physical shareholders.**

- 1) The shareholders should log on to the e-voting website: www.evotingindia.com.
- 2) Click on “Shareholders” Module.
- 3) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
 - c. Members holding shares in Physical Form should enter Folio Number registered with Company
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) 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.
- 6) If you are a first-time user follow the steps given below:

For Shareholders holding shares in Demat Form other than Individual and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the Client ID /Folio number in the PAN field. • In case the folio number is less than 8 digits enter the applicable number of 0’s before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or Company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (v) After entering these details appropriately, click on “SUBMIT” tab.
- (vi) Members holding shares in physical form will then reach directly 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.
- (vii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN (for **SHUBHAM POLYSPIN LIMITED**) on which you choose to vote.

- (ix) 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.
- (x) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolutions Details.
- (xi) 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.
- (xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xiv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xv) **Facility 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 linked in the login 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.
 - Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; compliance.spl@gmail.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to **Company/RTA email id**.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

- (xvi) Any person who acquires the shares of the Company and becomes the Member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 24th August, 2021 may obtain the login Id and password by sending a request at helpdesk.evoting@cdslindia.com. However, if you are already registered with CDSL for remote e-voting, then person becoming member can use their existing user ID and password for casting their vote.
- (xvii) 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.
- (xviii) The Company shall be making arrangements for the members to cast their votes in respect to the businesses through poll/ballot, for members attending the meeting who have not cast their vote by remote voting.
- (xix) The Company has appointed Mr. Manoj Hurkat, a Practicing Company Secretary, Ahmedabad as a Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (xx) The scrutinizer shall, immediately after the conclusion of voting at AGM, first count the votes casted at the meeting, thereafter unblock the votes casted through remote e-voting in presence of at least two witnesses not in employment of the Company and make not later than two days of conclusion of the meeting a consolidated Scrutinizer’s Report of the total votes casted in favour or against, if any, to the Chairperson or person authorized by him in writing who shall countersign the same and Chairperson shall declare the results of voting forthwith, which shall not be later than 5:00 p.m., 3rd September, 2021.

- (xxi) The result declared, along with the Scrutinizer's Report shall be placed on the Company's website: compliance.spl@gmail.com and on the website of CDSL after the result is declared by the Chairperson and also be communicated to the National Stock Exchange where the equity shares of the Company are listed.

INSTRUCTIONS FOR E-VOTING DURING AGM:

- (i) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- (ii) Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available in the AGM.
- (iii) If any Votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members participating in the meeting.
- (iv) Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

INSTRUCTIONS FOR ATTENDING THE AGM THROUGH VC/OAVM:

- (i) Member will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Members may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
- (ii) Members are encouraged to join the Meeting through Laptops for better experience.
- (iii) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (iv) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- (v) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at company email id i.e. compliance.spl@gmail.com.
- (vi) Shareholders who would like to express their views/have questions may send their questions in advance 7 days prior to meeting mentioning their name demat account number/folio number, email id, mobile number at company email id i.e. compliance.spl@gmail.com. The same will be replied by the company suitably.

Those shareholders who have registered themselves as speaker will only be allowed to express their views/ask questions during AGM.

Registered Office:

Block No. 748, Saket Industrial Estate,
Nr. Kaneria Oil Mill, Jetpura- Basantpura Road, Borisana,
Tal-Kadi Dist:-Mehsana-382728

Date: 5th June, 2021

CIN: L17120GJ2012PLC069319

By Order of the Board,
sd/-

Anil D. Somani
(DIN: 06373210)

Chairperson & Managing Director

DIRECTORS' REPORT

To
The Members
SHUBHAM POLYSPIN LIMITED

Your Directors take pleasure in presenting the **NINETH** Annual Report of the Company together with the Audited Accounts for the financial year ended on 31st March, 2021.

FINANCIAL SUMMARY/HIGHLIGHTS:

The brief financial results are as under:

(Amount in Lakhs)

Particulars	2020-21	2019-20
Profit/(Loss) before Depreciation and Tax	203.56	196.25
Less: Depreciation	143.98	143.24
Profit/(Loss) Before Tax and Extra Ordinary Items	59.58	53.01
Less: Extra Ordinary Items	Nil	Nil
Less: Current Tax	9.30	8.42
Deferred Tax	(0.95)	2.84
(Add)/Less: MAT credit Entitlement	(0.46)	3.90
Profit/(Loss) After Tax	51.70	37.85

The Turnover of the Company for the year 2020-21 has increased from Rs. 3325.61 Lakhs to Rs. 3851.12 Lakhs. Due to this, profit before Depreciation and Tax stands increased from Rs. 196.25 Lakhs to Rs. 203.56 Lakhs in the previous year.

COVID-19 IMPACT:

The impact of COVID-19 pandemic started worldwide from the month of December, 2019 and had severe impact on the business globally. However, the production and sales of Company were not much affected due to COVID-19 situations. The Company is prepared for the future uncertainties till the COVID-19 pandemic is not completely stabilized. The Company expect possibility of stress on the revenue and profit growth for the financial year 2021-22 and if the global pandemic is controlled and its world-wide impact is subsided, the revenue growth and profit margins of the company will get improved in the financial year 2021-22 and onwards.

SUBSIDIARY COMPANIES/JOINT VENTURE COMPANY/ASSOCIATE COMPANY:

The Company does not have any Subsidiary Companies or Joint Venture Company or Associate Company.

MATERIAL CHANGES AND COMMITMENT:

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

REASONS FOR REVISION OF FINANCIAL STATEMENT OR REPORT:

During the year, the financial statement or report was not revised. Hence further details are not applicable.

DIVIDEND:

In order to conserve resources, your Directors express their inability to recommend any dividend.

TRANSFER TO RESERVE:

Your Directors find it prudent not to transfer any amount to General Reserve.

INCREASE IN AUTHORISED SHARE CAPITAL:

During the year under review, the Company has increased Authorised Share Capital from Rs. 6,01,00,000 (Rupees Six Crores One Lakhs) divided into 60,10,000 (Sixty Lakhs Ten Thousand) Equity Shares of Rs. 10/- each to Rs. 12,01,00,000 (Rupees Twelve Crores One Lakh) divided into 1,20,10,000 (One Crore Twenty Lakhs Ten Thousand) Equity Shares of Rs. 10/- each by passing Ordinary Resolution at the 8th AGM held on 28th September, 2020.

ALLOTMENT OF SHARES UNDER BONUS ISSUE:

The Company has allotted 55,10,000/- equity shares of Rs. 10 each on 13th October, 2020 as Bonus equity shares in the ratio of 1 equity shares of Rs. 10 each for every 1 Equity shares of Rs. 10 each held by the existing Equity Shareholders of the Company.

SHARE CAPITAL:

The Paid-up Equity share capital of the Company as on 31st March, 2020 was Rs. 5,51,00,000/- divided into 55,10,000 Equity shares of Rs. 10/- each. Thereafter, the same was increased by issue of Bonus shares and at present, the paid-up share capital of the Company is Rs. 11,02,00,000/- divided into 1,10,20,000 Equity shares of Rs. 10/- each.

DIRECTORS & KEY MANAGERIAL PERSONNEL:

Pursuant to the provisions of Section 152 of the Companies Act, 2013 Mr. Akshay A. Somani (DIN: 05244214), Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself to be re-appointed as Director of the Company.

The Board recommends the re-appointment of Mr. Akshay A. Somani (DIN: 05244214) as Director of the Company liable to retire by rotation.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement of section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed:

1. that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. that 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 or loss of the Company for that period;
3. that 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;
4. that the Directors had prepared the annual accounts on a going concern basis; and
5. that 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.
6. that 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.

FORMAL EVALUATION BY BOARD OF ITS OWN PERFORMANCE:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit and Nomination & Remuneration Committees based on the criteria and framework adopted by the Board.

NUMBER OF MEETINGS OF BOARD:

The Board of Directors duly met 6 (Six) times on 22nd May, 2020, 29th June, 2020, 24th July, 2020, 3rd September, 2020, 12th November, 2020 and 5th March, 2021.

INDEPENDENT DIRECTORS:

The Company has received necessary Declaration from each Independent Director/s under section 149(7) of the Companies Act, 2013 that they meet the criteria of Independence laid down in section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board is in the opinion that the Independent Directors fulfil the criteria of Independence and are Independent from the management of the Company.

Regarding proficiency, the Company has adopted requisite steps towards the inclusion of the names of all Independent Directors in the data bank maintained with the Indian Institute of Corporate Affairs, Manesar ('IICA'). Accordingly, all the Independent Directors of the Company have registered themselves with IICA for the said purpose. In terms of Section 150 of the Act read with the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended vide Notification No. GSR.774(E), dated 18.12.2020, since all the Independent Directors of the Company have served as Directors for a period of less than three (3) years on the Board of Listed Company as on the date of inclusion of their names in the database, they are required to undertake online proficiency self-assessment test. All the Independent Directors have informed the Company that they will undertake the online assessment test before due date.

ISSUE OF EQUITY SHARES WITH DIFFERENTIAL VOTING RIGHTS / SWEAT EQUITY SHARES / EMPLOYEE STOCK OPTION SCHEME:

During the year, the Company has not issued any shares with differential voting rights or sweat equity shares or shares under employee stock option scheme. Hence disclosure regarding the same is not given.

AUDITORS:

M/s. Jain P. C. & Associates, Chartered Accountants, the existing auditors of the Company were appointed as auditors of the Company at the 4th AGM for holding the office from the conclusion of that 4th AGM till the conclusion of the 9th AGM and they are retiring at the ensuing Annual General Meeting.

The Company has obtained from them, written consent to such appointment and a certificate to the effect that their appointment as Auditors of the Company from conclusion of 9th AGM to the conclusion of 14th AGM, if made, will be in accordance with provisions of Section 139 of the Companies Act, 2013 and such conditions as may be prescribed.

The members are requested to consider the matter of appointment of Auditors and also to fix their remuneration.

The Board has duly reviewed the Statutory Auditor's Report on the Accounts. The observations, comments and notes of the Auditor are self explanatory and do not call for any further explanation /clarification.

COST AUDITORS AND COST AUDIT REPORT:

Pursuant to Section 148 of the Companies Act, 2013, the maintenance of Cost records has not been specified to the Company. Hence disclosure regarding the same is not given.

SECRETARIAL AUDIT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Manoj Hurkat & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as "Annexure-1".

AUDIT COMMITTEE:

The Audit Committee consists of the following Directors:

- | | |
|------------------------|-------------|
| 1. Mr. Kush Kalaria | Chairperson |
| 2. Dr. Urva P. Patel | Member |
| 3. Mr. Ankit A. Somani | Member |

NOMINATION & REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee consists of the following Directors:

- | | |
|-----------------------|-------------|
| 1. Mr. Kush Kalaria | Chairperson |
| 2. Dr. Urva P. Patel | Member |
| 3. Mr. Anil D. Somani | Member |

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee consists of the following Directors:

- | | |
|-----------------------|-------------|
| 1. Dr. Urva P. Patel | Chairperson |
| 2. Mr. Kush Kalaria | Member |
| 3. Mr. Anil D. Somani | Member |

RISK MANAGEMENT POLICY/PLAN:

It may please be noted that as per the applicable requirement of Companies Act, 2013 a risk management policy/plan of the Company is developed and implemented for creating and protecting the Shareholder's value by minimizing threats or losses and to identify and provide a framework that enables future activities of a Company to take place in a consistent and controlled manner.

VIGIL MECHANISM:

The Company has a vigil mechanism for its Directors and employees, to deal with instance of fraud/ mismanagement, if any and to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The details of the policy are posted on the website of the Company.

CODE OF BUSINESS CONDUCT AND ETHICS:

The Company has laid down a Code of Conduct (COC) which is applicable to all the Board members and Senior Management of the Company. The COC is available on the website of the Company www.sanginitachemicals.co.in. All the members of the Board and Senior Management have affirmed compliance with the Code.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti Sexual Harassment measures in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. During the year, there were no complaints received under the said act. The Company has complied with the applicable provisions of the Act including the constitution of internal complaints committee.

CSR COMMITTEE:

As the requirement of CSR Committee is not applicable to the Company, further disclosure/details are not given.

REMUNERATION POLICY:

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

The Company's shareholders may refer the Company's website for the detailed Nomination & Remuneration Policy of the Company on the appointment and remuneration of Directors including criteria for determining qualifications, positive attributes, independence of a Director; and other matters provided under sub-section (3) of section 178.

The Company's remuneration policy is directed towards rewarding performance based on review of achievements periodically. The remuneration policy is in consonance with the existing industry practice.

ANALYSIS OF REMUNERATION:

The details of remuneration paid to Directors and Key Managerial Personnel is given in extract of Annual Return attached with this report.

Disclosure/details pursuant to provisions of Section 197(12) of the Companies Act 2013 read with Companies (appointment and Remuneration of managerial personnel) Rules, 2014 are given as follows:

Names and Positions	[A] Ratio of Directors' Remuneration to the median Remuneration of Employees	[B] Percentage (%) increase in Remuneration
Mr. Anil D. Somani (Chairperson & Managing Director)	7.88	Nil
Mr. Ankit A Somani (Managing Director)	23.65	Nil
Mr. Akshay A. Somani (Director & CFO)	15.77	Nil

Note: The median remuneration of employees of the Company during the year was Rs. 76,110/- p.a.

ANNUAL REPORT 2020-2021

[C] Percentage increase/(Decrease) in the median Remuneration of Employees	(56.16%)
[D] Number of permanent Employees on the rolls of Company	52 (Fifty-Two)
[E] Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof	There was decrease of 56.16% in average salaries of employees other than NEDs and KMPs made in the year 2020-21. There was no change in the Managerial Remuneration for the year 2020-21 as compared to the year 2019-20.

PARTICULARS OF EMPLOYEES:

The statement showing the names of the top ten employees in terms of remuneration drawn is given as “**Annexure-2.**”

There are no employees of the Company drawing remuneration requiring disclosure of information under Section 134 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

DETAILS OF THE REMUNERATION TO MD/WTD (AS PER CLAUSE-IV OF SECTION-II OF PART-II OF SCHEDULE V):

- (i) all elements of the remuneration package such as salary, benefits, bonuses, stock options and pension:
The details are given in clause- VI (A) of MGT-9 attached to this report as **Annexure-3.**
- (ii) details of fixed component and performance-linked incentives, along with the performance criteria:
The details are given in clause- VI (A) of MGT-9 attached to this report as **Annexure-3** and performance criteria is linked with net profit of the Company.
- (iii) service contracts, notice period and severance fees:
Term valid till 3 years from the date of appointment/re-appointment. And no notice period was mentioned no severance fees.
- (iv) stock option details, if any, and whether these have been issued at a discount, as well as the period over which they accrued and how they are exercisable:
The Company has not granted any stock option.

REGULATORY ORDERS:

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

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

(A) Conservation of energy	
(i) the steps taken or impact on conservation of energy	The activities carried out by the Company are not power intensive.
(ii) the steps taken by the company for utilizing alternate sources of energy	The Company is not utilizing alternate sources of energy.
(iii) the capital investment on energy conservation equipments	NIL
(B) Technology absorption	
(i) the efforts made towards technology absorption	NIL
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution	N.A.
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	The Company has not imported any technology during the year. Hence, there are no details to be furnished under any of the sub clauses of this clause.
(iv) the expenditure incurred on Research and Development	There are no expenditure incurred on Research and Development by the Company.

(C)	Foreign exchange earnings and Outgo	
	The Foreign Exchange earned in terms of actual inflows during the year and	Rs. 735.04 Lakhs
	The Foreign Exchange outgo during the year in terms of actual outflows	Rs. 74.08 Lakhs

INTERNAL FINANCIAL CONTROL:

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.

DEPOSITS:

During the year under report, your Company has not accepted any deposits pursuant to Section 73 of the Companies Act, 2013. Hence further details are not given.

Details of money accepted (if any during the year) by the Company from the Directors and/or the relatives of Directors of the Company are given in the notes to the Financial Statements and the same are not deposit as per the applicable provisions of Companies Act, 2013 and rules made thereunder.

CORPORATE GOVERNANCE:

It may please be noted that as our Company is not falling in the applicability criteria prescribed in the SEBI-LODR, Corporate Governance Report is not applicable to the Company for the year ended on 31st March, 2021. Hence, the Report on Corporate Governance is not forming part of the Directors' Report.

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "**Annexure-3**". The Annual return is also being uploaded on the website of the Company.

COMPLIANCES OF APPLICABLE SECRETARIAL STANDARDS:

The Company has complied with applicable Secretarial Standards during the year under review.

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

There are no Loans, Investments or Guarantees /Security given by the Company during the year under section 186 of the Companies Act, 2013; hence no particulars are required to be given.

RELATED PARTY TRANSACTION:

All the transactions / contracts entered into by the Company during the financial year under report with Related Parties were in the ordinary course of business and on an arm length's basis. There are no material transactions required to be disclosed in Form No. AOC-2. The related party transactions are entered into due to business exigencies.

MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis Report, pursuant to Regulation 34(2) (e) of the SEBI (LODR) Regulations, 2015 is appended as "**Annexure-4**" to Director's Report.

ACKNOWLEDGEMENT:

Your Directors wish to place on record their sincere appreciation to the Customers, Employees, Suppliers, Professionals, and Bankers to the Company for their Cooperation and contribution in the affairs of the Company.

Registered Office:

Block No. 748, Saket Industrial Estate,
Nr. Kaneria Oil Mill, Jetpura- Basantpura Road, Borisana,
Tal-Kadi Dist:-Mehsana-382728
Date: 5th June, 2021
CIN: L17120GJ2012PLC069319

By Order of the Board,
sd/-

Anil D. Somani
(DIN: 06373210)
Chairperson & Managing Director

SECRETARIAL AUDIT REPORT

[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,
SHUBHAM POLYSPIN LIMITED
(CIN: L17120GJ2012PLC069319)
Block No. 748, Saket Industrial Estate,
Nr. Kaneria Oil Mill, Jetpura- Basantpura Road,
Borisana, Tal-Kadi Dist:-Mehsana-382728

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SHUBHAM POLYSPIN LIMITED** (hereinafter called the “**Company**”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms, returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 (**‘SCRA’**) and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**‘SEBI Act’**) to the extent applicable to the Company:
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits), Regulations, 2014;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - 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; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We hereby report that during the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

- VI. There are no other laws applicable specifically to the Company in respect of the business/activities carried out by the Company which are required to be reported under this clause.

We further report that:

- a) The Board of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors took place during the period under review.
- b) Adequate notice is given to all Directors to schedule the Board Meetings at least seven days in advance. Agenda and detailed notes on agenda were also sent to all Directors 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.
- c) Majority decision is carried through while the dissenting members’ views are captured and recorded as part of the minutes.

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

We further report that during the audit period:

- a. The Authorised Share Capital of the Company was increased from Rs. 6.01 Crores to Rs. 12.01 Crores during the year by obtaining the approval of the members of the Company at the Annual General Meeting held on 28th September, 2020.
- b. The Company has issued 55,10,000 Equity shares of Rs. 10/- each as Bonus shares to the existing shareholders of the Company in ratio of 1 equity share for every 1 equity shares held as on Record date i.e. 12th October, 2020. Consequently, the paid-up share capital of the Company was increased from Rs. 5,51,00,000/- divided into 55,10,000 equity shares of Rs. 10/- each to Rs. 11,02,00,000/- divided into 1,10,20,000 equity shares of Rs. 10/- each.
- c. The members of the Company have approved the Migration of listing of equity shares of the Company from SME Platform to the Main Board of BSE Limited at the AGM held on 28th September, 2020. BSE Limited vide Letter No. LO/Migration/VK/IP/43/2021-22 dated 27th May, 2021 has provided In-principal approval for Migration of shares. BSE Limited vide its Trading Notice No. 20210527-29 dated 27th May, 2021 has approved the Migration and the equity shares of the Company were listed for trading on the Main Board of BSE Limited w.e.f. 31st May, 2021.

Barring this, during the audit period, no other events/actions has taken place which have major bearing on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For, MANOJ HURKAT AND ASSOCIATES

Practicing Company Secretaries

FRN: P2011GJ025800

Sd/-

MANOJ R HURKAT

Partner

FCS No. 4287, COP No.: 2574

UDIN: F004287C000413575

Place : Ahmedabad
Date : 5th June, 2021

Note: This Report is to be read with our letter of even date which is annexed as **Annexure A** and form an integral part of this Report.

'Annexure A'

To,
The Members,
SHUBHAM POLYSPIN LIMITED
Block No. 748, Saket Industrial Estate,
Nr. Kaneria Oil Mill, Jetpura- Basantpura Road,
Borisana, Tal-Kadi Dist:-Mehsana-382728

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

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. 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 and cost records of the Company.
4. We have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, secretarial records and other factual position which cannot be otherwise verified etc. wherever required or necessary.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of the same 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.

For, MANOJ HURKAT AND ASSOCIATES

Practicing Company Secretaries

FRN: P2011GJ025800

Sd/-

MANOJ R HURKAT

Partner

FCS No. 4287, COP No.: 2574

UDIN: F004287C000413575

Place : Ahmedabad
Date : 5th June, 2021

Statement showing the names of the top ten employees in terms of remuneration drawn:

Name	Designation/ Nature of duties	Nature of employment whether contractual or otherwise	Relation with Director or Manager of Company	Remune- ration (In `) p.a.	Qualifi- cation	Experience (Years)	Date of joining	Age (Years)	Last employment before	% Equity shares held
1	2	3	4	5	6	7	8	9	10	11
Mr. Ankit A. Somani	Managing Director	Contractual	Ankit Somani is son of Anil Somani and brother of Askhay Somani	18,00,000	MBA	7	04/08/2018	32	-	33.16%
Mr. Akshay A. Somani	Director & CFO	Contractual	Akshay Somani is son of Anil Somani and brother of Ankit Somani	12,00,000	MBA	6	11/08/2018	28	-	14.16%
Mr. Pooja A. Somani	Marketing	Contractual	Pooja Somani is wife of Ankit Somani and daughter in law of Anil Somani	12,00,000	B.E in Information Technology	8	01/08/2018	33	-	3.63%
Anil D. Somani	Managing Director	Contractual	Anil Somani is father of Ankit and Akshay Somani	6,00,000	B. Com	20	04/08/2018	59	-	21.78%
Dhara Manojbhai Sanghavi	Company Secretary	Contractual	-	4,80,000	C.S.	2	07/03/2020	29	-	-
Anil Singh	Plant in-charge	Contractual	-	3,30,115	10 th	5	01/01/2019	29	-	-
Arvind Prasad Singh	Dispatch Incharge	Contractual	-	3,11,192	10 th	6	01/03/2018	34	-	-
Sonu Kumar	Plant operator	Contractual	-	2,66,731	10 th	3	01/04/2019	25	-	-
Chandraprakash Yadav	Store In-charge	Contractual	-	2,51,216	B.A.	9	01/09/2019	34	Khosla Profile Pvt. Ltd.	-
Akash Kahirvar	Plant Operator	Contractual	-	2,32,500	S.S.C.	4	01/08/2017	22	-	-
Sonu Kumar	Plant operator	Contractual	-		10 th	3	01/04/2019	25	-	-

FORM No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2021

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

I. REGISTRATION AND OTHER DETAILS:

CIN:	L17120GJ2012PLC069319
Registration Date	13/03/2012
Name of the Company	Shubham Polyspin Limited
Category of the Company	Listed Public Company
Sub Category of the Company	Limited by Shares & having Share Capital
Address	Block No. 748, Saket Industrial Estate, Nr. Kaneria Oil Mill, Jetpura- Basantpura Road, Borisana, Tal-Kadi Dist:-Mehsana-382728
Contact Details	9998556554 / 989884274
Whether Shares Listed	Yes
Details of Registrar and Transfer Agent	
Name	M/s. Link Intime India Private Limited
Address	5 th Floor, 506 to 508, Amarnath Business Centre – 1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off C. G. Road, Ellisbridge, Ahmedabad – 380006.
Contact Details	079-26465179

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sr. No.	Name and description of main products /services	NIC code of the product/ service	% of total turnover of the company
1.	Manufacturing of Polypropylene Yarn	13111	94.13%
2.	Sale of Services (Job Work)	8299	5.87%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

[No. of Companies for which information is being filled]

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% of shares held	Applicable Section
NA					

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

(i) CATEGORY-WISE SHARE HOLDING:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters & Promoters Group									
1 Indian									
a Individual/ HUF	4010000	-	4010000	72.78%	8020000	-	8020000	72.78%	Nil
b Central Govt	-	-	-	-	-	-	-	-	-
c State Govt(s)	-	-	-	-	-	-	-	-	-
d Bodies Corporate	-	-	-	-	-	-	-	-	-
e Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
f Any Other...	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	4010000	-	4010000	72.78%	8020000	-	8020000	72.78%	Nil

ANNUAL REPORT 2020-2021

2 Foreign										
a NRIs - Individuals	-	-	-	-	-	-	-	-	-	-
b Other - Individuals	-	-	-	-	-	-	-	-	-	-
c Bodies Corporate	-	-	-	-	-	-	-	-	-	-
d Banks / Financial Institutions	-	-	-	-	-	-	-	-	-	-
e Any Other...	-	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	4010000	-	4010000	72.78%	8020000	-	8020000	72.78%	Nil	
B. Public Shareholding										
1 Institutions:	-	-	-	-	-	-	-	-	-	-
a Mutual Funds	-	-	-	-	-	-	-	-	-	-
b Banks / Financial Institutions	-	-	-	-	-	-	-	-	-	-
c Central Govt	-	-	-	-	-	-	-	-	-	-
d State Govt(s)	-	-	-	-	-	-	-	-	-	-
e Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
f Insurance Companies	-	-	-	-	-	-	-	-	-	-
g FIs	-	-	-	-	-	-	-	-	-	-
h Foreign venture Capital Funds	-	-	-	-	-	-	-	-	-	-
i Others (specify)	-	-	-	-	-	-	-	-	-	-
Sub total (B)(1)	-	-	-	-	-	-	-	-	-	-
2 Non Institutions:										
a Bodies Corporate										
i) Indian	-	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-	-
b Individuals										
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	253500	-	253500	4.60%	417000	-	417000	3.78%	(0.82%)	
ii) Individual Shareholder holding nominal share capital in excess of Rs 2 lakh	795000	-	795000	14.43%	1476157	-	1476157	13.40%	(1.03%)	
c Others (NRI & CM)	451500	-	451500	8.19%	1106843	-	1106843	10.04%	+1.85%	
Sub-total (B)(2)	1500000	-	1500000	27.22%	3000000	-	3000000	27.22%	Nil	
Total Public Shareholding (B)=(B)(1)+(B)(2)	1500000	-	1500000	27.22%	3000000	-	3000000	27.22%	Nil	
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	5510000	-	5510000	100%	11020000	-	11020000	100%	Nil	

* Increase in the capital was due to issue of Bonus shares by the Company in the ratio of 1:1 during the year.

(ii) SHAREHOLDING OF PROMOTERS:

Sr. 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 shares	No. of Shares*	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Ankit A. Somani	1827000	33.16%	Nil	3654000	33.16%	Nil	-
2.	Preeti N. Somani	1000	0.02%	Nil	2000	0.02%	Nil	-
3.	Akshay A. Somani	780000	14.16%	Nil	1560000	14.16%	Nil	-
4.	Pooja A. Somani	200000	3.63%	Nil	400000	3.63%	Nil	-
5.	Anil D. Somani	1200000	21.78%	Nil	2400000	21.78%	Nil	-
6.	Abhay N. Somani	1000	0.02%	Nil	2000	0.02%	Nil	-
7.	Nitin D. Somani	1000	0.02%	Nil	2000	0.02%	Nil	-
	Total	4010000	72.78%	Nil	8020000	72.78%	Nil	-

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE):

Sr. No.	Name of Promoter/ Promoter Group	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. Ankit A. Somani	1827000	33.16%	3654000	33.16%
2.	Ms. Preeti N. Somani	1000	0.02%	2000	0.02%
3.	Mr. Akshay A. Somani	780000	14.16%	1560000	14.16%
4.	Ms. Pooja A. Somani	200000	3.63%	400000	3.63%
5.	Mr. Anil D. Somani	1200000	21.78%	2400000	21.78%
6.	Mr. Abhay N. Somani	1000	0.02%	2000	0.02%
7.	Mr. Nitin D. Somani	1000	0.02%	2000	0.02%

(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Chandan Garg	411000	7.46%	540000	4.90%
2.	Goenka Business and Finance Limited	57000	1.03%	282000	2.56%
3.	Beeline Broking Limited	1500	0.03%	183000	1.66%
4.	Swastika Investmart Limited	1500	0.03%	180000	1.63%
5.	Sunny Kantilal Solanki	33000	0.60%	135000	1.22%
6.	Prabhat Financial Services Limited	Nil	Nil	129000	1.17%
7.	Parthi Jital Shah	Nil	Nil	108000	0.98%
8.	Shailendrasingh R. Kachhua	Nil	Nil	108000	0.98%
9.	Vinod Shankarlal Bajoria	45000	0.82%	90000	0.82%
10.	Prashant Ghanshyambhai Ukani	Nil	Nil	61354	0.56%
11.	Armour Capital Private Limited	207000	3.76%	12000	0.11%
12.	Nadiya Bipinkumar Khodidas	148500	2.70%	Nil	Nil
13.	Harsh Kishangopal Toshniwal	45000	0.82%	45000	0.41%
14.	Intech Project Service Private Limited	45000	0.82%	45000	0.41%
15.	Nikhil M Shah	69000	1.25%	Nil	Nil
16.	Falguni Sunny Solanki	39000	0.71%	Nil	Nil

(v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sr. No.	For Each of the Directors & KMP	Shareholding at the beginning of the year i.e. 1 st April, 2020		Shareholding at the year of the year i.e. 31 st March, 2021	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Anil D. Somani (Chairperson and Managing Director)	12,00,000	21.78%	24,00,000	21.78%
2.	Mr. Ankit A. Somani (Managing Director)	18,27,000	33.16%	36,54,000	33.16%
3.	Mr. Akshay A. Somani (Director & CFO)	7,80,000	14.16%	15,60,000	14.16%
4.	Ms. Radhika A. Chandak (Independent Director)	Nil	Nil	Nil	Nil
5.	Mr. Kush P. Kalaria (Independent Director)	Nil	Nil	Nil	Nil
6.	Dr. Urva P. Patel (Independent Director)	Nil	Nil	Nil	Nil
7.	Ms. Dhara Sanghavi (Company Secretary)	Nil	Nil	Nil	Nil

V. INDEBTEDNESS:

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

(Amt in Rs.)

	Secured Loans Excluding Deposits	Unsecured Loans	Total Indebtedness
Indebtedness at the beginning of the financial year			
i) Principal Amount	10,88,16,560	2,18,383	10,90,34,943
ii) Interest due but not paid	-	-	-
iii) Interest accrued but not due	-	-	-
Total (i+ii+iii)	10,88,16,560	2,18,383	10,90,34,943
Change in Indebtedness during the financial year			
· Addition	99,51,722	Nil	99,51,722
· Reduction	(1,45,68,432)	(2,18,383)	(1,47,86,815)
Net Change	(46,16,710)	(2,18,383)	(48,35,093)
Indebtedness at the end of the financial year			
i) Principal Amount	10,41,99,850	-	10,41,99,850
ii) Interest due but not paid	-	-	-
iii) Interest accrued but not due	-	-	-
Total (i+ii+iii)	10,41,99,850	-	10,41,99,850

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (in Rs.)(p.a.)
		Mr. Anil D. Somani (CMD)	Mr. Ankit A. Somani (MD)	
1.	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6,00,000	18,00,000	24,00,000
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	—	—	—
	- Others, specify...	—	—	—
5.	Others, please specify	Nil	Nil	Nil
	Total (A)	6,00,000	18,00,000	24,00,000

B. REMUNERATION TO OTHER DIRECTORS:

Sr. No.	Particulars of Remuneration	Name of Directors	Total Amount
1.	Independent Directors	NA	
-	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
-	Commission		
-	Others, please specify		
	Total (1)		
2.	Other Non-Executive Directors		
-	Fee for attending board / committee meetings		
-	Commission		
-	Others, please specify		
	Total (2)		
	Total (B)=(1+2)		
	Total Managerial Remuneration		
	Overall Ceiling as per the Act		

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

Sr. No.	Particulars of Remuneration	CFO (Akshay A. Somani)	CS (Dhara Sanghavi)	Total (in `)
1.	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12,00,000	4,80,000	16,80,000
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- Others, specify...	-	-	-
5.	Others, please specify	-	-	-
	Total	12,00,000	4,80,000	16,80,000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

NA

By Order of the Board,
sd/-Place: Borisana
Date: 5th June, 2021Anil D. Somani
(DIN: 06373210)
Chairperson & Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

This section contains certain forward-looking statements which are based on certain assumptions and expectations of certain future events.

Overall Review

The Company is engaged mainly in the manufacture of all kind of PP Multifilament Yarn/Fabrics. The factory situated at Block No. 748, Saket Industrial Estate, Nr. Kaneria Oil Mill, Jetpura- Basantpura Road, Borisana, Tal-Kadi Dist: Mehsana-382728. The Company also manufacture on Job Work basis and get their products manufactured on Job Work basis.

In the year 2013, promoters of the Company zeroed on Spin Draw Wind Line Machinery from Lohia Corp having monthly capacity of 50 MT. Spin-Draw-Wind Lines for polypropylene multifilament yarn offer compact and flexible solutions for varied applications. The machine is capable of producing medium to high tenacity air intermingled yarns for sewing threads, webbings & slings, braids & ropes and a variety of technical textiles. Moreover, the company had taken premises admeasuring approx 4800 Square feet area at Block no. 95/3, Shed No. C2 & C3, Trimul Industrial Estate, Vadsar Village, Gandhinagar, on rental basis. Further the company had arranged project term loan sanctioned from Bank for purchasing and installing Spin Draw Wind Line Machine. The products of the company were well received in export markets. Currently the total combined capacity of the company is 250 MT/per month.

With a monthly production capacity of 200 MT, the Company has been focusing to penetrate in foreign countries.

Industry Structure and developments

Technical textiles are an important part of the textile industry and its potential is still largely untapped in India. With the increase in disposable income, the consumption of technical textiles is expected to increase. Thriving on end user segment growth and domestic consumption, the Indian technical Textiles market has reached INR 1,16,000 crore by 2016-17 at a year-on-year growth rate of 12% p.a Major Schemes being implemented for technical textiles by Ministry of textiles, government of India.

Financial Performance with respect to Operational Performance

The Company is engaged in the manufacture of all kind of PP Multifilament Yarn/Fabrics. It has reported net profit margins of between 1% to 5% in the last five years. In future, the Company expects the revenue growth to be around 3% - 5% in the next couple of years.

Financial Performance:

(Rs. In Lakhs)

Particulars	Current Year Ended 31.03.2021	Previous Year Ended 31.03.2020
Revenue from Operations (Gross)	3851.12	3325.61
Add: Other Operating Income	62.53	53.95
Less: Total Expenditure	3612.11	3076.38
Profit before other income, interest, depreciation & tax	301.54	303.18
Add: Other Income	-	-
Profit before Interest Depreciation & Tax [PBIDT]	301.54	303.18
Add: Interest Income	-	-
Earnings before Interest, Tax and Depreciation (EBITDA)	301.54	303.18
Less: Interest Expense	97.98	106.93
Less: Depreciation	143.98	143.24
Profit before tax	59.58	53.01
Less: Tax Expenses	15.17	15.16
Profit for the year	44.41	37.85

Details of significant changes in key financial ratios are as given below:

Sr.No.	PARTICULARS	UOM	F.Y.2019-20	F.Y.2020-21	GrowthYOY
1	Revenue Growth	%	(9.56%)	15.80%	-
2	EBITDA	Lakhs	303.18	301.54	(0.54%)
3	EBITDA Margin	%	9.12%	7.83%	-
4	PBT	Lakhs	53.01	59.58	12.39%
5	PAT	Lakhs	37.85	51.70	36.59%
6	Net Worth	Lakhs	1307.95	1359.65	3.95%
7	ROE %	%	2.89%	3.80%	-
8	Net Debt	Lakhs	1090.35	1042.00	(4.43%)
9	Debt	Weight	1.98	0.95	-
	Equity		1.00	1.00	-
10	Working Capital Ratio	Times	1.21	1.35	11.57%
11	Fixed Assets Turnover Ratio	Times	2.86	3.45	20.63%
12	Debt Service Coverage Ratio	Times	0.28	0.29	3.57%
13	Inventory Turnover Ratio	Times	16.04	17.67	10.16%
14	Debtors Turnover Ratio	Times	5.83	6.48	11.15%
15	Interest Coverage Ratio	Times	2.84	3.08	8.45%

The profitability of the Company for the financial year 2020-21 increased due to unlock after the first wave of COVID-19 pandemic, which has resulted into increment in PBT, PAT and Interest coverage ratio. The Company has been successful in achieving operational efficiency in working capital, utilization of fixed assets, debtor's turnover and has also reduced the overall debt level of the Company."

Internal Control Systems and their adequacy

The Company practices an internal control system which ensures proper handling and management of its assets. The internal control system of the Company is geared towards achieving efficiency in operations, effective monitoring and compliances with all applicable laws and regulations. The Company regularly conducts internal audit programs. The internal control department of the Company functions under the guidelines of the Audit Committee of the Company.

The Company regularly reviews the adequacy and effectiveness of the internal control system and suggests improvement for strengthening them.

Opportunities and threats

Our Company and factory is situated at well-developed industrial area, with all the infrastructure facilities and both skilled and unskilled manpower are available at competitive cost. Moreover, our factory location is having easy access to National and a state highway as a result transportation of goods we manufacture and procure becomes hassle free. At present, our company is having manufacturing of Polypropylene (PP) Multifilament yarn upto 250 MT/Per month and we have reach to this level within a short span of 5-6 years.

Our company constantly endeavors to improve our production process, skill up gradation of workers, modernization of plant and machineries to optimize the utilization of resources. We regularly analyse our material procurement policy and manufacturing process to de bottle neck the grey areas and take corrective measures for smooth and efficient working thereby putting resources to optimal use.

Material Developments in Human Resources and Industrial Relations Front:

Our promoters have been actively involved in the business from continues personal attention. Further, our promoter Directors has adequate and rich experience in our business. The team comprises of personnel having operational and business development experience. We believe that our management experience and their understanding of our industry will enable us to continue to take advantage of both current and future market opportunities. Our Company is having a number of experienced staff. There is a good communication system between all the levels of management level i.e. from top level management to bottom level. Our management's experience and knowledge enable us in addressing and mitigating various risks inherent in our business, including competition, the global economic crisis related effects and fluctuations in the prices.

Outlook

The outlook for Indian economy for the year 2021-22 need to be assessed in the light of emerging global and domestic developments due to COVID-19 situations. Indications are that global economic growth is expected to pick up slightly once this pandemic situation slow down globally. This can be expected to provide boost to India's exports. On the other hand, the

increasing global prices of oil and other key commodities may exert an upward pressure on the value of imports. In line with the projections for strengthening of India's growth by multi-lateral institutions, the nominal growth of the economy is expected to be 5- 7 per cent in the financial year 2021-22.

Risks and Concerns

The Company regularly insures all its assets to enable itself in case of any mishappening. The Company has framed a risk management division which constantly monitors the Indian and international markets and guides the management of any sort of prevailing risk to the Company. However, the COVID-19 is an unprecedented phenomenon and as the pandemic has not been eradicated completely, the situation is very uncertain and it is cautious time for the Company as well as for the industry.

Environment and Safety:

The Company is committed to comply with the statutory requirements related to environment, health, safety and to prevent pollution through continuous improvement in processes, practices and EHS awareness. Your Company not only cares for compliances in this aspect but also contributes towards society health, safety and green environment.

Material Developments in Human Resources and Industrial Relations Front, including number of people employed

Human resource is an asset to any industry. The Company believe that their employees are the key to the success of their business. They focus on hiring and retaining employees and workers who have prior experience in the Plastic Industry. Their manpower is a prudent mix of experienced and young personnel which gives the dual advantage of stability and growth. Company's work processes and skilled resources together with their strong management team have enabled them to successfully implement growth plans. As on 31st March, 2021, the Company has the total strength of 51 Employees excluding Contract Labours in various departments.

Cautionary Statement:

Statement in this Management Discussion and Analysis Report, describing the Company's objectives, estimates and expectations may constitute 'Forward Looking Statements' within the meaning of applicable laws or regulations. Actual results might differ materially from those either expressed or implied.

For and on behalf of Board

Sd/-

Anil D. Somani

(DIN: 06373210)

Chairperson & Managing Director

Place : Borisana

Date : 5th June, 2021

INDEPENDENT AUDITOR'S REPORT

To
**The Members of
Shubham Polyspin Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **SHUBHAM POLYSPIN LIMITED**. ("the Company"), which comprise the balance sheet as at 31st March 2021, the statement of Profit and Loss for the year then ended, Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 March 31, 2021, and Profit, for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Information other than Financial Statements & Auditors Report thereon

The Company's Board of Directors is responsible for the Other Information. The Other Information comprises the information included in the Board's Report including Annexures to Board's Report (but does not include the financial statements and our auditor's reports thereon).

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

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

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

Responsibility of Management for 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 and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance

is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government in terms of Section 143 (11) of the Act, we enclosed in the Annexure 'A' statement on matters specified in paragraph 3 & 4 of the said order.

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 dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) 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 litigation 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.
 - iv. Based on audit procedures and representations provided to us by the management, we report that the disclosures are in accordance with the books of accounts maintained by the company and as produced to us by the Management

For JAIN P.C. & ASSOCIATES

Chartered Accountants
ICAI Firm Reg. No.: 126313W

Sd/-

KARAN R RANKA
(Partner)

Membership No.: 136171

UDIN :- 21136171AAAAFI7697

Place : Ahmedabad

Date : 05/06/2021

Annexure A referred to in Independent Auditor's report to the members of SHUBHAM POLYSPIN LIMITED on the standalone financial statements for the year ended 31st March, 2021

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- (b) As explained to us, all the fixed assets has been physically verified by the management in a phased periodic manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were notice on such physical verification.
- (c) According to the information and explanation given to us and the title deeds and other records examined by us, we report that the title deeds in respect of all immovable properties have been disclosed as fixed assets in the financial statements and it is held in the Company's name as at the balance-sheet date.
- ii. As explained to us, physical verification of the inventories have been conducted at reasonable interval by the management, which in our opinion is reasonable, having regards to the size of the Company and nature of its inventories. No material discrepancies were noticed on such physical verification.
- iii. The Company has not granted loan to parties approved in the register maintained under section 189 of the Companies Act, 2013, hence paragraph 3(iii) (a), (b) and (c) of the order is not applicable to the company
- iv. In our opinion and according to the information and explanation given to us, the company has not given any loan, made investment, given any guarantee, provided any security under Provision of the Section 185 and 186 of the Companies Act, 2013 is not applicable. Hence paragraph 3(iv) is not applicable to the company.
- v. In our opinion, and according to the information and explanation given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India under the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the order is not applicable to the Company.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any activity carried out by the Company. Accordingly, paragraph 3(vi) of the order is not applicable to the Company.
- vii. (a) According to the information and explanation given to us and bases on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues, as applicable with the appropriate authorities.
- (b) According to the information and explanations given to us, there are no material dues of Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities on account of any dispute.
- viii. The Company has not defaulted in repayment of loan or borrowing from any financial institution, banks, government or debenture holder during the year. Accordingly, paragraph 3(viii) of the order is not applicable to the Company.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instrument) and term loan during the year. Accordingly, paragraph of 3(ix) of the order is not applicable.
- x. According to the information and explanation given to us, no material fraud by the Company or on the Company by its officer or employees has been noticed or reported during the course of our audit.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In Our opinion and according to the information and explanation given to us, the company is not a Nidhi company. Accordingly, paragraph (3xii) of the order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanation given to us and based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph (3xiv) of the order is not applicable to the Company.
- xv. According to the information and explanation given to us and based on our examination of the records of the company,

the company has not entered into non-cash transaction with directors or person connected with him. Accordingly, paragraph (3xv) of the Order is not applicable to the Company.

- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly paragraph (3xvi) of the Order is not applicable to the Company.

For JAIN P.C. & ASSOCIATES

Chartered Accountants

ICAI Firm Reg. No.: 126313W

Sd/-

KARAN R RANKA

(Partner)

Membership No.: 136171

Place : Ahmedabad

Date : 05/06/2021

“ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Shubham Polyspin Limited of even date)

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

We have audited the internal financial controls over financial reporting of **Shubham Polyspin Limited** (“the Company”) as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For JAIN P.C. & ASSOCIATES

Chartered Accountants
ICAI Firm Reg. No.: 126313W

Sd/-

KARAN R RANKA

(Partner)

Membership No.: 136171

Place : Ahmedabad

Date : 05/06/2021

BALANCE SHEET AS AT MARCH 31, 2021

	Note	March 31, 2021 Rupees	March 31, 2020 Rupees
Equity and Liabilities			
Shareholder's Funds			
Share Capital	2	11,02,00,000	5,51,00,000
Reserves and Surplus	3	2,50,35,894	7,56,94,852
Non-Current Liabilities			
Non-Current Borrowings	4	2,32,50,239	2,18,50,308
Deferred Tax Liability	5	63,67,056	64,62,320
Current Liabilities			
Current Borrowings	6	6,55,47,454	7,57,77,694
Trade Payables	7	84,94,072	1,55,61,214
Other Current Liabilities	8	1,55,14,742	1,70,91,951
Short-term Provisions	9	29,84,430	32,58,235
Total		<u>25,73,93,887</u>	<u>27,07,96,575</u>
Assets			
Non-Current Assets			
Fixed Assets			
Tangible assets	10	10,82,22,669	11,61,49,559
Intangible Assets		82,858	1,07,578
Capital Work-in-Progress		33,67,337	-
Non Current Investments	11	7,50,000	5,00,000
Long Term Loans and Advances	12	1,34,46,894	1,02,83,245
Other Non Current Assets	13	74,96,003	81,85,278
Current Assets			
Inventories	14	1,67,15,973	1,60,03,759
Trade receivables	15	6,56,37,364	5,31,65,251
Cash and Bank Balances	16	33,64,597	47,69,234
Short Term Loans and Advances	17	2,57,15,706	3,86,80,024
Other Current Assets	18	1,25,94,485	2,29,52,646
Total		<u>25,73,93,887</u>	<u>27,07,96,575</u>

Summary of Significant Accounting Policies 1
The notes 2 to 33 are an integral part of these financial statements.

This is the Balance Sheet referred to in our report of even date.

For Jain P. C. & Associates
Chartered Accountants
FRN: 126313W

Karan Ranka
Partner
Membership No.: 136171
UDIN :- 21136171AAAAFI7697

Place : Ahmedabad
Date : 05/06/2021

For and on behalf of the Board of Directors
Shubham Polyspin Limited
CIN: L17120GJ2012PLC069319

Ankit Anil Somani **Anil Devikishan Somani**
Managing Director **Managing Director**
DIN: 05211800 **DIN: 06373210**

Akshay Anil Somani **Dhara M Sanghavi**
Director & CFO **Company Secretary**
DIN: 05244214

Place : Ahmedabad
Date : 05/06/2021

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(Amount in Rs.)

	Note	March 31, 2021 Rupees	March 31, 2010 Rupees
Revenue			
Revenue from Operations	19	38,51,12,024	33,25,60,930
Other operating Income	20	62,53,346	53,95,102
Total		39,13,65,371	33,79,56,032
Expenses			
Cost of Materials Consumed	21	28,98,30,388	24,93,64,470
Changes in Inventories	22	25,93,370	(41,36,541)
Employee Benefit Expense	23	1,64,68,597	1,35,92,610
Finance Costs	24	97,98,485	1,06,92,827
Depreciation and Amortization	25	1,43,97,594	1,43,24,334
Other Operating and General Expenses	26	5,23,18,785	4,88,17,277
Total		38,54,07,219	33,26,54,978
Profit Before Exceptional Item and tax		59,58,152	53,01,054
Exceptional Item			
Prior Period Adjustments		-	-
Profit Before Tax		59,58,152	53,01,054
Tax expense			
Earlier Year Income Tax		-	41,695
Deferred tax Liability (Assets)		(95,264)	2,41,856
Current Tax		9,29,604	8,42,139
Mat Credit Current Year		7,29,105	3,87,598
Mat Credit of Previous year		(46,336)	2,500
Profit After Tax		44,41,043	37,85,267
Earning per equity share:			
Basic		0.40	0.69
Adjusted		0.40	0.34
Diluted		0.40	0.69
Summary of Significant Accounting Policies	1		

The notes 2 to 33 are an integral part of these financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

For Jain P. C. & Associates
Chartered Accountants
FRN: 126313W

Karan Ranka
Partner
Membership No.: 136171
UDIN :- 21136171AAAAFI7697

For and on behalf of the Board of Directors
Shubham Polyspin Limited
CIN: L17120GJ2012PLC069319

Ankit Anil Somani **Anil Devikishan Somani**
Managing Director Managing Director
DIN: 05211800 DIN: 06373210

Akshay Anil Somani **Dhara M Sanghavi**
Director & CFO Company Secretary
DIN: 05244214

Place : Ahmedabad
Date : 05/06/2021

Place : Ahmedabad
Date : 05/06/2021

Notes to the Financial Statement for the year ended 31st March, 2021**General Information**

SHUBHAM POLYSPIN LIMITED ('the Company') was incorporated on March 12, 2012 and is primarily engaged in the business of manufacturing of Multi Filament Yarns.

Note 1: Significant Accounting Policies**1. Basis for Preparation of Accounts:**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended and the other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle for the purpose of current – non-current classification of assets and liabilities.

2. Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known or materialised.

3. Inventory :

Inventories consist of Raw Material, Work In Progress, Packing Goods, Finished Goods and Stores. Inventories are valued at Cost. The cost is determined on First in First out (FIFO) basis. The cost of work in progress and finished goods includes material and packing cost, proportion of labour and manufacturing overheads.

4. Fixed Assets

Fixed Assets are stated at cost of acquisition / construction less accumulated depreciation, amortization and impairment loss, if any. Cost comprises of purchase price / cost of construction that relate directly to the specific asset, duties and other non-refundable taxes or levies and any directly attributable cost to bring the assets ready for its intended use. Foreign Exchange gains / losses arising during the year from the effects of changes in foreign exchange rates on foreign currency loans relating to acquisition of depreciable capital assets are adjusted to the cost of the fixed assets. Any internal profits are eliminated in arriving at such costs.

Direct expenses, as well as pro rata identifiable indirect expenses on projects during the year of construction are capitalized.

Capital assets (including expenditure incurred during the construction period) under erection / installation are stated in the Balance Sheet as "Capital Work in Progress."

5. Depreciation

(a) Depreciation is provided as per the "Straight Line Method" at rates provided by Schedule II of the Companies Act, 2013.

(b) Depreciation on additions and on sale/disposal of fixed assets is computed pro-rata on day-to-day basis from the date of purchase or up to the date of sale.

6. Revenue Recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Company activities. Revenue is shown at net of Indirect tax.

Sales revenue is recognized on individual sales when persuasive evidence exists that the significant risks & rewards of ownership of the goods have been transferred to buyer and there is no significant uncertainty regarding the amount of the consideration.

These conditions are generally satisfied when the product is delivered at a fixed or determinable price and when an inflow of economics benefits is reasonably assured. Delivery is defined based on the terms of the sale contract.

7. Taxes on Income:

Taxes on Income comprises of current tax and deferred tax.

Provision for current tax is determined based on assessable profits of the Company as determined under the Income Tax Act, 1961.

Deferred tax is recognised, subject to consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Minimum Alternate Tax (MAT) credit is recognised as an asset as there is convincing evidence that the company will pay normal income tax during the specified period.

8. Provisions, Contingent Liabilities and Contingent Assets :

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

Contingent liabilities are not recognised but are disclosed in the notes, if any. Contingent assets are neither recognised nor disclosed in the financial statements.

9. Borrowings and their cost:

Borrowings are recognized initially at fair value net of transaction costs incurred. Borrowings are subsequently stated at amortized cost any difference between proceeds (net of transaction costs) and the redemption value is recognized in the statement of comprehensive income over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date. All borrowings stated in balance sheets are long term. Borrowings (interest bearing loan) are recorded at the proceeds received.

Borrowings costs are recognized as an expense in the period in which these are incurred except to the extent of borrowings costs that are directly attributable to the acquisitions, construction or productions of qualifying assets. Such borrowing cost, if any, are capitalized as part of the cost of that asset.

10. Foreign Currency Transaction :

Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing at the date of the transaction.

Monetary items denominated in foreign currencies at the Balance Sheet date are restated at the rates prevailing at that date. Exchange difference arising on settlement of foreign currency transactions or restatement of foreign currency denominated assets and liabilities are recognized in the Statement of Profit and Loss.

11. Impairment of non-financial assets:

The Company assess at each reporting date whether there is an indication that an asset may be impaired. If any such indications exists or when annual impairment testing for an asset is required, the company makes an estimates of the asset's recoverable amount. An assets recoverable amount is the higher of an assets or cash generating units fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of group of assets' Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset, In determining fair value less costs to sell and appropriate valuation model is used.

12. Loans and Receivables:

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets except for maturities greater than 12 months after the balance sheet date in which case, these are classified as non-current assets. The Company's loan and receivables comprises of trade & other receivables, restricted deposits with banks and cash & cash equivalents on the balance sheet date. The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group financial asset is impaired and any impairment loss is required to be recognized in the statement of comprehensive income.

The Company considers whether a contract contains an embedded derivative when the entity first becomes a party to it. The embedded derivatives are separated from the host contract which is not measured at fair value through profit or loss when the analysis shows that the economics characteristics and risk of embedded derivatives are not closely related to those of the host contract. Normally no interest is charged on trade receivables.

All regular way purchase and sale of financial assets are recognized on the trade date, which is the date that the Company commits to purchase or sell the assets. Regular way purchases or sales are purchases or sales of financial assets within the period generally established by regulations or conventions in the market place.

13. Trade and Other Receivables:

Trade and other receivables are carried at original invoice amount less provision made for impairment of these receivables. A provision for impairment of trade and other receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the carrying amount and the recoverable amount. The carrying amounts of trade receivables are assumed to approximate their fair value. Normally no interest is charged on trade receivables.

14. Cash and Cash Equivalents:

Cash and cash equivalents in the balance sheet comprises cash at bank and in hand, short term deposits, if any with banks and short term highly liquid investments that are readily convertible in to cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short term cash commitments.

15. Liabilities, Provisions and Trade and Other Payable:

All known liabilities are accounted in preparing the financial statements.

Financial liabilities are initially measured at cost and are subsequently measured at amortized cost, using the effective interest method except for liabilities classified as held-for-trading which are carried at fair value.

Provisions are recognized when the Company has a present, legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Company expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

The materiality of the events occurring after the balance sheet date is considered and appropriate adjustments and provisions are made in the financial statements, wherever necessary.

16. Allowance for Doubtful Accounts

An allowance is made for doubtful accounts for estimated losses resulting from the subsequent inability of the customers to make required payments. If the financial conditions of the customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required in future periods.

Management specifically analyses accounts receivables and analyses historical bad debt, customer concentrations, customer creditworthiness, current economic trends and changes in customer payment terms when evaluating the adequacy of the allowance for doubtful accounts. At the balance sheet date, the receivables are measured at fair value and their fair values might change materially within the next financial year but these changes would not arise from assumptions or other sources of estimation uncertainty at the balance sheet date.

17. Related Party Transactions

To be read along with Note 30

For the purposes of these financial statements, parties are considered to be related to the company if the company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the company and the party are subject to common control or common significant influence. Related parties may be individuals or entities. Transactions with related parties are disclosed separately wherever possible.

18. Pre operative Expense

Expenses incurred prior to the commencement of commercial production of new unit at Borisana are recognised as Preoperative expenses except to the extent of expenses that are directly attributable to the acquisitions, construction or productions of qualifying assets. Such expenses, if any, are capitalized as part of the cost of those assets. Pre operative Expenses will be written off in 5 equal instalments starting from 31st March 2017. (Refer to Note 13)

19. Government Grants

Government Revenue Grants are recognized only when there is reasonable assurance that that entity will comply with any condition attached to the grant and the Grant will be received. Further such grant is recognized as income over the period necessary to match with the related cost, for which they are intended to compensate on systematic basis. However, grant from Gujarat Value Added Tax is recognized only up to the period for which there are no uncertainties about the procedure to claim such grant.

Monetary grants, if any, received for Depreciable asset are recognized in the year in which such grant is received and deducted from the cost of asset. Moreover, depreciation is provided on such reduced value.

Notes to the Financial Statement for the year ended 31st March, 2021

	March 31, 2021 Rupees	March 31, 2020 Rupees
Note 2 : Share Capital		
Authorised Share Capital		
1,20,10,000 Equity Shares of Rs. 10/- each. (P.Y. 60,10,000 Equity Shares of Rs. 10/- each.)	12,01,00,000	6,01,00,000
	<u>12,01,00,000</u>	<u>6,01,00,000</u>
Issued, Subscribed and Paid Up Share Capital		
Ordinary Share Capital		
1,10,20,000 Equity Shares of Rs. 10/- each. (P.Y. 55,10,000 Equity Shares of Rs. 10/- each.)	1,10,20,000	5,51,00,000
	<u>11,02,00,000</u>	<u>5,51,00,000</u>
Footnotes :		
(i) Reconciliation of Shares outstanding		
Particulars	No. of Shares	No. of Shares
Equity Share Capital		
At the beginig of the period	55,10,000	55,10,000
Bonus Shares issued during the year	55,10,000	-
At the end of the period	<u>1,10,20,000</u>	<u>55,10,000</u>
(ii) Shareholders holding more than 5% shares in the company		
(a) with voting Rights		
Akshay Somani	No. of Shares 15,60,000 % of Holding 14.16%	7,80,000 14.16%
Anil Somani	No. of Shares 24,00,000 % of Holding 21.78%	12,00,000 21.78%
Ankit Somani	No. of Shares 36,54,000 % of Holding 33.16%	18,27,000 33.16%
	<u>March 31, 2021 Rupees</u>	<u>March 31, 2020 Rupees</u>
Note 3 : Reserves & Surplus		
Securities Premium A/c		
Balance at the beginning of the year	4,50,00,000	4,50,00,000
Add : Premium received on equity shares issued	-	-
Less-Bonus shares issued	4,50,00,000	-
Balance at the end of the year	<u>-</u>	<u>4,50,00,000</u>
Surplus in Statement of Profit and Loss		
Balance at the beginning of the year	3,06,94,852	2,69,09,585
Add: Profit for the year	44,41,043	37,85,267
Less-Bonus shares issued	1,01,00,000	-
Balance at the end of the year	<u>2,50,35,894</u>	<u>3,06,94,852</u>
Balance at the end of the year	<u>2,50,35,894</u>	<u>7,56,94,852</u>
Note 4 : Non-Current Borrowings		
Secured Loans from Banks (to be read along with Note 29)		
Term Loan for Machinery	2,32,50,239	2,12,44,060
Term Loan for Vehicle	-	3,87,865
Unsecured Loans (to be read along with Note 29)		
From Director		
Ankit Somani	-	2,18,383
	<u>2,32,50,239</u>	<u>2,18,50,308</u>
Note 5 : Deferred Tax Liability (net)		
Deferred Tax Liability		
Element on Account of Depreciation	63,67,056	64,62,320
	<u>63,67,056</u>	<u>64,62,320</u>

SHUBHAM POLYSPIN LIMITED

	March 31, 2021 Rupees		March 31, 2020 Rupees							
Note 6 : Short-Term Borrowings										
Secured (to be read along with Note 29)										
Working Capital Limits from Bank										
Cash Credit	3,29,09,420		4,52,46,303							
Letter of Credit	1,82,45,891		1,99,86,864							
Export Packing Credits	1,43,92,143		1,05,44,527							
	6,55,47,454		7,57,77,694							
Note 7 : Trade Payables										
Creditors for Goods	65,05,900		1,33,28,000							
Creditors for Expenses	19,88,172		22,33,214							
	84,94,072		1,55,61,214							
Note 8 : Other Current Liabilities										
Current Maturities of Long Term Debt (to be read along with Note 29)										
Term Loan for Machinery	1,44,91,346		1,05,80,109							
Term Loan for Vehicle	9,10,811		7,24,121							
From Banks & Financial Institution	-		1,02,711							
Statutory dues (Net of Balances)	91,652		99,488							
Advance Received from Debtors	20,932		55,85,522							
	1,55,14,742		1,70,91,951							
Note 9 : Short Term Provisions										
Other Provisions	29,84,430		32,58,235							
	29,84,430		32,58,235							
Note 10 : Fixed Assets										
	Gross Block			Depreciation			Net Block			
	As on 1st April, 2020	Addition during the year	Deletion during the year	As on 31st March, 2021	As on 1st April, 2020	Deprecia- tion for the year	Adjust-Deletion ment during the year	As on 31st March, 2021	As on 31st March, 2021	As on 31st March, 2010
Tangible Assets :										
Factory Land	80,96,430	-	-	80,96,430	-	-	-	-	80,96,430	80,96,430
Building	2,08,54,546	-	-	2,08,54,546	19,24,714	6,03,060	-	25,27,774	1,83,26,772	1,89,29,832
Plant & Machinery	11,56,74,077	29,97,940	-	11,86,72,017	3,89,35,728	95,11,305	-	4,84,47,032	7,02,24,985	7,67,38,349
Electric Fittings	1,07,33,841	1,15,850	-	1,08,49,691	36,99,078	10,33,324	-	47,32,402	61,17,289	70,34,763
Furniture & Fixtures	22,74,630	-	-	22,74,630	5,15,757	2,16,885	-	7,32,642	15,41,988	17,58,873
Computer	6,12,610	-	-	6,12,610	4,12,745	71,985	-	4,84,730	1,27,880	1,99,865
Office Equipment	11,06,131	60,000	-	11,66,131	3,81,530	1,37,122	-	5,18,652	6,47,479	7,24,601
Vehicles	42,97,675	10,69,668	-	53,67,344	16,30,829	5,96,668	-	22,27,497	31,39,847	26,66,846
Total	16,36,49,940	42,43,458	-	16,78,93,398	4,75,00,381	21,70,349	-	5,96,70,729	10,82,22,669	11,61,49,559
Intangible Assets :										
Software	1,37,000	-	-	1,37,000	29,422	24,720	-	54,142	82,858	1,07,578
Total	1,37,000	-	-	1,37,000	29,422	24,720	-	54,142	82,858	1,07,578
Capital Work-in-Progress										
Building	-	33,67,337	-	33,67,337	-	-	-	-	33,67,337	-
Total	-	33,67,337	-	33,67,337	-	-	-	-	33,67,337	-
Grand Total	16,37,86,940	76,10,795	-	17,13,97,735	4,75,29,803	21,95,069	-	5,97,24,871	11,16,72,864	11,62,57,137
Previous Year	15,80,87,435	56,99,505	-	16,37,86,940	3,52,56,672	22,73,131	-	4,75,29,803	11,62,57,137	12,28,30,763

	March 31, 2021 Rupees		March 31, 2020 Rupees	
Note 11 : Non Current Investment				
Investment in Key Man Insurance Policy		7,50,000		5,00,000
		7,50,000		5,00,000
Note 12 : Long Term Loans & Advances				
Security Deposits		1,34,46,894		1,02,83,245
		1,34,46,894		1,02,83,245

	March 31, 2021 Rupees	March 31, 2020 Rupees
Note 13 : Other Non Current Assets		
Deferred Revenue Expenditure pending to be Written Off		
Opening balance	53,91,735	71,88,980
Add: Expenditure During year	15,13,250	-
Writtent off during year	(19,48,567)	(17,97,245)
Balance to be Written {to be read along with Note 1(18)}	49,56,418	53,91,735
Preoperative Expenses pending to be Written Off		
Opening balance	27,93,543	30,47,501
Add: Expenditure During year	-	-
Writtent off during year	(2,53,958)	(2,53,958)
Balance to be Written Off {to be read along with Note 1(18)}	25,39,585	27,93,543
	74,96,003	81,85,278
Note 14 : Inventories		
Raw Material	68,49,252	36,30,043
Stores, Spares & Components	18,96,230	18,09,855
Finished Goods	78,96,894	1,04,71,460
Others	73,597	92,401
	1,67,15,973	1,60,03,759
Quantitative Details		
Raw Materials (UoM Kgs)		
Opening Stock	43,042	79,184
Purchase	28,65,124	27,71,613
Consumption	16,60,109	16,39,125
Sale	11,95,053	11,68,630
Closing Stock	53,004	43,042
Finished Goods - Yarn (UoM Kgs)		
Opening Stock	62,001	41,311
Purchase	3,52,610	76,411
Production	16,15,585	18,30,865
Sales	19,82,315	18,86,586
Closing Stock	47,882	62,001
Note 15 : Trade Receivables		
Outstanding for more than six months		
For Export Sales	4,57,430	-
For Domestic Sales	91,24,770	42,34,432
Others		
For Export Sales	57,69,606	1,12,11,975
For Domestic Sales	5,02,85,558	3,77,18,844
	6,56,37,364	5,31,65,251
Note 16 : Cash & Bank Balances		
Cash and Cash Equivalents		
Cash on hand	1,86,240	10,52,665
Balance in Current Bank Accounts	4	67,746
Balance in Fixed Deposit (Lien marked to Dena Bank against Letter of Credit and Bank Guarantee)	31,78,353	36,48,822
	33,64,597	47,69,234
Note 17 : Short Terms Loans and Advances		
Advance for Capital Goods	80,29,282	50,00,000
Advance Receivable in Cash or Kind	1,05,79,339	2,42,54,806
Advance Income Tax (Net of Provision)	7,04,719	1,22,760
Balance With Revenue Authorities (Indirect Taxes)	64,02,367	93,02,458
	2,57,15,706	3,86,80,024

SHUBHAM POLYSPIN LIMITED

	March 31, 2021 Rupees	March 31, 2020 Rupees
Note 18 : Other Current Assets		
Accrued Interest	2,59,166	4,49,799
Government Grant Receivable	94,52,360	1,88,79,272
Mat Credit Entitlement	25,35,921	32,18,691
Prepaid Expenses	3,47,038	4,04,884
	<u>1,25,94,485</u>	<u>2,29,52,646</u>
	March 31, 2021 Rupees	March 31, 2020 Rupees
Note 19 : Revenue from Operations		
(i) Sale of Goods Manufactured		
Domestic Sales	18,27,36,972	15,82,75,189
Export	7,35,03,977	4,88,73,294
(ii) Sale of Services		
Job Work Income	1,90,54,138	2,09,75,102
(iii) Sale of Raw Material		
Resale	10,84,94,941	10,33,61,700
(iv) Sales of Wastage and Scrap		
Scrap and Waster Material	13,21,996	10,75,645
	<u>38,51,12,024</u>	<u>33,25,60,930</u>
Note 20 : Other operating Income		
Foreign Exchange Fluctuation	-	14,41,431
Interest Income	1,48,947	4,29,921
Government Grants and Incentives	55,83,633	24,28,973
Other Miscellaneous Income	5,20,766	10,94,778
	<u>62,53,346</u>	<u>53,95,102</u>
Note 21 : Cost of Material Consumed		
Opening Stock	36,30,043	74,84,222
Add : Purchases (Net of Discounts and Returns)	29,30,49,597	24,55,10,291
	29,66,79,640	25,29,94,513
Less : Closing Stock	68,49,252	36,30,043
	<u>28,98,30,388</u>	<u>24,93,64,470</u>
Note 22 : Change in Inventories		
Opening Stock	1,05,63,861	64,27,320
Closing Stock	79,70,491	1,05,63,861
	<u>25,93,370</u>	<u>(41,36,541)</u>
Note 23 : Employee Benefit Expenses		
Wages and Salaries	1,28,68,597	99,92,610
Director Remuneration	36,00,000	36,00,000
	<u>1,64,68,597</u>	<u>1,35,92,610</u>
Note 24 : Financial Cost		
Interest to Bank & financial Institution	77,00,682	87,53,732
Interest on Income Tax	-	23,442
Finance Charges	20,97,803	19,15,653
	<u>97,98,485</u>	<u>1,06,92,827</u>
Note 24.1 Finance Cost is Netted of against Subsidy Received against interest term loan		
Note 25 : Depreciation and Amortisation		
Depreciation	1,21,95,069	1,22,73,131
Pre Operative Expenses Written Off	2,53,958	2,53,958
Preliminary Expenses Written Off	19,48,568	17,97,245
	<u>1,43,97,594</u>	<u>1,43,24,334</u>

	March 31, 2021 Rupees	March 31, 2020 Rupees
Note 26 : Other Operating and General Expenses		
<u>Operating expenses</u>		
Factory Expenses	8,21,011	7,35,146
Freight Inward	1,20,525	7,46,478
Job Work Charges	36,87,936	77,46,650
Other Direct Expenses	3,54,489	7,94,081
Power & Fuel Expenses	2,53,24,416	2,43,91,456
Stores & Spares Consumption	25,24,864	10,65,826
<u>General Administrative expenses</u>		
Audit Fees Expenses	2,00,000	2,00,000
Bad Debts Written Off	17,48,524	35,367
Donation	1,11,000	1,51,000
Fees and Penalty for statutory Payment	38,856	400
Foreign Exchange Fluctuation	6,63,834	-
Insurance Expenses	7,98,905	4,92,095
Interest for Statutory Payment	35,827	95,815
Legal & Professional Charges	14,79,538	10,30,793
Office Expenses	68,557	26,673
Other Miscellenous Expenditure	6,18,670	3,02,945
Postage & Telephone Expenditure	2,35,762	1,86,650
Rent Rates and Taxes	8,77,585	10,40,202
Repair & Maintenance Others	4,42,218	5,86,893
Repair & Maintenance Plant & Machinery	6,14,132	1,46,265
Selling & Distribution Expenses	1,13,75,096	80,04,423
Stationery & Printing Expenses	90,058	72,694
Travelling Expenditure	86,983	9,65,427
	<u>5,23,18,785</u>	<u>4,88,17,277</u>

Note 27: Contingent Liabilities not provided for

Claim against company not acknowledge as debt: NIL (Previous Year: Rs.1,20,376)

Note 28: Earning Per Share

Particulars	As on 31st March, 2021	As on 31st March, 2020
Profit/(Loss) After Tax	44,40,453	37,85,267
No. of Shares at the Beginning	55,10,000	55,10,000
Weighted Average No. of Shares outstanding*	1,10,20,000	55,10,000
Basic Earnings Per Share	0.40	0.69
Diluted Earnings Per Share	0.40	0.69
Adjusted Earnings Per Share	0.40	0.34

*As per AS 20, when bonus shares are issued during the year, it should be calculated in the weighted average from the beginning of reporting period irrespective of issue date. Therefore, the bonus issue is treated as if it had occurred prior to the beginning of the year 2010, the earliest period reported.

Note 29: Terms and Conditions for Borrowings

1. Nature of Facility	: Term Loan
Name of Bank	: Yes Bank
Rate of Interest	: Effective ROI is 10.20 % P.A.
Primary Securities Offered	: Primarily secured by Hypothecation of Plant & Machineries/Equipments as well as electrification financed by the Bank.
Sanctioned Amount	: Rs. 3,39,10,000
Principal Outstanding	: Rs. 2,07,41,586
Principal Amount due during the year	: Rs. 1,10,82,584

2. Nature of Facility : Cash Credit (Packing credit for Export - Sub limit)(Post Shipment Credit for Export - Sub limit).
Name of Bank : Yes Bank
Rate of Interest : Effective ROI is 10.00 % P.A.
Primary Securities Offered : Secured by way of Hypothecation of Stock of all type of Raw Material, WIP, Semi Finished Goods and Finished Goods. Hypothecation of All Book Debts
Sanctioned Amount : Cash Credit Rs. 6,30,00,000(Packing credit for Export - Sub limit Rs. 6,30,00,000)(Post Shipment Credit for Export - Sub limit Rs. 6,30,00,000)
Principal Outstanding : Cash credit – Rs. 3,29,09,420Packing credit for Export – Rs. 1,20,72,143 Post Shipment Credit for Export – Rs. 23,20,000

3. Nature of Facility : Letter of Credit
Name of Bank : Yes Bank
Comission : 1.25 % commission plus taxes
Primary Securities Offered : Secured by Shipping Documents accompanied by complete set of Bill of Lading/consignee copy of Airway Bills, Railway Receipt/ Motor Transport Receipt covering the consignment of the goods purchased.
Sanctioned Amount : Rs. 2,00,00,000
Principal Outstanding : Rs. 1,82,45,891

4. Nature of Facility : GECL-WCTL
Name of Bank : Yes Bank
Rate of Interest : Effective ROI is 8.56 % P.A.
Primary Securities Offered : To extend second charge on all existing security in favor of National Credit Guarantee Trustee Company Ltd & such other security as may be required by bank and/or National Credit Guarantee Trustee Company Ltd, from time to time.
Sanctioned Amount : Rs. 1,70,00,000
Principal Outstanding : **Rs. 1,70,00,000**
Principal Amount due during the year : Nil

Details of Collateral Securities offered to Yes Bank for above Credit Facilities

- Factory Land and Building at Block No 748/P, Sakete Industrial Estate, Borisana, Mehsana owned by the Company.- Residential Flat No. E/33, 3rd floor, Amaltas Flats, Kanji Maharaj Co. Op. Society Limited, V -6, B/H Fun republic, Satellite, Ahmedabad.
- Residential Villa No D-001 at The North Park, Jaspur, Gandhinagar booked in the name of Anil Somani and family members.
- Negative Lien on Industrial Factory and Land located at revenue survey no. 415/2, block no. 554 paiki 2 mouje Vadsar, Taluka Kalol, Dist. Mehsana.-
- Negative Lien on Residential Flat Flat No. B/3/3, FF, 3rd Floor, Parth Indraprasth Tower, Near Drive in Road Vastrapur, Ahmedabad.
- Negative Lien on Industrial Plot no. 25, Green Industrial Park (GIP), Jadcheria, Polepally, Telangana.
- Negative Lien on residential Plot No 815; Sector R. Mahalaxmi Nagar. Pipala Kumar, MR-11 road, Indore.
- Negative Lien on Commercial Shop No.6, Ratnadeep Apartment, Ground floor, Plot No. A-I, Indira Complex, AB Road, Indore.

Details of Personal Guarantees offered to Yes Bank for above Credit Facilities

Akshay Somani, Ankit Somani, Nitin Somani, Sangita Somani, Ravindra Rathi

5. Nature of Facility : Vehicle Loan
Name of Bank : HDFC Bank
Rate of Interest : 9.25%
Primary Securities Offered : Primarily secured by Hypothecation of Vehicle financed by the Bank.
Sanctioned Amount : Rs. 31,80,000
Principal Outstanding : Rs. 3,87,865
Principal Amount due during the year : Rs. 724,121

6. Nature of Facility	: Vehicle Loan
Name of Financial Institute	: HDFC
Rate of Interest	: 9.00%
Primary Securities Offered	: Primarily secured by Hypothecation of Vehicle financed by the Bank.
Sanctioned Amount	: Rs. 12,23,000
Principal Outstanding	: Rs. 5,22,946
Principal Amount due during the year	: Rs. 7,00,054

Note 30: Related Party Disclosure

List of Related Parties and their relations:

Key Management Personnel

Mr. Ankit Anil Somani
 Mr. Akshay Anil Somani
 Mr. Anil Devkishan Somani
 Ms. Dhara Manojkumar Sanghavi
 M/s Shubham Tax-O-Pack Pvt. Ltd.
 M/s Shubham Texplast P Ltd
 M/s Nitin Somani HUF
 M/s Flexishine Polybends LLP
 M/s Sparebiz Enterprise P Ltd

Enterprises significantly influence by

Key Management Personnel

Relative of key management personnel

Mrs. Pooja Ankit Somani
 Mrs. Sangita Anil Somani
 Mr. Nitin Devkishan Somani

Transactions with related parties

Particulars		Key Management Personnel	Relatives of Key Management Personnel	Enterprises significantly influence by KMP	Total
		Rs.	Rs.	Rs.	Rs.
A. Disclosure of transactions during the year:					
i. Remuneration/Salary	2020-21	40,80,000	12,00,000	-	52,80,000
	2019-20	36,32,107	12,00,000	-	48,32,107
ii. Loan Received	2020-21	-	30,00,000	-	30,00,000
	2019-20	-	-	-	-
iii. Loan Repaid	2020-21	2,18,383	30,00,000	-	32,18,383
	2019-20	-	-	-	-
iv. Sales	2020-21	-	-	71,357,312	71,357,312
	2019-20	-	-	6,35,12,395	6,35,12,394
v. Purchase	2020-21	-	-	48,712,675	48,712,675
	2019-20	-	-	2,87,57,541	2,87,57,541
vi. Advances Given	2020-21	-	-	-	-
	2019-20	15,00,000	-	1,00,00,000	1,15,00,000
vii. Advances Repaid	2020-21	-	-	-	-
	2019-20	15,00,000	-	1,02,50,000	1,17,50,000
B. Disclosure of amount outstanding as on Balance Sheet Date:					
i. Loan Received	2020-21	-	-	-	-
	2019-20	2,18,383	-	-	2,18,383
ii. Deposits Given	2020-21	-	-	-	-
	2019-20	-	70,00,000	-	70,00,000
iii. Advance received from Debtors	2020-21	-	-	-	-
	2019-20	-	-	53,15,861	53,15,861

SHUBHAM POLYSPIN LIMITED

Disclosures in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:

Particulars	Year Ended 31st March 2021 Rs.	Year Ended 31st March 2020 Rs.
A. Disclosure of transactions during the year:		
i. Remuneration/Salary		
Ankit Somani	18,00,000	18,00,000
Akshay Somani	12,00,000	12,00,000
Anil Somani	6,00,000	6,00,000
Pooja Somani	12,00,000	12,00,000
Dhara Manojkumar Sanghavi	4,80,000	32,107
Total	52,80,000	48,32,107
ii. Loan Received from		
Nitin Devkishan Somani	30,00,000	-
Total	30,00,000	-
iii. Loan Repaid		
Ankit somani	2,18,383	-
Nitin Devkishan Somani	30,00,000	-
Total	32,18,383	-
iv. Sales		
Shubham Tax-O-Pack Pvt. Ltd.	55,519,707	4,63,26,282
Shubham Texplast P Ltd.	31,80,826	34,40,896
Flexishine Polybends LLP	1,26,56,779	1,37,45,217
Total	7,13,57,312	6,35,12,395
v. Purchases		
Shubham Tax-O-Pack Pvt. Ltd	4,81,99,888	2,61,45,466
Flexishine Polybends LLP	5,12,787	26,12,075
Shubham Texplast P Ltd.	6,46,429	-
Total	4,87,12,675	2,87,57,541
vi. Advance Given		
Sparebiz Enterprise P Ltd	-	1,00,00,000
Ankit Somani	-	15,00,000
Total	-	1,15,00,000
vii. Advances Repaid		
Sparebiz Enterprise P Ltd	-	1,02,50,000
Ankit Somani	-	15,00,000
Total	-	1,17,50,000
Particulars		
	Year Ended 31st March 2021 Rs.	Year Ended 31st March 2020 Rs.
B. Amount Outstanding as on Balance Sheet Date:		
i. Loans Received		
Ankit Somani	-	2,18,383
Total	-	2,18,383
ii. Deposit Given		
Sangita Somani	-	70,00,000
Total	-	70,00,000
iii. Advances Received from Debtors		
Shubham Tax-O-Pack Pvt. Ltd	-	29,33,930
Flexishine Polybends LLP	-	10,91,711
Shubham Texplast Pvt.Ltd	-	12,90,220
Total	-	53,15,861

Note 31: Segmental Reporting

In accordance with the requirements of Accounting Standard 17 – “Segment Reporting” the Company has determined its business segment as Manufacturing of Multi Filament Yarns. Since 100% of the Company’s business is from Manufacturing of Multi Filament Yarns, there are no other primary reportable segments. Thus, the segment revenue, segment result, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquired segments assets, the total amount of charge for depreciation and amortization during the year are all as reflected in the financial statements for the year ended March 31, 2021 and as on that date. There is no geographical segment to be reported since all the operations are undertaken in India.

Note 32: Other Disclosures:

i) Classification of Cost of Raw Material Purchased

Classification	2020-21		2019-20	
	%	Gross Value (In Rs.)	%	Gross Value (In Rs.)
Indigenous	97.11	24,09,48,654	93.08	23,08,90,726
Imported	2.89	71,73,510	6.92	1,71,65,542
TOTAL	100.00	24,81,22,164	100%	24,80,56,268

ii) Value of Import on CIF Basis

Particulars	2020-21 Value (In Rs.)	2019-20 Value (In Rs.)
Raw Material	71,73,510	1,71,65,542

iii) Expenditure in Foreign Currency

Particulars	2020-21		2019-20	
	Value (in \$)	Value (In Rs.)	Value (in \$)	Value (In Rs.)
Foreign Bank Charges	3181.77	2,34,665.42	2902.60	206934.43

iv) Earning In Foreign Exchange

Export of Goods on CIF Basis	38,36,851	73,503,977	6,94,907	4,85,04,294.20
------------------------------	-----------	------------	----------	----------------

v) Payment to Auditors

Particulars	March 31, 2021	March 31, 2020
Audit Fees	1,85,000	1,85,000
Tax Audit Fees	15,000	15,000
Certification charges	61,000	43,200
Total	2,61,000	2,43,200

Information with regard to other matters specified in revised Schedule III to the Act except from reported above is either nil or not applicable to the Company for the period under consideration.

Note 33: Other General Notes

- i) No provision has been made in the books in respect of leave encashment. The amount in respect of the same is not ascertained.
- ii) Balances of Debtors, Creditors and Loans & Advances in the balance sheet are subject to confirmation
- iii) Under the Micro, Small and Medium Development Act, 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. The company is in the process of compiling relevant information from its suppliers about their coverage under the Act. Since the relevant information is not properly available, no disclosures have been made in the accounts.
- iv) All assets and liabilities are classified as current and non-current as per the company’s normal operating cycle and other criteria set out in the schedule III and the Companies Act, 2013. Based on the nature of products and time between the acquisition of assets for processing and their realisation in cash and cash equivalents, 12 months has been considered by the Company for the purpose of current – non-current classification of assets and liabilities.

- v) Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosures.

The notes 1 to 33 are an integral part of these financial statements.

As per our report of even date attached.

For Jain P. C. & Associates
Chartered Accountants
FRN: 126313W

Karan Ranka
Partner
Membership No.: 136171
UDIN :- 21136171AAAAFI7697

Place : Ahmedabad
Date : 05/06/2021

For and on behalf of the Board of Directors
Shubham Polyspin Limited
CIN: L17120GJ2012PLC069319

Ankit Anil Somani	Anil Devikishan Somani
Managing Director	Managing Director
DIN: 05211800	DIN: 06373210

Akshay Anil Somani	Dhara M Sanghavi
Director & CFO	Company Secretary
DIN: 05244214	

Place : Ahmedabad
Date : 05/06/2021

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

Particulars	March 31, 2021 Rupees	March 31, 2020 Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) before Taxation as per the Profit and Loss A/c	59,58,152	53,01,054
<u>Adjustment For</u>		
Depreciation and Amortisation	1,43,97,594	1,43,24,334
Interest Expense	97,98,485	1,06,92,827
	<u>2,41,96,079</u>	<u>2,50,17,161</u>
Operating Profit / (Loss) before working capital changes	<u>3,01,54,231</u>	<u>3,03,18,215</u>
<u>Adjustments For Changes In Working Capital</u>		
Decrease / (Increase) in Inventories	(7,12,214)	(10,51,549)
Decrease / (Increase) in Trade Receivables	(1,24,72,113)	77,31,362
Decrease / (Increase) in Loans & Advances	1,29,64,318	68,60,235
Decrease / (Increase) in Other Current Assets	96,75,392	(30,97,646)
Increase / (Decrease) in Current Liabilities	(1,91,48,396)	(1,23,42,277)
Cash generated from / (used in) Operations	<u>2,04,61,217</u>	<u>2,84,18,339</u>
Taxes Paid	(9,29,604)	(8,83,834)
Net Cash generated from / (used in) Operating Activities	<u><u>1,95,31,613</u></u>	<u><u>2,75,34,505</u></u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(76,10,796)	(56,99,505)
Purchase of Investment	(2,50,000)	(2,50,000)
Sale of Fixed Assets	-	-
(Increase)/Decrease in Long Term Loans and Advances	(46,76,899)	6,44,317
Net Cash generated from / (used in) Investing Activities	<u><u>(1,25,37,695)</u></u>	<u><u>(53,05,188)</u></u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Equity Share Capital	-	-
Proceeds from Long term Borrowings	13,99,931	(1,35,07,043)
Finance Cost	(97,98,485)	(1,06,92,827)
Net Cash generated from / (used in) Financing Activities	<u><u>(83,98,554)</u></u>	<u><u>(2,41,99,870)</u></u>
Net (Decrease) / Increase in cash and cash equivalents (A+B+C)	<u><u>(14,04,637)</u></u>	<u><u>(19,70,553)</u></u>
Cash and Cash Equivalents as at the beginning of the year	<u>47,69,234</u>	<u>67,39,787</u>
Cash and Cash Equivalents as at the end of the year	<u><u>33,64,597</u></u>	<u><u>47,69,234</u></u>
<u>Cash and Cash Equivalents</u>		
Cash on hand	1,86,240	10,52,665
Balances with Scheduled Banks		
In Current Accounts	4	67,746
In Deposit Account (with maturity less than 12 months)	31,78,353	36,48,822
	<u><u>33,64,597</u></u>	<u><u>47,69,234</u></u>

Notes:

- The above Cash Flow Statement has been prepared under the 'Indirect Method' set out in Accounting Standard 3- Cash Flow Statement referred to in The Companies Accounting Standard Rules, 2006.
- Cash and cash equivalents represent cash and bank balances only.

This is the Cash Flow Statement referred to in our report of even date.

For Jain P. C. & Associates
Chartered Accountants
FRN: 126313W

Karan Ranka
Partner
Membership No.: 136171
UDIN :- 21136171AAAAFI7697

For and on behalf of the Board of Directors
Shubham Polyspin Limited
CIN: L17120GJ2012PLC069319

Ankit Anil Somani **Anil Devikishan Somani**
Managing Director Managing Director
DIN: 05211800 DIN: 06373210

Akshay Anil Somani **Dhara M Sanghavi**
Director & CFO Company Secretary
DIN: 05244214

Place : Ahmedabad
Date : 05/06/2021

Place : Ahmedabad
Date : 05/06/2021

Book-Post

To,

If undelivered, please return to :

SHUBHAM POLYSPIN LIMITED

(CIN: L17120GJ2012PLC069319)

Registered Office: Block No. 748, Saket Industrial Estate,
Nr. Kaneria Oil Mill, Jetpura- Basantpura Road,
Village: Borisana, Tal-Kadi Dist:-Mehsana-382728