

# **SHUBHAM POLYSPIN LIMITED**

**(CIN: L17120GJ2012PLC069319)**

**ELEVENTH  
ANNUAL REPORT  
2022-23**

**SHUBHAM POLYSPIN LIMITED**  
**(CIN: L17120GJ2012PLC069319)**

**11<sup>th</sup> ANNUAL REPORT 2022-23**

<b>BOARD OF DIRECTORS</b>	:	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) Mr. Urva P. Patel (DIN: 08193058) Mr. Trilok Tater (DIN: 07866844)	Managing Director Managing Director (upto 30 <sup>th</sup> May, 2023) Director & CFO Independent Director Independent Director Independent Director Additional Director (w.e.f. 30 <sup>th</sup> May, 2023)
<b>CHIEF FINANCIAL OFFICER</b>	:	Mr. Akshay A. Somani	
<b>COMPANY SECRETARY</b>	:	CS Dhara M. Sanghavi	
<b>BANKERS</b>	:	Yes Bank Ltd. Ahmedabad	
<b>STATUTORY AUDITORS</b>	:	M/s. Jain P. C. & Associates Practicing Chartered Accountants Ahmedabad	
<b>SECRETARIAL AUDITORS</b>	:	M/s. Manoj Hurkat & Associates Practicing Company Secretaries Ahmedabad	
<b>REGISTERED OFFICE</b>	:	Block No. 748, Saket Industrial Estate, Nr. Kaneria Oil Mill, Jetpura- Basantpura Road, Borisana, Tal-Kadi Dist:-Mehsana-382728	
<b>ISIN</b> (for demat purpose)	:	INE01J501010	

## NOTICE

**NOTICE** is hereby given that **11<sup>TH</sup> ANNUAL GENERAL MEETING** of the Members of **SHUBHAM POLYSPIN LIMITED** will be held as under:

Date	: 30 <sup>th</sup> September, 2023
Day	: Saturday
Time	: 2.00 p.m.
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 2022-23 and to pass the following resolution, with or without modification, as an **ORDINARY RESOLUTION**:

**“RESOLVED THAT** the Audited Financial Statements of the Company for the financial year 2022-23 comprising of Balance Sheet as on 31<sup>st</sup> March, 2023 and Profit and Loss Statement for the financial year ended on 31<sup>st</sup> March, 2023 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 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 Director of the Company, liable to retire by rotation.”

**SPECIAL BUSINESS:**

3. To appoint Mr. Trilok Chand Tater (DIN: 07866844) as Director of the Company and to pass following resolution, with or without modification, as an **ORDINARY RESOLUTION**:

**“RESOLVED THAT** Mr. Trilok Chand Tater (DIN: 07866844), be and is hereby appointed as Director of the Company, liable to retire by rotation.”

4. To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION**:

**Re-appointment of Mr. Kush P. Kalaria (DIN: 08086553) as an Independent Director of the Company for second term of 5 consecutive years.**

**“RESOLVED THAT** pursuant to the recommendation of Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 30<sup>th</sup> May, 2023 and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and applicable provisions of the Listing Regulations, approval of the Company, be and is hereby accorded for the re-appointment of Mr. Kush P. Kalaria (DIN: 08086553) as an Independent Director of the Company, whose current period of office is up to the date of this AGM and who has submitted a declaration confirming that he meets the criteria of Independence under Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013 and Rules made thereunder and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, whose term shall not be subject to retirement by rotation, to hold office for 5 (five) consecutive years on the Board of the Company from the conclusion of this AGM till the conclusion of AGM to be held in the year 2028.

**RESOLVED FURTHER THAT** any one Director 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 consider and if thought fit, to pass with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION**:

**Re-appointment of Dr. Urva P. Patel (DIN: 08193058) as an Independent Director of the Company for second term of 5 consecutive years.**

**“RESOLVED THAT** pursuant to the recommendation of Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 30<sup>th</sup> May, 2023 and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and applicable provisions of the Listing Regulations, approval

of the Company, be and is hereby accorded for the re-appointment of Dr. Urva P. Patel (DIN: 08193058) as an Independent Director of the Company, whose current period of office is up to the date of this AGM and who has submitted a declaration confirming that he meets the criteria of Independence under Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013 and Rules made thereunder and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, whose term shall not be subject to retirement by rotation, to hold office for 5 (five) consecutive years on the Board of the Company from the conclusion of this AGM till the conclusion of AGM to be held in the year 2028.

**“RESOLVED FURTHER THAT** any one Director 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.”

6. To consider and if thought fit, to pass with or without modification(s), the following Resolution as a SPECIAL RESOLUTION:

**Re-appointment of Mrs. Radhika A. Chandak (DIN: 07904592) as an Independent Director of the Company for second term of 5 consecutive years.**

**“RESOLVED THAT** pursuant to the recommendation of Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 30<sup>th</sup> May, 2023 and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and applicable provisions of the Listing Regulations, approval of the Company, be and is hereby accorded for the re-appointment of Mrs. Radhika A. Chandak (DIN: 07904592) as an Independent Director of the Company, whose current period of office is up to the date of this AGM and who has submitted a declaration confirming that she meets the criteria of Independence under Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013 and Rules made thereunder and in respect of whom the Company has received a notice in writing from a Member proposing her candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, whose term shall not be subject to retirement by rotation, to hold office for 5 (five) consecutive years on the Board of the Company from the conclusion of this AGM till the conclusion of AGM to be held in the year 2028.

**“RESOLVED FURTHER THAT** any one Director 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: 30<sup>th</sup> May, 2023**  
**CIN: L17120GJ2012PLC069319**

**By Order of the Board,**

**sd/-**  
**Ankit Anil Somani**  
**(DIN: 05211800)**

**Chairperson & Managing Director**

**NOTES:**

1. In view of Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) vide Circular No. 20/2020 dated 5<sup>th</sup> May, 2020 read with Circular No. 14/2020 dated 8<sup>th</sup> April, 2020, Circular No. 17/2020 dated 13<sup>th</sup> April, 2020, Circular No. 02/2021-22 dated 13<sup>th</sup> January, 2021, Circular No. 02/2022 dated 5<sup>th</sup> May, 2022 and Circular No. 10/2022 dated 28<sup>th</sup> December, 2022 (collectively referred to as ‘MCA Circulars’) and Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 15<sup>th</sup> January, 2021, SEBI/HO/CFD/ CMD2/CIR/P/2022/62 dated 13<sup>th</sup> May, 2022 and SEBI/HO/CFD/PoD-2/P/CIR/P/2023/4 dated 5<sup>th</sup> January, 2023 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 Saturday, 23<sup>rd</sup> September, 2023 to Saturday, 30<sup>th</sup> September, 2023 (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.]  
5<sup>th</sup> 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 11<sup>th</sup> 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](mailto:compliance.spl@gmail.com)) / RTA ([rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)).
8. **REMOTE E-VOTING AND 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 11<sup>th</sup> 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 (LODR) 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. 3:**

The Company has received a Notice from a Member in writing, proposing candidature of Mr. Trilok Chand Tater (DIN: 07866844) for the office of Director.

Mr. Trilok Chand Tater aged 33 years is B. Tech (IT) having rich experience of more than 10 year in the field of Technology and Innovation. In view of this, the Board of Directors has appointed him as an Additional Director of the Company at its Board meeting held on 30<sup>th</sup> May, 2023 and has also recommended his appointment as Director of the Company subject to approval of the members of the Company.

The Company has received from Mr. Trilok Chand Tater the following documents:

- (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014;
- (ii) Intimation in Form DIR-8 in terms of Rule 14 of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act.

Looking to the expertise, the Board is of the opinion that the guidance and advice of Mr. Trilok Chand Tater as a Director will be of immense value. Hence, the Directors recommend this resolution to be passed as an Ordinary Resolution.

Mr. Trilok Chand Tater is interested in this resolution since it relates to his appointment as a Director of the Company. Except this, no other Director or Key Managerial Person or their relatives are concerned or interested in this resolution.

Other particulars of Mr. Trilok Chand Tater are also given elsewhere in this Notice. Trilok Chand Tater is not Director in any other listed Company.

The documents connected with this special business including terms and conditions of appointment of Mr. Trilok Chand Tater will be open for inspection at the registered office of the Company on all working day during normal working hours of the Company.

**ITEM NO. 4, 5 and 6:**

Pursuant to Section 149 and all other applicable provisions of the Companies Act, 2013 read with the Rules framed thereunder and the applicable provisions of Listing Regulations, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company and shall be eligible for reappointment on passing of a Special Resolution by the Company.

In accordance to that Mr. Kush P. Kalaria (DIN: 08086553), Dr. Urva P. Patel (DIN: 08193058) and Mrs. Radhika A. Chandak (DIN: 07904592), were appointed as Independent Directors of the Company for a term of 5 years at the AGM held on 4<sup>th</sup> August, 2018 and will complete their initial term as an Independent Director at this AGM and they are eligible for re-appointment for one more term of 5 years.

The Board of Directors in its meeting held on 30<sup>th</sup> May, 2023 noted that the above Directors are reasonably known professionals drawn from diverse fields, who bring with them a wide range of skills and experience to the Board, which enhances the quality of Board's decision-making process. The Company and the Board has immensely benefited from their vast experience, knowledge and strategic insights on various matters relating to the Company's business. Considering the enormous contribution of the Directors to the functioning and performance of the Company, the Board felt that it will be in the interest of the Company to re-appoint them as Independent Directors.

The Board of Directors on the basis of performance evaluation and recommendation of Nomination and Remuneration Committee, approved the re-appointment of Mr. Kush P. Kalaria (DIN: 08086553), Dr. Urva P. Patel (DIN: 08193058) and Mrs. Radhika A. Chandak (DIN: 07904592) as Independent Directors of the Company not liable to retire by rotation, for second term of 5 (five) consecutive years from the conclusion of this AGM till the conclusion of AGM to be held in the year 2028.

Mr. Kush P. Kalaria (DIN: 08086553), Dr. Urva P. Patel (DIN: 08193058) and Mrs. Radhika A. Chandak (DIN: 07904592) have given their consent to act as Independent Directors of the Company and have furnished necessary declarations to the Board of Directors that they meet the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further as per the declarations received by the Company, Mr. Kush P. Kalaria, Dr. Urva P. Patel and Mrs. Radhika A. Chandak are not disqualified to be re-appointed as Directors under Section 164 of the Companies Act, 2013. The Company has received notices in writing from members under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Kush P. Kalaria, Dr. Urva P. Patel and Mrs. Radhika A. Chandak for the office of Director of the Company. In the opinion of the Board Mr. Kush P. Kalaria, Dr. Urva P. Patel and Mrs. Radhika A. Chandak fulfils the conditions specified under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for re-appointment as Independent Directors. A brief profile of the aforesaid Independent Directors proposed to be re-appointed including nature of their expertise and shareholdings in the Company, etc. are given elsewhere in this Notice. All three Independent Directors are not Directors in any other listed Company.

None of the Directors or Key Managerial Personnel except Mr. Kush P. Kalaria, Dr. Urva P. Patel and Mrs. Radhika A. Chandak either directly or through their relatives with regard to their respective re-appointment are, in any way, concerned or interested, whether financially or otherwise, in the resolutions as set out at Item Nos. 4, 5 and 6 of the Notice. The Board of Directors, therefore, recommends the Resolutions as set out at Item Nos. 4, 5 and 6 to be passed as Special Resolutions by the Members.

**Details of Director/s Seeking Appointment/Re-appointment at the AGM**

Particulars	Mr. Akshay Anil Somani (DIN: 05244214)	Mr. Trilok Chand Tater (DIN: 07866844)
Date of Birth	17/04/1993	27/08/1990
Date of the first Appointment on the Board	10/07/2018	30/05/2023
Qualification	MBA	B. Tech (IT)
Expertise in Specific functional areas	Accounts, Finance and Administration	Technology and Innovation
Directorships held in other Companies	2	Nil
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 re-appointed as Director liable to retire by rotation	He is appointed as Director liable to retire by rotation
Number of Board Meetings attended during the year	6	Nil
Memberships/ Chairmanships of committees of Board of Directors of Company	Nil	Nil
Memberships/ Chairmanships of committees of Board of Directors of other Companies in which he is director	Nil	Nil
Number of shares held in the Company	17,16,000 Equity Shares	Nil
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.	N.A.

**Details of Director Seeking Re-appointment at the Annual General Meeting**

Particulars	Mr. Kush P. Kalaria (DIN: 08086553)	Dr. Urva P. Patel (DIN: 08193058)	Mrs. Radhika A. Chandak (DIN: 07904592)
Date of Birth	20/01/1989	24/04/1993	23/01/1992
Date of the first Appointment on the Board	04/08/2018	04/08/2018	04/08/2018
Qualification	MBA	MBBS	B. Sc.
Directorships held in other Companies	Nil	Nil	Nil
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	Subject to approval of members in the 11 <sup>th</sup> AGM will be appointed as Independent Director for second term of 5 years i.e. upto the date of AGM in the year 2028.	Subject to approval of members in the 11 <sup>th</sup> AGM will be appointed as Independent Director for second term of 5 years i.e. upto the date of AGM in the year 2028.	Subject to approval of members in the 11 <sup>th</sup> AGM will be appointed as Independent Director for second term of 5 years i.e. upto the date of AGM in the year 2028.
Number of Board Meetings attended during the year	6 (Six)	6 (Six)	6 (Six)
Memberships/ Chairmanships of committees of Board of Directors of Company	3 (Three)	3 (Three)	Nil
Memberships/ Chairmanships of committees of Board of Directors of other Companies in which he is director	Nil	Nil	Nil
Number of shares held in the Company	Nil	Nil	Nil
Expertise in Specific functional areas	Finance and international marketing	Medical Science	General administration, digital applications, MIS, marketing
Disclosure of relationship between directors inter-se	N.A.	N.A.	N.A.



## INSTRUCTIONS FOR REMOTE E-VOTING:

The instructions for members for voting electronically are as under:

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The Remote E-voting period begins on 27<sup>th</sup> September, 2023 (Wednesday) at 9.00 a.m. (IST) and ends on 29<sup>th</sup> September, 2023 (Friday) 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 23<sup>rd</sup> September, 2023 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting after 5.00 p.m. (IST) on 29<sup>th</sup> September, 2023.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) 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.

- (iv) 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.

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

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 <b>CDSL</b>	<ol style="list-style-type: none"> <li>1) 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 users to login to Easi/Easiest are requested to visit cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi tab.</li> <li>2) 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.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>1) 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: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> 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 &amp; voting during the meeting.</li> </ol>



	<p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> 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 &amp; voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	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 <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800225533
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method of Remote e-Voting for Physical shareholders and shareholders other than individual holding in demat mode.

- 1) The shareholders should log on to the e-voting website: [www.evotingindia.com](http://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](http://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 Physical shareholders and other than individual shareholders holding shares in Demat Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/ RTA or contact Company/ RTA.</p>
Dividend Bank Details or Date of Birth (DOB)	<p>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.</p> <p>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).</p>

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) 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.

- (viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN (for **SHUBHAM POLYSPIN LIMITED**) on which you choose to vote.
- (x) 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.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolutions Details.
- (xii) 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.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xv) 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.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) Additional Facility for Non-Individual Shareholders and Custodians-For remote e-voting only
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the Corporates module.
  - A scanned copy of the registration form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto: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 will be mapped automatically & can be delink in case of any wrong mapping.
  - It is mandatory that, 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](mailto: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/ MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES:**

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 update your E-mail Id & Mobile No. with your respective Depository Participants (DP)
3. For Individual Demat shareholders – Please update your E-mail Id & Mobile No. with our respective Depository Participants (DP) which is mandatory while E-voting & joining virtual meetings through Depository.

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](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.

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](mailto:helpdesk.evoting@cdslindia.com) or call on toll free no. 1800 22 55 33.

- (xviii) 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. 23<sup>rd</sup> September, 2023 may obtain the login Id and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto: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.
- (ixx) 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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

- (xx) 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.
- (xxi) 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.
- (xxii) The scrutinizer shall, immediately after 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 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, which shall not be later than 5:00 p.m., 2<sup>nd</sup> October, 2023.
- (xxiii) The result declared, along with the Scrutinizer's Report shall be placed on the Company's website: [compliance.spl@gmail.com](mailto: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](mailto: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](mailto: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: 30<sup>th</sup> May, 2023**

**CIN: L17120GJ2012PLC069319**

**By Order of the Board,**

**sd/-**

**Ankit Anil Somani**  
(DIN: 05211800)

**Chairperson & Managing Director**

## DIRECTORS' REPORT

**To**  
**The Members**  
**SHUBHAM POLYSPIN LIMITED**

Your Directors take pleasure in presenting the **ELEVENTH** Annual Report of the Company together with the Audited Accounts for the financial year ended on 31<sup>st</sup> March, 2023.

### FINANCIAL SUMMARY/HIGHLIGHTS:

The brief financial results are as under:

	(Amount in Lakhs)	
Particulars	2022-23	2021-22
Revenue from Operations	4460.92	5291.25
Profit/(Loss) before Depreciation and Tax	244.52	217.56
<b>Less: Depreciation</b>	<b>129.94</b>	92.56
Profit/(Loss) Before Tax and Extra Ordinary Items	114.58	125.00
Less: Extra Ordinary Items	Nil	Nil
Less: Current Tax	Nil	2.83
Deferred Tax	31.88	29.27
(Add)/Less: MAT credit utilisation/ Adjustment	(0.69)	25.36
Profit/(Loss) After Tax	83.39	67.54

The Revenue from Operations of the Company for the year 2022-23 has decreased from Rs. 5291.25 Lakhs to Rs. 4460.92 Lakhs due to overall deflation in business sentiment in comparison to previous year. However, the profit before Depreciation and Tax stands increased from Rs. 217.56 Lakhs to Rs. 244.52 Lakhs due to business efficiencies.

### 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.

### ALLOTMENT OF SHARES UNDER BONUS ISSUE:

The Company has allotted 11,02,000/- equity shares of Rs. 10 each on 23<sup>rd</sup> September, 2022 as Bonus equity shares in the ratio of 1 equity shares of Rs. 10 each for every 10 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 31<sup>st</sup> March, 2023 is Rs. 12,12,20,000/- divided into 1,21,22,000 Equity shares of Rs. 10/- each.

### DIRECTORS & KEY MANAGERIAL PERSONNEL:

Mr. Anil D. Somani has resigned as Managing Director as well as Director of the Company w.e.f. 30<sup>th</sup> May, 2023. Therefore, the Company has appointed Mr. Trilok Chand Tater (DIN: 07866844) as an Additional Director on the Board w.e.f. 30<sup>th</sup> May, 2023.

Moreover, the term of all three Independent Directors will come to an end at this AGM. Therefore, the Board of Director at their meeting held on 30<sup>th</sup> May, 2023 has recommend the re-appointment of all three Independent Directors i.e. Mr. Kush P. Kalaria, Dr. Urva P. Patel and Mrs. Radhika A. Chandak as Independent Directors for second term of five consecutive years from the conclusion of this AGM till the AGM held in the year 2028.

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 appointment of Mr. Trilok Tater and re-appointment of Mr. Akshay A. Somani (DIN: 05244214) as Director of the Company liable to retire by rotation.

The Board further recommends the re-appointment of Mr. Kush P. Kalaria, Dr. Urva P. Patel and Mrs. Radhika A. Chandak as Independent Directors of the Company for second term of five years.

#### **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 13<sup>th</sup> April, 2022, 30<sup>th</sup> May, 2022, 28<sup>th</sup> June, 2022, 13<sup>th</sup> August, 2022, 14<sup>th</sup> November, 2022 and 14<sup>th</sup> February, 2023.

#### **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 fulfils 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 9<sup>th</sup> AGM for holding the office from the conclusion of that 9<sup>th</sup> AGM till the conclusion of 14<sup>th</sup> AGM.

In view of the Companies (Amendment) Act, 2017, the first proviso in sub-section (1) in section 139 of the Companies Act, 2013 has been omitted with effect from 7<sup>th</sup> May, 2018. In view of this, the said appointment of auditor is no longer required to be ratified by the members at every AGM.

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      |

w.e.f. 30<sup>th</sup> May, 2023, the constitution of the Nomination and Remuneration Committee has been changed which comprises of the following Directors:

- |                        |             |
|------------------------|-------------|
| 1. Mr. Kush Kalaria    | Chairperson |
| 2. Dr. Urva P. Patel   | Member      |
| 3. Ms. Radhika Chandak | 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      |

w.e.f. 30<sup>th</sup> May, 2023, the constitution of the Stakeholder Relationship Committee has been changed which comprises of the following Directors:

- |                         |             |
|-------------------------|-------------|
| 1. Dr. Urva P. Patel    | Chairperson |
| 2. Mr. Kush Kalaria     | Member      |
| 3. Mr. Akshay A. 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.shubhampolyspin.com](http://www.shubhampolyspin.com). 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)	3.11	Nil
Mr. Ankit A Somani (Managing Director)	12.42	Nil
Mr. Akshay A. Somani (Director & CFO)	6.21	Nil

Note: The median remuneration of employees of the Company during the year was Rs. 1,93,224/- p.a.

<b>A. Percentage increase/(Decrease) in the median Remuneration of Employees</b>	15%
<b>B. Number of permanent Employees on the rolls of Company</b>	56 (Fifty Six)
<b>C. 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</b>	There was increase of 20.62% in average salaries of employees other than NEDs and KMPs made in the year 2022-23. There was increase of 16.67% in the Managerial Remuneration for the year 2022-23 as compared to the year 2021-22.

**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/WT (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 Annual Return placed on the website of the Company.
- (ii) details of fixed component and performance-linked incentives, along with the performance criteria:  
The details are given in Annual Return placed on the website of the Company 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:**

<b>(A)</b>	<b>Conservation of energy</b>	
	(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>(B)</b>	<b>Technology absorption</b>	
	(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.
<b>(C)</b>	<b>Foreign exchange earnings and Outgo</b>	
	The Foreign Exchange earned in terms of actual inflows during the year and	Rs. 915.72 Lakhs
	The Foreign Exchange outgo during the year in terms of actual outflows	Rs. 5.20 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:**

The Corporate Governance Report forms an integral part of this Report and annexed hereto as “**Annexure-3**”, together with the Certificate from the Practicing Company Secretary regarding compliance with the requirements of Corporate Governance as stipulated in Part C of Schedule V to the SEBI (Listing Obligations & Disclosure Requirement) Regulations 2015.

**EXTRACT OF ANNUAL RETURN:**

In Compliance to the provisions of Section 92 and Section 134 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the copy of the Annual Return of the Company for the financial year ended 31<sup>st</sup> March, 2023 will be placed on the Company's website [www.shubhampolyspin.com](http://www.shubhampolyspin.com)

**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:**

Particulars of contacts or arrangements with related parties referred to in section 188(1) of the Companies Act, 2013 in the prescribed form AOC-2 is appended as "**Annexure - 5**" to Director's Report. The related party transactions are otherwise carried out in the ordinary course of business and on arm's length basis and the same are in the best interest of the Company. The related party transactions are 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: 30<sup>th</sup> May, 2023**

**CIN: L17120GJ2012PLC069319**

**By Order of the Board,**

**sd/-**

**Ankit Anil Somani**

**(DIN: 05211800)**

**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 31<sup>st</sup> March, 2023 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 31<sup>st</sup> March, 2023 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 and Sweat Equities) Regulations, 2021;
  - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - 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, 2021; 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 except in respect of the matters specified in Annexure - B.

- 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. 12.01 Crores to Rs. 13.01 Crores during the year by obtaining the approval of the members of the Company at the Annual General Meeting held on 12th September, 2022.
- b. The Company has issued 11,02,000 Equity shares of Rs. 10/- each as Bonus equity shares to the existing shareholders of the Company in ratio of 1 equity share for every 10 equity shares held as on Record date i.e. 22nd September, 2022. Consequently, the paid up share capital of the Company was increased from Rs. 11,02,00,000/- divided into 1,10,20,000 equity shares of Rs. 10/- each to Rs. 12,12,20,000/- divided into 1,21,22,000 equity shares of Rs. 10/- each.

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

PR Certificate No.: 600/2019

**sd/-**

**MANOJ R HURKAT**

*Partner*

FCS No. 4287, COP No.: 2574

UDIN: F004287E000371775

**Place : Ahmedabad**

**Date : 30<sup>th</sup> May, 2023**

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.
7. The Secretarial audit was conducted in accordance with Auditing Standards issued by the Institute of Company Secretaries of India and in a manner which evolved such examinations and verifications as considered necessary and adequate for the said purpose.

**For, MANOJ HURKAT AND ASSOCIATES**

*Practicing Company Secretaries*

FRN: P2011GJ025800

PR Certificate No.: 600/2019

**sd/-**

**MANOJ R HURKAT**

*Partner*

FCS No. 4287, COP No.: 2574

UDIN: F004287E000371775

**Place : Ahmedabad**

**Date : 30<sup>th</sup> May, 2023**

Annexure-B to the Secretarial Audit Report dated 30<sup>th</sup> May, 2023 of Shubham Polyspin Limited

Sr. No	Compliance Requirement	Section/ Rule/ Regulation	Deviations/ Non Compliance	Observations/ Remarks of the Practicing Company Secretary
1.	Submission of Annual Report with Stock Exchange after dispatch of the same to the members of the Company under Regulation 34	Regulation 34 of the SEBI –LODR Regulations, 2015	Violation of Regulation 34 of the SEBI (LODR) Regulations, 2015 in delayed submission of Annual Report for the financial year 2021-22	The Company submitted the Annual Report for the financial year 2021-22 with delay of 3 days due to in advertence for which the Company has also paid a penalty of Rs. 6000/- plus GST as levied by the BSE.

## Annexure - 2

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	Remuneration (In ₹) p.a.	Qualification	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 Akshay Somani	24,00,000	MBA	10	04/08/2018	34	-	33.16%
Mr. Pooja A. Somani	Marketing	Contractual	Pooja Somani is wife of Ankit Somani and daughter in law of Anil Somani	18,00,000	B.E in Information Technology	10	01/08/2018	35	-	3.63%
Mr. Akshay A. Somani	Director & CFO	Contractual	Akshay Somani is son of Anil Somani and brother of Ankit Somani	12,00,000	MBA	8	11/08/2018	30	-	14.16%
Anil D. Somani	Managing Director	Contractual	Anil Somani is father of Ankit and Akshay Somani	6,00,000	B. Com	22	04/08/2018	61	-	21.78%
Satish M. Patel	Maintenance Head	Otherwise	-	5,49,509	BE (Elec Engineer)	11	16/06/2021	29	Fairdeal Jumbo	-
Dhara Manojbhai Sanghavi	Company Secretary	Contractual	-	4,50,000	C.S.	4	07/03/2020	31	-	-
Manojkumar Rana	TFO In-charge	Otherwise	-	3,45,295	10 <sup>th</sup> Pass	22	01/11/2020	43	Khosla Profile Pvt Ltd	-
Chandraprakash S. Yadav	Store In charge	Otherwise	-	3,16,307	B.A.	11	01/09/2019	36	Khosla Profile Pvt Ltd	-
Saurabh Raj Jha	Excise Executive	Otherwise	-	2,92,207	Diploma in Computer Engineering	2	01/04/2021	26	-	-
Vipulkumar P Solanki	Accountant	Otherwise	-	2,89,197	B.Com	8	16/04/2019	32	Ravi Sunrise Ind.	-



**CORPORATE GOVERNANCE REPORT****1. Company's Philosophy on Corporate Governance**

Shubham Polyspin Limited ("Shubham") is committed to do business in an efficient, responsible, honest and ethical manner. The core values of the Company's Governance process include independence, integrity, accountability, transparency, responsibility and fairness. The basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedication to increase long-term stakeholder's value.

**2. Board of Directors****A. Composition of the Board:**

As per the requirement of SEBI (LODR) Regulations, 2015, the Structure of Board of the Company maintains an optimum combination of Executive, Non-Executive Directors and Independent Directors. The Composition of the Board is in conformity with the Listing Regulation requirements. The detailed composition of the Board of Directors as on 31<sup>st</sup> March, 2023, their category and their Directorship in the companies and Membership/Chairmanship in the Committees of the Board are given below:

Sr. No.	Name of the Director	Position/Category++	*Number of Directorship as on 31.03.2023 including Shubham	** Number of Membership/ Chairmanship in Board Committee as on 31.03.2023 including Shubham	
				Membership+	Chairmanship
1	Mr. Anil Devikishan Somani	Chairperson & Managing Director	1	1	-
2	Mr. Ankit Anil Somani	Managing Director	1	1	-
3	Mr. Akshay Anil Somani	Director	3	-	-
4	Mr. Kush P. Kalaria	Independent Director	1	2	1
5	Dr. Urva P. Patel	Independent Director	1	2	1
6	Mrs. Radhika A. Chandak	Independent Director	1	-	-

*Note: w.e.f. 30<sup>th</sup> May, 2023, Mr. Anil D. Somani has ceased to be Chairperson and Managing Director*

*+ Membership excludes Chairmanship.*

*\* Excluding Directorship held in Foreign Companies.*

*\*\* Indicates Membership/Chairmanship in the Audit Committee and Stakeholders Relationship Committee (excluding Private Limited Companies, Foreign Companies and Section 8 Companies).*

*++ Mr. Anil D. Somani is father of Mr. Ankit A. Somani and Mr. Akshay A. Somani. Barring this none of the Directors are related interse.*

*\*\*\* None of the Directors of the Company are Directors in any of the Listed Company.*

The Board of Directors have identified the below mentioned skills / expertise / competencies in the context of the business and the sector in which the Company is operating, for the Company to function effectively:

Sr. No.	skills / expertise / competencies	Name of Directors
1.	Knowledge of legal, including taxation, IT, marketing, etc.	1. Anil D. Somani 2. Ankit Anil Somani 3. Akshay Anil Somani 4. Kush P. Kalaria
2.	Knowledge of accounts and finance (ability to read and understand financial statement),	1. Anil D. Somani 2. Ankit Anil Somani 3. Akshay Anil Somani 4. Kush P. Kalaria 5. Dr. Urva P. Patel 6. Radhika A. Chandak
3.	Knowledge of Yarn business	1. Anil D. Somani 2. Ankit Anil Somani 3. Akshay Anil Somani
4.	Knowledge of HR, general administration and management	1. Anil D. Somani 2. Ankit Anil Somani 3. Akshay Anil Somani 4. Kush P. Kalaria 5. Dr. Urva P. Patel 6. Radhika A. Chandak

The above skills / expertise / competencies identified by the Company are also actually available with the Board.

**B. Board Meetings held during the year 2022– 23:**

The Board of Directors meets at regular intervals to discuss and decide on various issues including strategy related matters pertaining to the business/ company. The tentative calendar of Board Meetings is circulated to the Directors in advance to facilitate them and to ensure their active participation in the Meetings of the Company. Apart from this, the Meetings of the Board are also convened or the approval of the Board is obtained through circulation of resolution to all the Directors in case some urgent/special situation arises. Such circular resolution is also confirmed in the next Board Meeting. Further when it is not possible to attend meeting physically, the Directors may use video conferencing facility to enable their participation. Agenda papers containing all necessary information / documents are made available to the Board in advance to enable the Board to take informed decisions and to discharge its functions effectively.

During the year 2022 - 23, the Board met 6 (Six) times. Details of these Meetings are as follows:

Sr. No.	Date of Meeting
1	13 <sup>th</sup> April, 2022
2	30 <sup>th</sup> May, 2022
3	28 <sup>th</sup> June, 2022
4	13 <sup>th</sup> August, 2022
5	14 <sup>th</sup> November, 2022
6	14 <sup>th</sup> February, 2023

**C. Attendance of Directors at the Board Meeting during the year 2022-23 and at last AGM was as follows:**

Sr. No.	Name of the Director	Number of Board Meetings held during their tenure as Director	Number of Board Meetings attended	Attendance at last AGM held on 12 <sup>th</sup> September, 2022
1	Mr. Anil D. Somani	6	6	Yes
2	Mr. Ankit Anil Somani	6	6	Yes
3	Mr. Akshay Anil Somani	6	6	Yes
4	Mr. Kush P. Kalaria	6	6	Yes
5	Dr. Urva P. Patel	6	6	Yes
6	Mrs. Radhika A. Chandak	6	6	Yes

**3. Audit Committee:**

The composition of the Audit Committee as on 31<sup>st</sup> March, 2023 is as follows:

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

Ms. Dhara M. Sanghavi, Company Secretary acts as a Secretary to the Audit Committee.

**Note:**

At least two third members of the Audit Committee are Independent Directors including the Chairman of the Audit Committee being an Independent Director and having financial and accounting knowledge.

The role, term of reference, authority and powers of Audit Committee are in conformity with the requirements of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 as applicable to the Company.

During the year 2022-23, the Audit Committee met 4 (Four) times. Details of Meetings are as follows:

Sr. No.	Date of Meeting
1	30 <sup>th</sup> May, 2022
2	13 <sup>th</sup> August, 2022
3	14 <sup>th</sup> November, 2022
4	14 <sup>th</sup> February, 2023

The attendance of the Members at the Audit Committee Meetings during the year 2021 - 22 was as follows:

Sr No.	Name of the Audit Committee Members	Number of Audit Committee Meetings held while holding the office	Number of Audit Committee Meetings attended
1	Mr. Kush P. Kalaria	4	4
2	Dr. Urva P. Patel	4	4
3	Mr. Ankit Anil Somani	4	4

The Chairman of the Audit Committee remained present at the Annual General Meeting of the Company held on 12<sup>th</sup> September, 2022 to answer shareholders queries.

**4. Nomination and Remuneration Committee**

The composition of the Nomination and Remuneration Committee as on 31<sup>st</sup> March, 2023 is as follows:

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

Note: w.e.f. 30<sup>th</sup> May, 2023, Mr. Radhika Chandak was appointed as Member of the Nomination and Remuneration Committee in place of Mr. Anil D. Somani.

The role, term of reference, authority and powers of Nomination and Remuneration Committee are in conformity with the requirements of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 as applicable to the Company.

During the year 2022-23, the Nomination and Remuneration Committee met once on 14<sup>th</sup> February, 2023. All three members attended the Meeting.

The details on performance evaluation criteria for Directors including Independent Directors are already provided under the head "Board Evaluation" in the Director's Report.

**5. Remuneration/Sitting Fees to Directors****i) Remuneration to Directors:**

During the Financial Year 2022-23, the Company has paid remuneration of Rs. 42 Lakhs to Executive Directors of the Company pursuant to approval of Members at the Annual General Meeting held on 1<sup>st</sup> September, 2021 for payment of remuneration.

**ii) Sitting Fees to Directors:**

The Board of Directors are not paying any amount of Sitting Fees to the Directors for attending the meetings of Board and Committee.

**iii) Terms of appointment of Managing Director:**

Mr. Anil D. Somani and Mr. Ankit Anil Somani have been appointed as Managing Directors of the Company w.e.f. 4<sup>th</sup> August, 2021 for a period of 3 years at the AGM held on 1<sup>st</sup> September, 2021.

None of the non-executive Director holds any shares in the Company.

**6. Stakeholders Relationship Committee:**

The composition of the Stakeholders Relationship Committee as on 31<sup>st</sup> March, 2023 is as follows:-

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

Note: w.e.f. 30<sup>th</sup> May, 2023, Mr. Akshay Somani was appointed as Member of the Nomination and Remuneration Committee in place of Mr. Anil D. Somani.

During the year 2022-23, the Stakeholders Relationship Committee met twice on 13<sup>th</sup> August, 2022 and 14<sup>th</sup> February, 2023. All three members of the Committee were present in both the meetings.

The status of shareholders complaint as on 31<sup>st</sup> March, 2023 is as follows:-

Particulars	Opening as on 01.04.2022	Received* during the year	Disposed during the year	Balance as on 31.03.2023
No. of complaints	NIL	NIL	NIL	NIL

Ms. Dhara M. Sanghavi, Company Secretary acts as Compliance Officer of the Company.

**8. General Body Meetings****A. Schedule of the last three Annual General Meetings of the Company is presented below:**

Year	Date & Time of AGM	Venue	Special Resolutions passed
2021-22	12 <sup>th</sup> September, 2022 12.00 Noon	Block No. 748, Saket Industrial Estate, Nr. Kaneria Oil Mill,	1. Increase in Authorised Share Capital from Rs. 12.01 Crores to Rs. 13.01 Crores. 2. Issue of Bonus shares
2020-21	1 <sup>st</sup> September, 2021 12.00 Noon	Jetpura- Basantpura Road, Borisana, Tal-Kadi Dist.: Mehsana-382728	1. Re-appointment of Mr. Anil Somani (DIN: 06373210) as Managing Director for 3 years w.e.f. 4 <sup>th</sup> August, 2021. 2. Re-appointment of Mr. Ankit Anil Somani (DIN: 05211800) as Managing Director for 3 years w.e.f. 4 <sup>th</sup> August, 2021.
2019-20	28 <sup>th</sup> September, 2020 11.00 A.M.		1. Increase in Authorised Share Capital from Rs. 6.01 Crores to Rs. 12.01 Crores. 2. Issue of Bonus shares

**B. Postal Ballot:**

Whether the Special Resolution was put through postal ballot last year, details of voting pattern, person who conducted the postal ballot exercise: No Postal Ballot was conducted in last year

Whether Special Resolution are proposed to be conducted through postal ballot: No

Procedure of Postal Ballot: Not Applicable.

**9. Disclosures**

There are certain transactions with related parties which have been disclosed at the relevant place in the Notes to the Annual Accounts. No such related party transactions may have potential conflict with the interests of the Company at large.

There is no non-compliance on any capital market related matter since the listing of Company's security on Stock Exchanges. Further, no penalty has been imposed either by SEBI or Stock Exchanges or any Statutory Authority on any capital market related matter during the last three years.

**10. Means of Communication**

The Financial Results of the Company are normally published in one National newspaper in English in Free Press Gujarat and one Regional newspaper in Lokmitra (Gujarati language). These results can also be viewed from the Company's website [www.shubhampolyspin.com](http://www.shubhampolyspin.com). Further, the Financial Results and other required filings of the Company can also be viewed on the website of the BSE Limited ([www.bseindia.com](http://www.bseindia.com)).

**11. Code of Conduct****Code of Conduct for Directors and Senior Management:**

The Board of Directors of the Company has adopted a Code of Conduct and made it applicable to the Board Members and Senior Management of the Company. The same has also been posted on the website of the Company.

The Board and Senior Management of the Company have affirmed compliance with the Code. The declaration by MD & CFO to this effect has been made elsewhere in this Annual Report.

**Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders:**

Pursuant to the requirements of The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders and the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. Company Secretary acts as the Compliance Officer. This Code of Conduct is applicable to the Designated Person(s), employees and the Immediate Relative(s) of such Designated Persons and employees of the Company who can have access to Unpublished Price Sensitive Information relating to the Company.

**12. Ethical Behavior and Vigil Mechanism**

Pursuant to Section 177 (9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has an Ethical Behaviour and Vigil Mechanism for Directors and employees to report to the management instances of unethical behaviour, actual or suspected fraud or violation of the Code of Conduct of the Company. The said mechanism also provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. The Management affirms that no employee of the Company was denied access to the Audit Committee.

**13. Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions**

As required under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Related Party Transactions Policy. The Policy is available on the website of the Company [www.shubhampolyspin.com](http://www.shubhampolyspin.com).

**14. Appointment of Independent Directors**

The Company has issued formal letter of appointment to Independent Directors in the manner as provided in the Companies Act, 2013 and the applicable Corporate Governance requirements. The terms and conditions of appointment have also been disclosed on the website of the Company. The Board of Directors confirms that all the Independent Directors of the Company fulfills the criteria of Independence as per requirements.

**15. Familiarization Programme for Independent Directors**

Pursuant to provisions of Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Policy on Familiarization Programme for Independent Directors. The Programme aims to familiarize Independent Directors with activities of the Company so as to enable them to make effective contribution and to assist them in discharging their functions as a Board Member. The Company's Policy on Familiarization Programme for Independent Directors has been disclosed on the website of the Company [www.shubhampolyspin.com](http://www.shubhampolyspin.com).

**16. Credit Rating**

The Company has not obtained any credit rating during the year for any debt instruments or fixed deposit programme.

**17. Utilization of funds**

The Company has not raised any funds through preferential allotment or qualified institutional placement as specified in the Listing Regulations.

**18. Certificate from a Practicing Company Secretary**

The Company has obtained a certificate from Manoj Hurkat & Associates, Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority.

**19. Fees paid to the Statutory Auditors**

During the financial year 2022–2023, Jain P.C. & Associates, the Statutory Auditors of the Company were paid fees for audit and providing other services as per below details:

Name of the Company	Fees paid (Rs.)		Total (in Rs.)
	For Statutory Audit	For providing other services	
Shubham Polyspin Limited	2,40,000	-	2,40,000

**20. Disclosure of Sexual Harassment of Women at Workplace:**

The Company has formed a Committee to look after the matters of Sexual Harassment of women in the Company. During the year, Committee has not received any complaint from any woman employee of the Company. The Company has complied with all the requirement and provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**21. General Shareholders Information****A. Schedule & Venue of the 11<sup>th</sup> Annual General Meeting of the Company:**

Date & Day : 30<sup>th</sup> September, 2023, Saturday

Time : 2.00 p.m.

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

**B. Financial Year and Calendar:**

The Financial Year of the Company starts on 1<sup>st</sup> April and ends on 31<sup>st</sup> March every year.

Financial Calendar for 2023 - 2024 (Tentative Schedule) for adoption of quarterly results for:

Quarter ending 30<sup>th</sup> June, 2023 Before 14<sup>th</sup> August, 2023

Quarter ending 30<sup>th</sup> September, 2023 Before 14<sup>th</sup> November, 2023

Quarter ending 31<sup>st</sup> December, 2023 Before 14<sup>th</sup> February, 2024

Quarter & Year ending 31<sup>st</sup> March , 2024 (Audited) Before 30<sup>th</sup> May, 2024

**C. Book Closure Date:**

Saturday, 23<sup>rd</sup> September, 2023 to Saturday, 30<sup>th</sup> September, 2023 (both days inclusive)

**D. Listing on Stock Exchanges and Scrip Codes:**

Name and Address of Stock Exchanges	Scrip Code
1. Bombay Stock Exchange Limited (BSE)	542019

*Note: The necessary listing fees has already been paid to the Stock Exchanges.*

**F. Stock Market Data:**

Market Price Data in BSE is as follows:

Month	BSE Sensex		Company's Share price on BSE	
	High	Low	High	Low
April 2022	60845.10	56009.07	208.95	159.20
May 2022	57184.21	52632.48	205.00	150.05
June 2022	56432.65	50921.22	184.95	144.40
July 2022	57619.27	52094.25	248.65	182.10
August 2022	60411.20	57367.47	315.10	218.65
September 2022	60676.12	56147.23	207.75	64.60
October 2022	60786.70	56683.40	61.40	36.75
November 2022	63303.01	60425.47	40.30	31.50
December 2022	63583.07	59754.10	36.00	28.40
January 2023	61343.96	58699.20	34.65	22.80
February 2023	61682.25	58795.97	27.55	20.65
March 2023	60498.48	57084.91	24.43	14.59

**G. Registrar and Share Transfer Agent and Share Transfer System:**

The Company has appointed M/s Link Intime (India) Private Limited as the Registrar and Share Transfer Agent of the Company for both Physical as well as Demat mode.

The Company has entrusted M/s Link Intime (India) Private Limited with the responsibility of ensuring effective resolution and disposal of all kinds of investor grievances such as Demat, Remat, non-receipt of Dividend, etc.

Investors may contact our Registrar and Share Transfer Agent at the following address for their queries:-

M/s Link Intime (India) Private Limited  
5<sup>th</sup> 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  
Tel: +91-79- 26465179  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)

**H. Distribution of Shareholding:**

Distribution of shareholding as on 31<sup>st</sup> March, 2023 is given below:

Category (Amount of Share)	No. of Shareholders	% of No. of Shareholders	No. of Shares held	% of Shareholding
1-5000	10518	88.86	990887	8.18
5001-10000	682	5.76	479043	3.95
10001-20000	360	3.04	492629	4.06
20001-30000	117	0.99	279046	2.30
30001-40000	61	0.52	212895	1.76
40001-50000	23	0.19	103826	0.86
50001-100000	47	0.40	331408	2.73
100001 & above	28	0.24	9232266	76.16
<b>Total</b>	<b>11836</b>	<b>100</b>	<b>12122000</b>	<b>100</b>

**I. Dematerialization of Shares and its liquidity:**

12122000 Equity Shares representing 100% of the total Equity Shares of the Company are held in Dematerialized Form as on 31<sup>st</sup> March, 2023.

**J. Address for correspondence with the Company:**

The address for correspondence with the Company is given below:-

Shubham Polyspin Limited

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

Ph.: +91- 9377482336

Web-site: [www.shubhampolyspin.com](http://www.shubhampolyspin.com)

Email: [compliance.spl@gmail.com](mailto:compliance.spl@gmail.com)

**L. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversions date and likely impact on equity:**

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

By Order of the Board,

sd/-

Ankit Anil Somani  
(DIN: 05211800)

Chairperson & Managing Director

Place: Borisana  
Date: 30<sup>th</sup> May, 2023



**CERTIFICATE OF NON DISQUALIFICATION OF DIRECTORS**  
**(Pursuant to Regulation 34(3) read with Clause 10(i) of Part C of Schedule V of**  
**The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,  
The Members,  
**SHUBHAM POLYSPIN LIMITED**  
(CIN: L17120GJ2012PLC069319)  
748, Saket Industrial Estate, Nr. Kaneria Oil Mill,  
Jetpura- Basantpura Road, Village: Borisana,  
Tal-Kadi, Dist:-Mehsana -382728

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of SHUBHAM POLYSPIN LIMITED ("Company") produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Clause 10(i) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In our opinion and to the best of our information and according to the verifications (including Director Identification Number [DIN] status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended on 31<sup>st</sup> March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India/Ministry of Corporate Affairs or such other statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in the Company
1.	Anil Devikishna Somani	06373210	04/08/2018
2.	Ankit Anil Somani	05211800	12/03/2012
3.	Akshay Anil Somani	05244214	10/07/2018
4.	Kush Prafulbhai Kalaria	08086553	04/08/2018
5.	Dr. Urva Pragnesh Patel	08193058	04/08/2018
6.	Radhika Anand Chandak	07904592	04/08/2018

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

**For, MANOJ HURKAT & ASSOCIATES**  
**Practicing Company Secretaries**  
**FRN: P2011GJ025800**

**sd/-**  
**MANOJ R. HURKAT**  
**Partner**

Date : 30<sup>th</sup> May, 2023  
Place : Ahmedabad

FCS No.: 4287, C P No.: 2574  
UDIN: F004287E000371786

**CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE**

To,  
The Members  
**SHUBHAM POLYSPIN LIMITED**  
(CIN: L17120GJ2012PLC069319)  
748, Saket Industrial Estate, Nr. Kaneria Oil Mill,  
Jetpura- Basantpura Road, Village: Borisana,  
Tal-Kadi, Dist:-Mehsana -382728

We have examined all relevant records of SHUBHAM POLYSPIN LIMITED ("Company") for the purpose of certifying compliance of the conditions of Corporate Governance as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") for the financial year ended on 31<sup>st</sup> March, 2023. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof.

On the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied with all the mandatory conditions of the Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and Paragraphs C, D and E of Schedule V of the Listing Regulations during the year ended on 31<sup>st</sup> March, 2023.

This certificate 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 & ASSOCIATES**  
*Practicing Company Secretaries*  
FRN: P2011GJ025800

**sd/-**  
MANOJ R. HURKAT  
*Partner*  
FCS No.: 4287, C P No.: 2574  
UDIN: F004287E000371819

Date : 30<sup>th</sup> May, 2023  
Place : Ahmedabad

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**ANNEXURE TO THE CORPORATE GOVERNANCE REPORT**

To,  
The Shareholders,  
Affirmation of compliance of Code of Conduct

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that the Board of Directors of the Company has received affirmation on compliance with the Code of Conduct from all the Directors and the Senior Management Personnel of the Company, as applicable to them, for the financial year ended on 31<sup>st</sup> March, 2023.

For, Shubham Polyspin Limited  
**sd/-**  
Ankit Anil Somani  
(DIN: 05211800)  
Chairperson & Managing Director

Place : Borisana  
Date : 30<sup>th</sup> May, 2023

## 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 effective production capacity of 200 MT/per month

With a monthly production capacity of 200 MT, the Company has been focusing to increase production of value added products in the overall production.

### 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% to 5% in the next couple of years.

Financial Performance:

(Rs. In Lakhs)

Particulars	Current Year Ended 31.03.2023	Previous Year Ended 31.03.2022
Revenue from Operations (Gross)	4460.92	5291.25
Add: Other Operating Income	-	-
Less: Total Expenditure	4332.61	5176.72
<b>Profit before other income, interest, depreciation &amp; tax</b>	<b>128.31</b>	<b>114.53</b>
Add: Other Income	231.79	213.42
<b>Profit before Interest Depreciation &amp; Tax [PBIDT]</b>	<b>360.10</b>	<b>327.95</b>
Add: Interest Income	-	-
<b>Earnings before Interest, Tax and Depreciation (EBITDA)</b>	<b>360.10</b>	<b>327.95</b>
Less: Interest Expense	115.58	110.40
Less: Depreciation	129.94	92.55
<b>Profit before tax</b>	<b>114.58</b>	<b>125.00</b>
Less: Tax Expenses	31.19	57.46
<b>Profit for the year</b>	<b>83.39</b>	<b>67.54</b>

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

Sr.No.	PARTICULARS	UOM	F.Y.2021-22	F.Y.2022-23	GrowthYOY
1	Revenue Growth	%	37.36%	(15.69%)	
2	EBITDA	Lakhs	327.95	360.10	9.80%
3	EBITDA Margin	%	6.20%	8.07%	1.87%
4	PBT	Lakhs	125.00	114.58	(8.34%)
5	PAT	Lakhs	67.54	83.39	23.47%
6	Net Worth	Lakhs	1363.35	1446.74	6.12%
7	ROE %	%	5%	6%	16.84%
8	Net Debt	Lakhs	1308.07	1043.82	(20.20%)
9	Debt	Weight	0.96	0.72	(24.80%)
	Equity		1.00	1.00	-
10	Working Capital Ratio	Times	0.99	1.25	25.52%
11	Fixed Assets Turnover Ratio	Times	3.59	3.00	(16.43%)
12	Debt Service Coverage Ratio	Times	1.34	1.36	1.50%
13	Inventory Turnover Ratio	Times	26.37	20.23	(23.26%)
14	Debtors Turnover Ratio	Times	7.34	6.29	(14.26%)
15	Interest Coverage Ratio	Times	2.13	3.12	46.48%

The turnover of the Company decrease in the financial year 2022-23 compare to previous year due to general business slowdown in comparison to the previous year. However, the profitability of the Company increased due to business efficiencies. The Company has been successful in achieving operational efficiency in working capital and also Interest coverage.

#### 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 200 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 2022-23 need to be assessed in the light of emerging global and domestic developments due to geo-political tensions and recessionary trend in developed nations. Indications are that global economic growth is expected to pick up slightly. 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 6- 8 per cent in the financial year 2022-23.

**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 was an unprecedented phenomenon and as the pandemic has not been eradicated completely, the situation, though stabilizing, it is not out of danger completely 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 31<sup>st</sup> 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**

**Place : Borisana**  
**Date : 30<sup>th</sup> May, 2023**

**sd/-**  
**Ankit Anil Somani**  
**(DIN: 05211800)**  
**Chairperson & Managing Director**

CIN: L17120GJ2012PLC069319

**FORM No. AOC-2**

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

**FORM FOR DISCLOSURE OF PARTICULARS OF CONTRACTS/ARRANGEMENTS ENTERED INTO BY THE COMPANY WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013 INCLUDING CERTAIN ARMS LENGTH TRANSACTIONS UNDER THIRD PROVISIO THERETO**

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

Name of the Related Party & Nature of Relationship	Nature of Contracts/ Arrangements/ transactions	Duration of Contracts/ Arrangements/ Transactions	Salient terms of Contracts/ Arrangements/ Transactions including value, if any	Justification for entering into such Contracts/ Arrangements/ Transactions	Date of Approval by the Board	Amount paid as advances, if any	Date of passing Special Resolution
NA							

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

Name of the Related Party & Nature of Relationship	Nature of Contracts/ Arrangements/ transactions	Duration of Contracts/ Arrangements/ Transactions	Salient terms of Contracts/ Arrangements/ Transactions including value, if any	Date of Approval by the Board, if any	Amount paid as advances, if any
SHUBHAM TAX-O-PACK PRIVATE LIMITED Enterprises significantly influence by Key Management Personnel	Sales and/or Purchase of goods from time to time	No specific duration (Ongoing basis)	Sale of Goods for Rs. 5,68,67,000/- for 2022-23 Purchase of Goods for Rs. 1,47,96,000/- for 2022-23	30/06/2022	-

As regards justification for entering into related party contract or arrangement, it may please be noted that it is in the best interest of the Company and due to business exigencies and also in the ordinary course of business and at Arms' length price.

**For and on behalf of Board**

**Place : Borisana**  
**Date : 30<sup>th</sup> May, 2023**

**sd/-**  
**Ankit Anil Somani**  
**(DIN: 05211800)**  
**Chairperson & Managing Director**



## 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 financial statements of **SHUBHAM POLYSPIN LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2023, and the statement of Profit and Loss, the statement of Changes in Equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, its profit/loss and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Accounting (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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

**Information other than the financial statements and auditors' report thereon**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

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

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

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

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

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

In preparing the financial statements, management 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
  - g) With respect to the matter to be included in the Auditor's Report under section 197(16), In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company
  - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - (c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
  - v. No dividend have been declared or paid during the year by the company.

**For JAIN P.C. & ASSOCIATES**  
Chartered Accountants  
ICAI Firm Reg. No.: 126313W

**sd/-**  
**KARAN R RANKA**  
(Partner)

Membership No.: 136171

UDIN :- 23136171BGWYHJ6867

**Place : Ahmedabad**  
**Date : 30<sup>th</sup> May, 2023**

#### **Annexure 'A'**

#### **The Annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements".**

We report that:

- i. a) A. The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
- B. The company is maintaining proper records showing full particulars of intangible assets;
- i. b) As explained to us, Property, Plant and Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification;
- i. 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 in the financial statements and it is held in the Company's name as at the balance-sheet date.
- i. d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- i. e) As explained to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. a) As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancy of 10% or more in the aggregate for each class of inventory were noticed on physical verification of stocks by the management as compared to book records.
- i. b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets and, upon examination of quarterly returns or statements filed, it has been found that they are not in agreement with the books of account of the company. As explained by the Management of the company the quarterly returns or statements submitted to banks or financial institutions are reconciled with the books of account and In our opinion such discrepancies are not material.

- iii. a) During the year the company has not made investments in, nor provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
- i. b) The company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- 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. Hence paragraph 3(iv) is not applicable to the company.
- v. The company has not accepted any deposits or amounts which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013.
- vi. The maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. (a) According to the records made available to us, company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanation given to us there were no outstanding statutory dues as on 31st of March, 2023 for a period of more than six months from the date they became payable.  
b) According to the information and explanations given to us, there is no statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute. According to the information and explanations given by the management, no transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- viii. According to the information and explanations given by the management, no transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. a) In our opinion and according to the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.  
b) According to the information and explanations given by the management, the company is not declared willful defaulter by any bank or financial institution or other lender;  
c) In our opinion and according to the information and explanations given by the management, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.  
d) In our opinion and according to the information and explanations given by the management, funds raised on short term basis have not been utilized for long term purposes.  
e) In our opinion and according to the information and explanations given by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures,  
f) In our opinion and according to the information and explanations given by the management, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. a) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.  
b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- xi. a) According to the information and explanations given by the management, no fraud by the company or any fraud on the company has been noticed or reported during the year;  
b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;  
c) According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the company
- xii. The company is not a Nidhi Company. Therefore, clause xii is not applicable on the company.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details have been disclosed in the financial statements, etc., as required by the Indian Accounting Standards (Ind AS);
- xiv. In our opinion and based on our examination, the company have an internal audit system which commensurate with the size and nature of its business, and the reports of the Internal Auditors for the period under audit were also considered by the Statutory Auditor.
- xv. On the basis of the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with directors or persons connected with him.

- xvi. a) In our Opinion and based on our examination, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).
- b) In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934,
- c) In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- d) According to the information and explanations given by the management, the Group does not have any CIC as part of the Group.
- xvii. Based on our examination, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has not been any resignation of the statutory auditors during the year.
- xix. On the information obtained from the management and audit procedures performed and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date; We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. Based on our examination, the provision of section 135 is not applicable on the company. Hence this clause is not applicable on the company.
- xxi. The company is not required to prepare Consolidate financial statement hence this clause is not applicable.

**For JAIN P.C. & ASSOCIATES**  
Chartered Accountants  
ICAI Firm Reg. No.: 126313W

**Place : Ahmedabad**  
**Date : 30th May, 2023**

**sd/-**  
**KARAN R RANKA**  
(Partner)  
Membership No.: 136171  
UDIN:- 23136171BGWYHJ6867

#### **ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 2(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 with reference to Financials Statements 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, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, 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.

#### **Management's Responsibility for Internal Financial Controls**

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



**Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls over Financial Reporting**

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

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**For JAIN P.C. & ASSOCIATES**

Chartered Accountants

ICAI Firm Reg. No.: 126313W

**sd/-**

**KARAN R RANKA**

(Partner)

Membership No.: 136171

UDIN:- 23136171BGWYHJ6867

**Place : Ahmedabad**

**Date : 30th May, 2023**



## BALANCE SHEET AS AT MARCH 31, 2023

Rupees in Lakhs

	Note No.	As at March 31, 2023	As at March 31, 2022
<b>ASSETS:</b>			
<b>Non-Current Assets:</b>			
Property, Plant and Equipment	6	1500.97	1475.34
Capital Work in Progress	6	-	34.30
Intangible assets	6	0.39	0.58
Right of use asset	7	46.85	49.87
Financial Assets			
Investments	8	8.89	8.74
Other Financial Assets	9	140.83	90.77
Other Non Current Asset	10	41.04	149.84
		<b>1738.96</b>	<b>1809.44</b>
<b>Current Assets:</b>			
Inventories	11	184.05	172.31
Financial Assets			
Trade Receivables	12	632.30	785.56
Cash and Cash Equivalents	13	5.58	22.19
Bank Balance other than above	14	-	16.81
Other Financial Assets	15	165.29	142.49
Current Tax Asset (Net)	16	8.40	16.04
Other Current Assets	17	57.16	171.69
		<b>1052.78</b>	<b>1327.08</b>
<b>Total</b>		<b>2791.75</b>	<b>3136.52</b>
<b>EQUITY AND LIABILITIES:</b>			
<b>Equity</b>			
Equity Share Capital	18	1212.20	1102.00
Other Equity	19	234.54	261.35
		<b>1446.74</b>	<b>1363.35</b>
<b>Non Current Liabilities</b>			
Financial Liabilities			
Borrowings	20	395.98	364.61
Deferred Tax Liability	35	104.93	73.05
		<b>500.91</b>	<b>437.66</b>
<b>Current Liabilities:</b>			
Financial Liabilities			
Borrowings	21	647.84	943.46
Trade Payables	22		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	22	112.85	342.98
Other Financial Liabilities	23	46.41	33.18
Provisions	24	18.04	13.67
Other Current Liabilities	25	18.96	2.23
		<b>844.10</b>	<b>1335.51</b>
<b>Total</b>		<b>2791.75</b>	<b>3136.52</b>

Significant Accounting Policies and Notes form an integral Part of the Financial Statements

As per our report of even date  
For Jain P. C. & Associates  
Chartered Accountants  
FRN: 126313W

sd/-  
Karan Ranka  
Partner  
Membership No.: 136171  
UDIN :- 23136171BGWYHJ6867

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

sd/-  
Ankit Anil Somani  
Chairman & Managing Director  
DIN: 05211800

sd/-  
Akshay Anil Somani  
CFO & Director  
DIN: 05244214

sd/-  
Dhara M Sanghavi  
Company Secretary

Place : Ahmedabad  
Date : 30/05/2023

Place : Ahmedabad  
Date : 30/05/2023

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023**

Rupees in Lakhs

	Note No.	Year ended March 31, 2023	Year ended March 31, 2022
<b>Revenue</b>			
Revenue from Operations	26	4460.92	5291.25
Other Income	27	231.79	213.42
<b>Total Income</b>		<b>4692.70</b>	<b>5504.67</b>
<b>Expenses</b>			
Cost of Materials Consumed	28	3538.86	4482.84
Changes in Inventories	29	20.28	(38.16)
Employee Benefit Expense	30	186.92	168.74
Finance Costs	31	115.58	110.40
Depreciation & Amortization expenses	32	129.94	92.56
Other Expenses	33	586.55	563.30
<b>Total Expenses</b>		<b>4578.12</b>	<b>5379.68</b>
<b>Profit Before Tax</b>		<b>114.58</b>	<b>125.00</b>
<b>Tax Expenses:</b>	35		
Current Tax		-	2.83
Adjustment related to Previous year		(0.69)	(0.71)
MAT Credit Utilisation		-	25.36
Deferred Tax		31.88	29.98
		<b>31.19</b>	<b>57.46</b>
<b>Profit After Tax</b>		<b>83.39</b>	<b>67.54</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss		-	-
		-	-
<b>Total Comprehensive Income</b>		<b>83.39</b>	<b>67.54</b>
<b>Earning per Equity Share [EPS] [in Rs.]</b>	34		
Basic		<b>0.76</b>	<b>0.61</b>
Diluted		<b>0.76</b>	<b>0.61</b>

**Significant Accounting Policies and Notes form an integral part of the Financial Statements**

As per our report of even date  
**For Jain P. C. & Associates**  
Chartered Accountants  
FRN: 126313W

sd/-  
**Karan Ranka**  
Partner  
Membership No.: 136171  
UDIN :- 23136171BGWYHJ6867

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

sd/-  
**Ankit Anil Somani**  
Chairman & Managing Director  
DIN: 05211800

sd/-  
**Akshay Anil Somani**  
CFO & Director  
DIN: 05244214

sd/-  
**Dhara M Sanghavi**  
Company Secretary

Place : Ahmedabad  
Date : 30/05/2023

Place : Ahmedabad  
Date : 30/05/2023

## Statement of Changes in Equity for the year ended March 31, 2023

## A Equity Share Capital

Particulars	No. of Shares	Rupees in Lakhs
<b>Equity Shares of Rs. 10 each</b>		
<b>Issued and Paid up Capital at 1st April, 2021</b>	<b>1,10,20,000</b>	<b>1102.00</b>
Changes in equity share capital during the year	-	-
<b>Balance at 31st March, 2022</b>	<b>1,10,20,000</b>	<b>1102.00</b>
Changes in equity share capital during the year	11,02,000	110.20
<b>Balance at 31st March, 2023</b>	<b>1,21,22,000</b>	<b>1212.20</b>

## B Other Equity

Particulars	Retained Earnings	Securities Premium	Rupees in Lakhs Total
<b>Balance at April 1, 2021</b>	<b>193.81</b>	-	<b>193.81</b>
Profit for the year	67.54	-	67.54
Other comprehensive income/(loss) for the year, net of income tax	-	-	-
<b>Total comprehensive income for the year</b>	<b>67.54</b>	-	<b>67.54</b>
<b>Balance at March 31, 2022</b>	<b>261.35</b>	-	<b>261.35</b>
Profit for the year	83.39	-	83.39
Other comprehensive income/(loss) for the year, net of income tax	-	-	-
<b>Total comprehensive income for the year</b>	<b>83.39</b>	-	<b>83.39</b>
Issue of Bonus Sare	(110.20)	-	(110.20)
<b>Balance at March 31, 2023</b>	<b>234.54</b>	-	<b>234.54</b>

As per our report of even date  
**For Jain P. C. & Associates**  
**Chartered Accountants**  
**FRN: 126313W**

sd/-  
**Karan Ranka**  
**Partner**  
**Membership No.: 136171**  
**UDIN :- 23136171BGWYHJ6867**

**Place : Ahmedabad**  
**Date : 30/05/2023**

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

sd/-  
**Ankit Anil Somani**  
**Chairman & Managing Director**  
**DIN: 05211800**

sd/-  
**Akshay Anil Somani**  
**CFO & Director**  
**DIN: 05244214**

sd/-  
**Dhara M Sanghavi**  
**Company Secretary**

**Place : Ahmedabad**  
**Date : 30/05/2023**

## Cash flow Statement for the year ended March 31, 2023

Rupees in Lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>A Cash Flows from Operating Activities:-</b>		
Profit before tax	114.58	125.00
Adjustments for:-		
Finance Cost	115.58	110.40
Gain on Fair Valuation of Investments	-	(0.74)
Gain on Fair Valuation of Derivatives	-	(0.77)
Interest Income	(7.65)	(7.18)
Depreciation and Amortisations	129.94	92.56
Gain on Sale of PPE	(0.39)	
Total	237.49	194.28
Operating profit before working capital changes	352.07	319.27
Adjustments for:-		
[Increase] / Decrease in Inventories	(11.74)	(5.15)
[Increase] / Decrease in Trade receivables	153.26	(129.19)
[Increase] / Decrease in Other Financial Asset	(70.94)	(53.39)
[Increase] / Decrease in Other Non-financial Assets	114.53	(1.04)
Increase / [Decrease] in Other Current liabilities	16.73	0.97
Increase / [Decrease] in Other Current Financial Liabilities	12.91	5.62
Increase / [Decrease] in Trade payables	(230.13)	268.04
Increase / [Decrease] in Provisions	4.37	11.04
Total	(11.01)	96.89
Cash generated from operations	341.05	416.17
[Direct taxes paid] / Refund received	8.33	(11.12)
Total	8.33	(11.12)
Net cash used in operating activities	349.38	405.05
<b>B Cash flows from investing activities:-</b>		
Purchase of Property, Plant & Equipment	(48.63)	(580.18)
Government Incentive Received	1.50	-
Sale of PPE	38.28	19.33
Interest Income Received	5.73	8.13
Investment in unit linked insurance plan	(0.16)	(0.03)
Term Deposits Matured / (Placed) (Net)	16.81	10.55
Net cash used in investing activities	13.52	(542.21)
<b>C Cash flows from financing activities:-</b>		
Share Issue Expense	-	-
Finance Cost	(115.26)	(111.65)
Proceeds from Borrowings (Net)	(264.25)	267.52
Net cash generated from financing activities	(379.51)	155.87
<b>Net increase/ (-) decrease in cash and cash equivalents</b>	<b>(16.61)</b>	<b>18.71</b>
Cash and cash equivalents at the beginning of the year	22.19	3.47
Cash and cash equivalents at the close of the year	5.58	22.19
<b>Components of Cash and Cash Equivalents:</b>		
Cash	0.21	6.55
Balances with Banks in current accounts	5.36	15.64
Balances with Banks in Term Deposits	-	-
	5.58	22.19

**Notes to the cash flow statement**

- 1 All figures in brackets are outflow.
  - 2 Cash flow has been prepared using Indirect Method prescribed under Ind AS 7.
- 

As per our report of even date

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

**sd/-**  
**Karan Ranka**  
**Partner**  
**Membership No.: 136171**  
**UDIN :- 23136171BGWYHJ6867**

**Place : Ahmedabad**  
**Date : 30/05/2023**

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

**sd/-**  
**Ankit Anil Somani**  
**Chairman & Managing Director**  
**DIN: 05211800**

<b>sd/-</b> <b>Akshay Anil Somani</b> <b>CFO &amp; Director</b> <b>DIN: 05244214</b>	<b>sd/-</b> <b>Dhara M Sanghavi</b> <b>Company Secretary</b>
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**Place : Ahmedabad**  
**Date : 30/05/2023**

## Notes to the Financial Statements for the year ended March 31, 2023

### 1 Corporate Information

Shubham Polyspin Limited (the Company) was incorporated on March 12, 2012. The Company's registered office is located at Block No. 748, Saket Industrial Estate, Nr. Kaneria Oil Mill, Jetpura- Basantpura Road, Village Borisana Taluka Kadi Mahesana GJ 382728. The Principal Business Activity of the Company is Manufacturing of polypropylene Yarn and Sale of service (Job Work).

### 2 Statement of compliance

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

### 3 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

### 4 Functional and Presentation Currency

The financial statements are presented in Indian Rupees, the currency of the primary economic environment in which the Company operates. All the amounts are stated in rupee lakhs.

### 5 Significant Accounting Policies

#### A Use of Estimates

The preparation of financial statements are in conformity with the recognition and measurement principles of Ind AS which requires management to make critical judgments, estimates and assumptions that affect the reporting of assets, liabilities, income and expenditure. Estimates and underlying assumptions are reviewed on an ongoing basis and any revisions to the estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amount of assets and liabilities within the next financial year, is in respect of:

- 1) Useful lives and residual value of property, plant and equipment: Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.
- 2) Impairment of financial assets: The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.
- 3) Impairment of non-financial assets: Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.



- 4) Employee benefits: The cost of the defined benefit and long term employee benefit plans and the present value of the related obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation, a defined benefit and long term employee benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.
- 5) Expense Provisions & Contingent liabilities: The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS. A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows. The Company has capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.
- 6) Valuation of deferred tax assets: Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the credits can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

## **B Property Plant and Equipment and Intangible Assets**

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes all expenses related to the acquisition and installation of Property, Plant and Equipment which comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses. Capital Work in Progress: Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost comprises direct cost, related incidental expenses, pre-operative expenses, project expenses and for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss. Intangible Assets: Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

## **C Depreciation and amortisation useful life of Property, Plant & Equipment and Intangible Assets**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. In respect of tangible assets, depreciation is charged on a straight line basis so as to write off the cost of the assets over the useful lives as prescribed in Schedule II of the Companies Act, 2013. Depreciation on additions / disposals of the assets during the current reporting year is provided on pro-rata basis according to the period during which the assets are put to use / discarded. Intangible assets (softwares) are amortised over their estimated useful life on straight line method over a period of five years.

## **D Impairment of Assets**

The Company, at each balance sheet date, assesses whether there is any indication of impairment of any asset and / or cash generating unit. If such indication exists, assets are impaired by comparing carrying amount of each asset and / or cash generating unit to the recoverable amount being higher of the net selling price or value in use. Value in use is determined from the present value of the estimated future cash flows from the continuing use of the assets.

## **E Foreign Exchange Transactions and Translation**

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. The net gain or loss on account of exchange differences arising on settlement of foreign currency transactions are recognized as income or expense of the period in which they arise. Monetary assets and liabilities denominated in foreign currency as at the balance sheet date are translated at the closing rate. The resultant exchange rate differences are recognized in the statement of profit and loss. Non-monetary assets and liabilities are carried at the rates prevailing on the date of transaction.

## **F Inventory**

Inventories consist of Raw Material, Work In Progress, Packing Goods, Finished Goods and Stores. Inventories are valued at lower of cost or net realisable value. The cost is determined on the FIFO method and is net of tax credits and after

providing for obsolescence and other losses. Cost includes all charges in bringing the goods to their existing location and conditions, including various tax levies (other than those subsequently recoverable from the tax authorities), transit insurance and receiving charges. Net realizable value is the contracted selling value less the estimated costs of completion and the estimated costs necessary to make the sales. The Cost of work in progress and finished goods includes material and packing cost, portion of labour and manufacturing overhead.

## **G Financial Instruments**

### **Financial Assets**

#### Initial recognition and measurement:

The Company recognizes a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input). In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

#### Subsequent measurement:

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

- i. The Company's business model for managing the financial asset and
- ii. The contractual cash flow characteristics of the financial asset. Based on the above criteria, the Company classifies its financial assets into the following categories:
  - i. Financial assets measured at amortized cost.
  - ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)
  - iii. Financial assets measured at fair value through profit or loss (FVTPL)

#### Financial assets measured at amortized cost:

A financial asset is measured at the amortized cost if both the following conditions are met:

- a) The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables and other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method.

Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest income over the relevant period of the financial asset. The same is included under other income in the Statement of Profit and Loss. The amortized cost of a financial asset is also adjusted for loss allowance, if any.

#### Financial assets measured at FVTOCI:

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss.

#### Financial assets measured at FVTPL:

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

### **Financial Liabilities**

#### Initial recognition and measurement:

The Company recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial liabilities are recognized initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial

liability.

Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input). In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.

#### Subsequent measurement:

All financial liabilities of the Company are subsequently measured at amortized cost using the effective interest method. Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

#### **Equity Instruments**

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Incremental costs directly attributable to the issuance of equity instruments are recognised as a deduction from equity, net of any tax effects.

#### **Derivative Instruments**

The Company uses derivative financial instruments such as forward contracts to mitigate the risk of changes in exchange rates. Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as Financial Assets when the fair value is positive and as Financial Liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

#### **De-recognition of financial assets and liabilities**

The Company derecognizes a financial asset when the contractual right to the cash flows from the asset expires or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction which substantially all the risk and rewards of ownership of the financial asset are transferred. If the Company retains substantially all the risk and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired; the difference between the carrying amount of derecognized financial liability and the consideration paid is recognized as profit or loss.

#### **Impairment of financial assets**

At each balance sheet date, the Company assesses whether a financial asset is to be impaired. Ind AS 109 requires expected credit losses to be measured through loss allowance. The Company measures the loss allowance for financial assets at an amount equal to lifetime expected credit losses if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for financial assets at an amount equal to 12-month expected credit losses. The Company uses both forward-looking and historical information to determine whether a significant increase in credit risk has occurred.

#### **Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in financial statements if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### **Trade Receivables**

Trade receivables are amounts due from customers for sale of goods and services in the ordinary course of business. Trade receivables are initially recognized at its transaction price which is considered to be its fair value and are classified as current assets as it is expected to be received within the normal operating cycle of the business.

#### **Cash & Cash Equivalents**

Cash and cash equivalents consists of cash on hand, balance with banks, short demand deposits. Short term means investments with original maturities / holding period of three months or less from the date of investments. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalent for the purpose of statement of cash flow.

#### **Trade Payables**

Trade payables are amounts due to vendors for purchase of goods or services acquired in the ordinary course of business and are classified as current liabilities to the extent it is expected to be paid within the normal operating cycle of the

business.

#### **Other financial assets and liabilities**

Other non-derivative financial instruments are initially recognized at fair value and subsequently measured at amortized costs using the effective interest method.

### **H Revenue Recognition**

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

#### Sale of products:

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is dispatched to the customer or on delivery to the customer, as may be specified in the contract.

#### Rendering of services:

Revenue from services is recognized on satisfaction of performance obligation for the services rendered. If the services rendered / goods sold by the Company exceed the payment, a contract asset is recognised. If the payments by customer exceeds the services rendered / goods sold, a contract liability is recognised.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Export Incentive in the nature of MEIS notified by the Government is accounted when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

### **I Employee Benefits**

Employee benefits include Salary, wages, gratuity expense and compensated absences.

#### Defined benefit plan:

For defined benefit plan in the form of gratuity fund, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to Statement of Profit and Loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in Statement of Profit and Loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs. The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans. A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and other short term employee benefits in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of long-term employee benefits in form of compensated absences are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

### **J Operating Expenses**

Operating Expenses are charged to statement of Profit and Loss on accrual basis.

### **K Leases**

As a lessee, the company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease

payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate as suggested by Ind AS 116. Lease payments included in the measurement of the lease liability comprise the Fixed payments, including in-substance fixed payments. The lease liability is measured at amortised cost using the effective interest method. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The company presents right-of-use assets as separate line item in Non-current Assets and lease liabilities in 'borrowings' in the balance sheet.

#### Short-term leases and leases of low-value assets:

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of real estate properties that have a lease term of less than 12 months. The company recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term.

### **L Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability is not recognized but its existence is disclosed in the financial statements. Contingent assets are not recognised and disclosed only when an inflow of economic benefits is probable in the financial statements.

### **M Taxation**

Tax expense comprise of current and deferred tax. Current income tax comprises taxes on income from operations in India and in foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in jurisdictions where such operations are domiciled. Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Current and deferred tax are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Advance taxes and provisions for current income taxes are presented in the balance sheet after offsetting advance taxes paid and income tax provisions arising in the same tax jurisdiction and the Company intends to settle the asset and liability on a net basis. The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

### **N Borrowing Costs:**

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 profit and loss 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.

Borrowing costs are recognised as an expense in the period in which they are incurred except the borrowing cost attributable to the acquisition / construction of a qualifying asset which are capitalised as part of the cost of such asset, up to the date, the asset are ready for their intended use.



**O Segment Reporting**

The Company identifies segments as operating segments whose operating results are regularly reviewed by the Chief Operating Decision Maker [CODM] to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company. The accounting policies adopted for segment reporting are in line with the accounting policies of the company.

**P Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes, if any) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in right issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**Q Government Grants**

Government grants are recognized where there is reasonable assurance that the grant will be received and all the attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income or netted off against related expense on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Grant relates to an asset is deducted from the carrying amount of the assets.

**R Events after reporting date**

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

**S Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of noncash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**T Current versus Non-Current Classification**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- (a) expected to be realised in, or is intended to be sold or consumed in Company's normal operating cycle;
- (b) held primarily for the purpose of being traded;
- (c) expected to be realised within 12 months after the reporting date; or
- (d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A Liability is current when:

- (a) it is expected to be settled in Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. All other liabilities are classified as non-current.

**U Operating Cycle**

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 Schedule III to the Companies Act, 2013. Based on the nature of product and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

**V General**

Any other accounting policy not specifically referred to are in consistent with the generally accepted accounting principles.

**Classification and measurement of financial asset**

The Company has assessed classification and measurement of financial assets on the basis of facts and circumstances that exist at the date of transition to Ind AS.



Deemed cost for property, plant and equipment and intangible assets

The Company has elected to continue with the carrying value of all of its Property, Plant and Equipment and Intangible assets recognised as of April 1, 2020 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

**W Recent accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below: Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements. Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements. Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

## 6 Fixed Assets

(Rupees in Lakhs)

	Gross Block				Depreciation				Net Block	
	As on 1st April, 2022	Addition during the year	Deletion during the year	As on 31st March, 2023	As on 1st April, 2022	Depreci- ation for the year	Deletion during the year	As on 31st March, 2023	As on 31st March, 2023	As on 31st March, 2022
<b>Tangible Assets :</b>										
Factory Land	80.96	-	-	80.96	-	-	-	-	80.96	80.96
Building	208.55	34.30	-	242.85	31.31	6.57	-	37.88	204.96	177.24
Plant & Machinery	1628.34	61.41	-	1689.75	545.94	88.94	-	634.88	1054.87	1082.40
Electric Fittings	108.50	26.17	11.12	123.55	57.73	11.74	6.25	63.21	60.34	50.77
Furniture & Fixtures	22.13	1.45	-	23.59	8.95	2.22	-	11.17	12.42	13.18
Computer	6.13	-	-	6.13	5.50	0.32	-	5.82	0.31	0.62
Office Equipment	11.66	3.90	-	15.56	6.54	1.60	-	8.14	7.42	5.12
Vehicles	74.36	64.51	41.82	97.05	9.32	15.34	7.29	17.36	79.69	65.04
<b>Total</b>	<b>2140.63</b>	<b>191.74</b>	<b>52.94</b>	<b>2279.44</b>	<b>665.29</b>	<b>126.72</b>	<b>13.55</b>	<b>778.46</b>	<b>1500.97</b>	<b>1475.34</b>
<b>Intangible Assets</b>										
Software	1.37	-	-	1.37	0.79	0.19	-	0.98	0.39	0.58
<b>Total</b>	<b>1.37</b>	<b>-</b>	<b>-</b>	<b>1.37</b>	<b>0.79</b>	<b>0.19</b>	<b>-</b>	<b>0.98</b>	<b>0.39</b>	<b>0.58</b>
<b>Capital Work in Progress</b>										
Building	34.30	-	34.30	-	-	-	-	-	-	34.30
<b>Total</b>	<b>34.30</b>	<b>-</b>	<b>34.30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>34.30</b>
<b>Grand Total</b>	<b>2176.30</b>	<b>191.74</b>	<b>87.24</b>	<b>2280.81</b>	<b>666.08</b>	<b>126.92</b>	<b>13.55</b>	<b>779.45</b>	<b>1501.36</b>	<b>1510.22</b>
<b>Previous Year</b>	<b>1713.98</b>	<b>502.37</b>	<b>40.04</b>	<b>2176.30</b>	<b>597.25</b>	<b>89.54</b>	<b>20.71</b>	<b>666.08</b>	<b>1510.22</b>	<b>1116.73</b>

6.1 Title Deeds of all immovable properties are held in the name of the Company.

6.2 Ageing Schedule of Capital Work-in-Progress:

Rupees in Lakhs

Capital work in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2023</b>					
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
<b>As at March 31, 2022</b>					
Projects in progress	34.30	-	-	-	<b>34.30</b>
Projects temporarily suspended	-	-	-	-	-

6.3 There are no projects whose completion is overdue or has exceeded its cost compared to its original plan.

## 7 Right of Use of Asset

(Rupees in Lakhs)

Particulars	Building
<b>Gross Carrying amount</b>	
As at April 1, 2021	60.45
Addition	-
Deduction	-
<b>Balance as at March 31, 2022</b>	60.45
Addition	-
Deduction	-
<b>Balance as at March 31, 2023</b>	60.45
<b>Amortization</b>	
As at April 1, 2021	7.56
Addition	3.02
Deduction	-
<b>Balance as at March 31, 2022</b>	10.58
Addition	3.02
Deduction	-
<b>Balance as at March 31, 2023</b>	13.60
<b>Net Carrying amount</b>	
<b>Balance as at April 1, 2022</b>	<b>49.87</b>
<b>Balance as at March 31, 2023</b>	<b>46.85</b>

	Rupees in Lakhs	
	As at March 31, 2023	As at March 31, 2022
<b>8 Investment</b>		
<b>Measured at Fair value through P&amp;L (FVTPL)</b>		
Investment in Unit Linked Insurance Plan (Key Man Insurance Policy)	8.89	8.74
<b>Total</b>	<b>8.89</b>	<b>8.74</b>
<b>9 Other Non-Current Financial Asset</b>		
Security Deposit	75.85	64.30
Term Deposits (Given as Margin Money against Borrowing)	64.98	26.47
<b>Total</b>	<b>140.83</b>	<b>90.77</b>
<b>10 Other Non Current Asset</b>		
Advance for Capital Goods	41.04	149.84
<b>Total</b>	<b>41.04</b>	<b>149.84</b>
<b>11 Inventories</b>		
Raw Material [Includes Material in Transit amounting to Rs. 26.87 Lakhs (As at March 31,2022: Rs. 1.48 Lakhs)]	69.55	30.64
Stores, Spares & Components	16.92	23.81
Finished Goods	95.87	117.46
Others Goods	1.71	0.41
<b>Total</b>	<b>184.05</b>	<b>172.31</b>

		Rupees in Lakhs	
		As at March 31, 2023	As at March 31, 2022
<b>12 Trade Receivables</b>			
Unsecured, considered good		632.30	785.56
<b>Total</b>		<b>632.30</b>	<b>785.56</b>

12.1 Particulars		Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
As at March 31, 2023							
(i)	Undisputed Trade receivables — considered good	547.70	0.00	63.92	20.69	0.00	632.30
(ii)	Disputed Trade Receivables — considered good	-	-	-	-	-	-
As at March 31, 2022							
(i)	Undisputed Trade receivables — considered good	740.68	18.69	0.00	4.57	21.61	785.56
(ii)	Disputed Trade Receivables — considered good	-	-	-	-	-	-

**12.2** There are no dues from directors or other officers of the company either severally or jointly with any other person, due from firms or private companies respectively in which any director is a partner, a director or a member.

**12.3** Trade receivables are non-interest bearing and are generally due on terms of 30 to 60 Days.

		Rupees in Lakhs	
		As at March 31, 2023	As at March 31, 2022
<b>13 Cash and Cash Equivalents</b>			
Cash		0.21	6.55
Balances with Banks in current accounts		5.36	15.64
Balances with Banks in Term Deposits		-	-
<b>Total</b>		<b>5.58</b>	<b>22.19</b>
<b>14 Bank Balance Other than above</b>			
Balances with Banks in Term Deposits		-	16.81
<b>Total</b>		<b>-</b>	<b>16.81</b>
<b>15 Other Current Financial Asset</b>			
Accrued Interest		3.56	1.64
Government Grant Receivable		99.43	123.22
Fair Value of Foreign Exchange Derivatives		-	1.49
Discount Receivable		24.25	16.14
Other Receipts		38.06	-
<b>Total</b>		<b>165.29</b>	<b>142.49</b>
<b>16 Tax Expense</b>			
<b>16.1 Current Tax Assets</b>			
<b>Advance Income Tax ( Net )</b>			
Advance Tax including TDS Receivable		8.40	19.39
Less : Current Tax Provision		-	(3.35)
<b>Total</b>		<b>8.40</b>	<b>16.04</b>

Rupees in Lakhs

	As at March 31, 2023	As at March 31, 2022
<b>17 Other Current Assets</b>		
Advances to Creditors	24.17	84.07
Advance Receivable in Cash or Kind	2.69	2.27
Balance With Revenue Authorities	26.12	79.87
Prepaid Expenses	4.18	5.48
<b>Total</b>	<b>57.16</b>	<b>171.69</b>

**18 Equity Share Capital****Authorised Share Capital:**

1,30,10,000 [ 1,30,10,000 As at 31.03.2023 ]

Equity Shares of Rs. 10/- each fully paid up

**Total**

1301.00 1201.00

**1301.00** **1201.00****Issued, Subscribed and Paid-up:**

Issued, Subscribed and Paid-up:

**Total**

1212.20 1102.00

**1212.20** **1102.00****A The reconciliation of the number of Shares outstanding and the amount of Share Capital is as under:**

Particulars	No of Shares		Rupees in Lakhs	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Equity shares at the beginning of the year	1,10,20,000	1,10,20,000	1102.00	1102.00
Add/[Less]: Bonus Shares issued during the Year	11,02,000	-	110.20	-
Equity shares at the end of the Year	<b>1,21,22,000</b>	<b>1,10,20,000</b>	<b>1212.20</b>	<b>1102.00</b>

**B** The equity share holders of the Company are entitled to receive interim and/ or final dividend as declared and approved by the Board of Directors and/ or by the share holders of the Company. The dividend so declared will be in proportion to the number of equity shares held by the share holders.

**C** The Company has issued only equity shares. All equity shares rank parri passu and carry equal rights. In the event of the liquidation of the Company, equity share holders will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.

**D Details of Share Holders holding more than 5% of Equity Shares as at March 31, 2023 and as at March 31,2022 is as under:**

Name of Shareholder	As at March 31, 2023	As at March 31, 2022
Akshay Somani		
No of Shares	17,16,000	15,60,000
% of Share Holding	14.16%	14.16%
Anil Somani		
No of Shares	26,40,000	24,00,000
% of Share Holding	21.78%	21.78%
Ankit Somani		
No of Shares	40,19,400	36,54,000
% of Share Holding	33.16%	33.16%

**E Aggregate number and class of shares allotted as fully paid up by way of bonus shares for preceding 5 Years**

Financial Year	Nos. of Bonus Shares issued	Amount in Rs.
2021-22	-	-
2020-21	55,10,000	551.00
2019-20	-	-
2018-19	-	-
2017-18	-	-

		Rupees in Lakhs	
Name of Shareholder		As at March 31, 2023	As at March 31, 2022
<b>F</b>	<b>Details of Shares held by Promoters is as under:</b>		
	Akshay Somani		
	No of Shares	17,16,000	15,60,000
	% of Share Holding	14.16%	14.16%
	% change during the year	Nil	Nil
	Anil Somani		
	No of Shares	26,40,000	24,00,000
	% of Share Holding	21.78%	21.78%
	% change during the year	Nil	Nil
	Ankit Somani		
	No of Shares	40,19,400	36,54,000
	% of Share Holding	33.16%	33.16%
	% change during the year	Nil	Nil

		Rupees in Lakhs	
		As at March 31, 2023	As at March 31, 2022
<b>19</b>	<b>Other Equity</b>		
	<b>Retained Earnings:</b>		
	Opening Balance	261.35	193.81
	Add: Profit for the year	83.39	67.54
	Less : Issue of Bonus Share	(110.20)	0.00
	Balance as at year end	<u>234.54</u>	<u>261.35</u>
	<b>Total</b>	<u><b>234.54</b></u>	<u><b>261.35</b></u>

**Nature and Purpose of Reserves:****Retained Earnings**

Retained Earnings represents surplus from Statement of Profit and Loss and Other Comprehensive Income which will not be reclassified to statement of P&L less appropriations in form of Dividend and taxes on it.

**Securities Premium**

Securities premium represents the premium received on issue of shares over and above face value of equity shares. The same is available for utilisation in accordance with provisions of Companies Act, 2013.

		Rupees in Lakhs	
		As at March 31, 2023	As at March 31, 2022
<b>20</b>	<b>Non Current Borrowings</b>		
	<b>Secured Loans at amortised cost (Refer Note 20.1)</b>		
	<b>Term Loan</b>		
	From Bank	395.98	364.61
	<b>Total</b>	<u><b>395.98</b></u>	<u><b>364.61</b></u>



## 20.1 Terms of Borrowing

## Details of Loans

Sr. No	Name of the Financial Institution	Interest Rate	Repayment Terms	Security	Nature of Borrowing
1	Yes Bank	10.20 % p.a.	Monthly Installments starting from May, 2018 to August, 2023	<b>Primary Security :</b> Exclusive Hypothecation charge on	Term Loan
2	Yes Bank	10.20 % p.a.	Monthly Installments starting from May, 2018 to August, 2023	Current Assets and Movable Fixed Assets both present and	Term Loan
3	Yes Bank	10.20 % p.a.	Monthly Installments starting from May, 2018 to August, 2023	Future. <b>Collateral Security :</b> Equitable	Term Loan
4	Yes Bank	10.20 % p.a.	Monthly Installments starting from June, 2018 to August, 2023	Mortgage on Following Properties	Term Loan
5	Yes Bank	10.20 % p.a.	Monthly Installments starting from June, 2018 to August, 2023	• Factory Land and Building at Borisana owned by the Company.	Term Loan
6	Yes Bank	10.20 % p.a.	Monthly Installments starting from March, 2018 to May, 2021	• Residential Flat at Amaltas Flats, Satellite, Ahmedabad.	Term Loan
7	Yes Bank	10.20 % p.a.	Monthly Installments starting from March, 2018 to September, 2022	• Residential Villa at The North Park, Gandhinagar Negative Lien on the Following Properties	Term Loan
8	Yes Bank	8.25 % p.a.	Monthly Installments starting from December, 2021 to November, 2027	• Industrial Factory and Land located at Kalol, Dist. Mehsana. • Residential Flat at Parth	Term Loan
9	Yes Bank		Monthly Installments starting from April, 2022 to April, 2027	Indraprasth Tower, Vastrapur, Ahmedabad.	
10	Yes Bank	Effective ROI : 7.60 % p.a.	On Demand	• Industrial Plot at Green Industrial Park (GIP), Telangana. • Residential Plot at Sector R. Indore. • Commercial Shop at Ratnadeep	Cash Credit Facility
11	Yes Bank	INR: 8.25 % p.a FCY: LIBOR + 351bps	On Demand	Apartment, Indore. <b>Personal Guarantees :</b> Akshay Somani, Nitin Somani, Ankit Somani, Anil Somani,	Packing Credit Facility
12	YES BANK	INR: 8.25 % p.a FCY: LIBOR + 351bps	On Demand	Sangeeta Somani and Ravindra Rathi 15% FD Margin under trade lien at the time of LC issuance.	Packing Credit Facility
13	Yes Bank	N.A.	On Demand		Letter of Credit Facility
14	Yes Bank	8.56 % p.a.	Monthly Installments starting from August, 2020 to August, 2024	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	Working Capital Term Loan
15	HDFC Car Loan	9.25 % p.a.	Monthly Installments starting from August, 2021 to July, 2026	Primarily secured by Hypothecation of Vehicle financed by the Bank.	Vehicle Loan
16	Yes Bank	8.00 % p.a.	Monthly Installments starting from March, 2022 to February, 2027	Primarily secured by Hypothecation of Vehicle financed by the Bank.	Vehicle Loan
17	SIDBI LOAN	9.05 % p.a.	Monthly Installments starting from Sept, 2022 to October, 2027	Secured against Fixed Deposits	Term Loan
18	HDFC Car Loan	9.00 % p.a.	Monthly Installments starting from February, 2023 to January, 2028	Primarily secured by Hypothecation of Vehicle financed by the Bank.	Vehicle Loan

- 20.2** The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.
- 20.3** In respect of borrowings on the basis of security of current assets from banks and financial institutions, quarterly returns / statements of current assets filed by the Company with banks and financial institutions were in agreement with the books of accounts.
- 20.4** There were no charges or satisfaction yet to be registered with ROC beyond the statutory period.
- 20.5** The Company is not declared as wilful defaulter by any bank or financial Institution or other lender.
- 20.6** The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- Further, Company has not received any fund from any person(s) or entity(ies), including foreign entities ("Funding Party") with the understanding that the company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

		Rupees in Lakhs	
		As at March 31, 2023	As at March 31, 2022
<b>21</b>	<b>Current Borrowings</b>		
	<b>Secured Loan at amortised cost ( Refer Note 18.2)</b>		
	<b>Current Maturity of Long Term Loan</b>		
	From Banks	132.25	177.13
	From Financial Institution	-	-
	<b>Working Capital Limits</b>		
	Cash Credit	200.66	324.03
	Letter of Credit	48.45	202.15
	Export Packing Credits	266.49	240.14
	<b>Total</b>	<b>647.84</b>	<b>943.46</b>
<b>22</b>	<b>Trade Payables</b>		
	Total outstanding dues of micro enterprises and small enterprises	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	112.85	342.98
	<b>Total</b>	<b>112.85</b>	<b>342.98</b>

<b>22.1 Particulars</b>		<b>Outstanding for following periods from due date of payment</b>			
		<b>Less than 1 Year</b>	<b>1-2 Years</b>	<b>2-3 Years</b>	<b>More than 3 Years</b>
<b>As at March 31, 2023</b>					
(i)	MSME	-	-	-	-
(ii)	Others	109.69	-	3.15	-
(iii)	Disputed Dues - MSME	-	-	-	-
(iv)	Disputed Dues - Others	-	-	-	-
<b>As at March 31, 2022</b>					
(i)	MSME	-	-	-	-
(ii)	Others	339.82	3.15	-	-
(iii)	Disputed Dues - MSME	-	-	-	-
(iv)	Disputed Dues - Others	-	-	-	-

Rupees in Lakhs

	As at March 31, 2023	As at March 31, 2022
<b>23 Other Current Financial Liabilities</b>		
Employees Dues Payable	15.77	16.20
Interest Accrued	0.71	0.39
Expenses Payable	29.40	14.85
Capital Creditors	0.53	1.74
<b>Total</b>	<b>46.41</b>	<b>33.18</b>
<b>24 Provisions</b>		
Provision for Gratuity	7.84	6.34
Provision for Leave Encashment	10.20	7.33
<b>Total</b>	<b>18.04</b>	<b>13.67</b>
<b>25 Other Current Liabilities</b>		
Payable to Statutory Authorities	3.28	1.44
Advance from Debtors	15.68	0.79
<b>Total</b>	<b>18.96</b>	<b>2.23</b>

Rupees in Lakhs

	Year ended March 31 2022	Year ended March 31 2021
<b>26 Revenue from Operations</b>		
(i) <b>Sales of Goods Manufactured</b>		
Domestic Sales	2152.16	2079.73
Export Sales	915.72	1351.31
(ii) <b>Sale of Services</b>		
Job Work Income	198.35	207.42
(iii) <b>Sale of Raw Material</b>		
Material Resale	1153.85	1629.06
(iv) <b>Sales of Wasteage and Scrap</b>		
Scrap and Waste Material	33.58	23.73
(v) <b>Other Operating Revenues</b>		
Licence Sales	7.26	
<b>Total</b>	<b>4460.92</b>	<b>5291.25</b>
<b>26.1 Disaggregated Revenue</b>		
Revenue from sale of Multifilament Twisted Yarn	2924.05	3290.30
Revenue from sale of Narrow Woven Fabrics	185.20	145.50
Revenue from sale of PP Granuals	1210.40	1637.79
Revenue from sale of Other Products	141.27	217.67
<b>Total</b>	<b>4460.92</b>	<b>5291.25</b>
<b>26.2 Reconciliation of Revenue from operations with contract price</b>		
Contract Price	4481.61	5326.60
Add / (Less): Adjustments to Contract Price		
Sales Return	(20.70)	(35.35)
Liquidated Damages	-	-
Discount / Price Difference	-	-
<b>Total</b>	<b>4460.92</b>	<b>5291.25</b>

		Rupees in Lakhs	
		Half year ended March 31 2023	Year ended March 31 2022
<b>27 Other Income</b>			
Interest Income [Gross]:			
On Bank Deposit		4.22	2.82
On Security Deposits Unwinding		1.42	1.28
Others		2.00	3.08
		<b>7.65</b>	<b>7.18</b>
Government Grants		141.69	5.00
Foreign Exchange Gain		10.21	17.57
Fair Valuation Gain on Financial Instruments measured at FVTPL		-	1.51
Gain on Sale of PPE		0.39	1.73
Miscellaneous Income		71.86	180.44
<b>Total</b>		<b>231.79</b>	<b>213.42</b>
<b>28 Cost of Material Consumed</b>			
Opening Stock		30.64	68.49
<b>Add:</b> Purchase During Year		3577.77	4444.98
<b>Less :</b> Closing Stock		(69.55)	(30.64)
<b>Total</b>		<b>3538.86</b>	<b>4482.84</b>
<b>29 Changes in Inventories</b>			
Opening Stock of Finished Goods and others		117.86	79.70
<b>Less :</b> Closing Stock Finished Goods and others		(97.58)	(117.86)
<b>Total</b>		<b>20.28</b>	<b>(38.16)</b>
<b>30 Employee Benefits Expenses</b>			
Salaries, Wages and Bonus		143.41	126.38
Remuneration to Directors and Relatives		42.00	36.00
Gratuity Expense		1.50	6.34
Staff Welfare Expense		-	0.01
<b>Total</b>		<b>186.92</b>	<b>168.74</b>
<b>31 Finance Costs</b>			
Interest Expense		103.75	95.04
Bank Commission & Charges		11.83	15.36
<b>Total</b>		<b>115.58</b>	<b>110.40</b>
<b>32 Depreciation and Amortisation</b>			
Depreciation on PPE		126.72	89.29
Amortisation of Intangibles		0.19	0.25
Amortisation of ROU Assets		3.02	3.02
<b>Total</b>		<b>129.94</b>	<b>92.56</b>

Rupees in Lakhs

	Half year ended March 31 2023	Year ended March 31 2022
<b>33 Other Expenses</b>		
<b><u>Operating expenses</u></b>		
Factory Expenses	15.01	7.97
Frieght Expense	21.09	16.02
Job Work Charges	7.67	24.03
Other Direct Expenses	3.14	3.63
Power & Fuel Expenses	238.78	269.90
Fair Valuation Loss on Financial Instruments measured at FVTPL	1.34	0.00
Stores & Spares Consumption	46.31	30.96
<b><u>General Administrative expenses</u></b>		
Audit Fees Expenses	2.40	2.25
Bad Debts Written Off	0.00	0.08
Donation	0.35	0.00
Fees and Penalty for statutory Payment	0.00	2.31
Insurance Expenses	10.14	2.82
Interest for Statutory Payment	0.49	0.19
Legal & Professional Charges	37.62	24.12
Office Expenses	1.12	0.46
Other Miscellenous Expenditure	0.48	0.82
Postage & Telephone Expenditure	2.17	1.95
Rent Rates and Taxes	0.40	0.18
Repair & Maintenance	9.72	10.91
Selling & Distribution Expenses	177.68	160.96
Stationery & Printing Expenses	1.00	1.08
Travelling Expenditure	9.65	2.65
<b>Total</b>	<b>586.55</b>	<b>563.30</b>

**34 Earning per Share (EPS):**

The numerators and denominators used to calculate the basic and diluted EPS are as follows:

<b>A</b>	Profit after tax attributable to Shareholders (Rs.)	83.39	67.54
<b>B</b>	Weighted average number of Equity shares outstanding during the year - Numbers	1,10,20,000	1,10,20,000
<b>C</b>	Nominal value of equity share (Rs.)	10.00	10.00
<b>D</b>	Basic EPS (Rs.)	0.76	0.61
<b>E</b>	Diluted EPS (Rs.)	0.76	0.61

**35 Current Tax & Deferred Tax****35.1 Tax Expense**

Particulars	Rupees in Lakhs	
	For the year ended	
	2023	2022
Current Tax	-	2.83
Adjustement related to Previous year	(0.69)	(0.71)
MAT Credit Utilisation	-	25.36
Deferred Tax	31.88	29.98
<b>Total</b>	<b>31.19</b>	<b>57.46</b>

**35.2 Break up of Deferred Tax Liabilities and Assets into major components of the respective balances are as under:**  
(Rupees in Lakhs)

Particulars	Recognized Deferred Tax in Balance Sheet	
	March 31, 2023	March 31, 2022
<b>Deferred tax Liabilities</b>		
Property, plant and equipment and Employee Benefits	113.48	86.78
Amortization of Processing Fees	(0.00)	0.19
<b>Total Deferred tax liabilities</b>	<b>113.48</b>	<b>86.97</b>
<b>Deferred tax assets</b>		
MAT Credit Entitlement	-	-
Pre-Operative Expenditure Amortisation	(6.86)	(12.98)
Fair Valuation of Investment	0.36	0.32
Right of Use Asset	(2.06)	(1.66)
Fair Valuation of Derivative	0.00	0.39
<b>Total Deferred tax assets</b>	<b>(8.56)</b>	<b>(13.93)</b>
<b>Deferred Tax Liabilities (Net)</b>	<b>104.93</b>	<b>73.05</b>

**Reconciliation of Deferred Tax**

(Rupees in Lakhs)

Particulars	As at April 1, 2022	Recognised in statement of profit and loss	Recognised in OCI	Recognised directly into other Equity	As at March 31, 2023
Property, plant and equipment and Employee Benefits	86.78	26.70	-	-	113.48
Amortization of Processing Fees	0.19	(0.19)	-	-	(0.00)
Pre-Operative Expenditure Amortisation	(12.98)	6.12	-	-	(6.86)
Fair Valuation of Investment	0.32	0.04	-	-	0.36
Right of Use Asset	(1.66)	(0.40)	-	-	(2.06)
Fair Valuation of Derivative	0.39	(0.39)	-	-	0.00
MAT Credit Entitlement					
<b>Total</b>	<b>73.05</b>	<b>31.88</b>	<b>-</b>	<b>-</b>	<b>104.93</b>

(Rupees in Lakhs)

Particulars	As at April 1, 2021	Recognised in statement of profit and loss	Recognised in OCI	Recognised directly into other Equity	As at March 31, 2022
Property, plant and equipment and Employee Benefits	63.67	23.11	-	-	86.78
Amortization of Processing Fees	0.38	(0.19)	-	-	0.19
Pre-Operative Expenditure Amortisation	(19.10)	6.12	-	-	(12.98)
Fair Valuation of Investment	0.12	0.20	-	-	0.32
Right of Use Asset	(1.22)	(0.44)	-	-	(1.66)
Fair Valuation of Derivative	(0.78)	1.17	-	-	0.39
MAT Credit Entitlement	(25.36)	25.36	-	-	-
<b>Total</b>	<b>17.71</b>	<b>55.34</b>	<b>-</b>	<b>-</b>	<b>73.05</b>

**35.3 Numeric Tax Reconciliation**

Particulars	Amount in Rs.	
	For the Year ended	
	2022	2021
Accounting Profit before income tax expenses	114.58	125.00
Statutory Tax Rate	0.26	0.26
Tax expenses at statutory tax rate	29.79	32.50
<b>Adjustments:</b>		
On Account of Non-Deductible Expenses	34.32	33.72
On Account of Allowable Expenses	(65.15)	(63.30)
Others	1.04	(0.09)
Adjustment related to Previous year	(0.69)	(0.71)
MAT Credit Utilisation	-	25.36
Deferred Tax on temporary adjustments	31.88	29.98
<b>Tax Expense as per Statement of P&amp;L</b>	<b>31.19</b>	<b>57.46</b>



## 36 Fair Value Measurements:

## A Accounting Classification and Fair Values

Rupees in Lakhs

Particulars	Fair Value							
	Amortised Cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3	Total
<b>As at March 31, 2023</b>								
Investments	-	8.89	-	8.89	8.89	-	-	8.89
Trade Receivables	632.30	-	-	632.30	-	-	-	-
Cash and Cash Equivalents	5.58	-	-	5.58	-	-	-	-
Bank Balance other than above	-	-	-	-	-	-	-	-
Other Financial Asset	306.12	-	-	306.12	-	-	-	-
<b>Total Financial Assets</b>	<b>944.00</b>	<b>8.89</b>	<b>-</b>	<b>952.89</b>	<b>8.89</b>	<b>-</b>	<b>-</b>	<b>8.89</b>
Borrowings	1043.82	-	-	1043.82	-	-	-	-
Trade Payable	112.85	-	-	112.85	-	-	-	-
Other Financial Liabilities	46.41	-	-	46.41	-	-	-	-
<b>Total Financial Liabilities</b>	<b>1203.08</b>	<b>-</b>	<b>-</b>	<b>1203.08</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>As at March 31, 2022</b>								
Investments	-	8.74	-	8.74	8.74	-	-	8.74
Trade Receivables	785.56	-	-	785.56	-	-	-	-
Cash and Cash Equivalents	22.19	-	-	22.19	-	-	-	-
Bank Balance other than above	16.81	-	-	16.81	-	-	-	-
Other Financial Asset	231.77	1.49	-	233.26	-	1.49	-	1.49
<b>Total Financial Assets</b>	<b>1056.33</b>	<b>10.23</b>	<b>-</b>	<b>1066.55</b>	<b>8.74</b>	<b>1.49</b>	<b>-</b>	<b>10.23</b>
Borrowings	1308.07	-	-	1308.07	-	-	-	-
Trade Payable	342.98	-	-	342.98	-	-	-	-
Other Financial Liabilities	33.18	-	-	33.18	-	-	-	-
<b>Total Financial Liabilities</b>	<b>1684.22</b>	<b>-</b>	<b>-</b>	<b>1684.22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## B Measurement of Fair Values

## i Financial Instrument measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are reasonable approximation of their fair values since the company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

## ii Levels 1, 2 and 3 : Valuation Techniques and Key Inputs

Level 1 : It includes Investment that has a quoted price and which are actively traded. It is being valued using the closing price as at the reporting period on the active market. Fair value of Investment in ULIP is considered as Level 1 fair value.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Fair value of foreign exchange forward contracts outstanding on reporting date is considered as Level 2 fair value.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

## iii There have been no transfers between Level 1, 2 and 3 during the years.

## 37 Derivative financial instruments and hedging activity

The Company's revenue is denominated in various currencies. Given the nature of the business, a large portion of cost is denominated in Indian Rupee. This exposes the group to currency fluctuation.

The Group has entered into derivative instruments by way of foreign exchange forward. Such derivatives are recorded at fair value through profit and loss. As at March 31, 2023, the notional amount of outstanding contracts aggregated to Rs. Nil (Rs. 114.79 Lakhs as at March 31, 2022) and corresponding derivative asset / (liability) is Rs. Nil (Rs. 1.49 Lakhs as at March 31, 2022).

Fair value loss / (gain) of Rs. 1.49 Lakhs and (Rs. 0.74 Lakhs/-) on foreign exchange forward have been recognised in the statement of profit and loss for the years ended March 31, 2023 and 2022, respectively. If exchange rates had been 5% higher/lower, Profit before tax for the year ended March 31, 2023 would increase/decrease by Rs. 0.07 lakhs (for the year ended March 31, 2022 by Rs. 0.04 Lakhs) as a result of the change in fair value of derivative financial instruments.

### 38 Financial Risk Management

The Company's financial liabilities comprise mainly of borrowings, trade and other payables and financial assets comprise mainly of cash and cash equivalents, trade and other receivables.

The Company is exposed to Market risk, Credit risk and Liquidity risk. The Board of the Company monitors the risk as per risk management policy. Further, they also have oversight in the area of financial risks and controls. The following disclosures summarize the Company's exposure to financial risks. Quantitative sensitivity analysis have been provided to reflect the impact of reasonably possible changes in market rates on the financial results, cash flows and financial position of the Company.

#### A Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by interest rate risk includes borrowings, by currency risk includes trade payables and trade receivables and by price risk includes investments.

Within the various methodologies to analyze and manage risk, Company has implemented a system based on "sensitivity analysis" on symmetric basis. This tool enables the risk managers to identify the risk position of the entities. Sensitivity analysis provides an approximate quantification of the exposure in the event that certain specified parameters were to be met under a specific set of assumptions. The risk estimates provided here assume:

- 1% increase / decrease in interest rates
- 5% increase / decrease in exchange rates
- 5% increase / decrease in investment price

The potential economic impact, due to these assumptions, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Statement of profit and loss may differ materially from these estimates due to actual developments in the global financial markets.

#### The following assumption has been made in calculating the sensitivity analysis:

The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2023, and March 31, 2022.

#### i Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company seeks to mitigate such risk by regularly reviewing its interest rate on borrowings. Summary of borrowings which are exposed to such risk has been provided below:

Particulars	Rupees in Lakhs	
	March 31, 2023	March 31, 2022
Borrowings	1043.82	1308.07
<b>Total</b>	<b>1043.82</b>	<b>1308.07</b>

#### Interest rate sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. The following table demonstrates the sensitivity of floating rate financial instruments to a reasonably possible change in interest rates. The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

#### Impact on Profit / (loss) after tax

#### Rupees in Lakhs

Particulars	March 31, 2023	March 31, 2022
Increase in 100 basis points	(7.72)	(9.68)
Decrease in 100 basis points	7.72	9.68

**ii Currency Risk**

Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company transacts business in foreign currencies (primarily USD). Consequently, the Company has foreign currency trade payables and receivables and is therefore exposed to foreign exchange risk. The Company manages its foreign currency risk by following policies approved by board as per established risk management policy. The carrying amounts of the Company's foreign currency denominated monetary items are as follows:

**Exposure to Currency Risk**

Particulars	March 31, 2023 Rs in Lakhs	March 31, 2022 Rs in Lakhs
<b>Financial Assets</b>		
Trade Receivables	-	199.12
<b>Financial Liabilities</b>		
Trade Payables	-	-
<b>Net exposure to foreign currency</b>	-	199.12

The following exchange rates have been applied:

**Particulars  
Closing Rate**

	March 31, 2023	March 31, 2022
USD	82.18	75.91

**Foreign currency sensitivity**

The following tables demonstrate the sensitivity to a reasonably possible change in USD rates to the functional currency of respective entity, with all other variables held constant. The Company's exposure to foreign currency changes for all other currencies is not material. The impact on the Company's profit after tax is due to changes in the fair value of monetary assets and liabilities.

**Impact on Profit / (loss) after tax**

	Rupees in Lakhs	
Particulars	March 31, 2023 Rs in Lakhs	March 31, 2022 Rs in Lakhs
<b>USD</b>		
Strengthening by 5%	0.00	154.71
Weakening by 5%	0.00	(154.71)

**iii Price Risk**

The Entity is exposed to price risks arising from its investments in ULIP which are held for strategic purposes. The sensitivity analysis have been determined based on the exposure to price risks for Investments in ULIP at the end of the reporting period. If prices had been 5% higher/lower, Profit before tax for the year ended March 31, 2023 would increase/decrease by Rs. 0.44 lakhs (for the year ended March 31, 2022 by Rs. 0.43 Lakhs) as a result of the change in fair value of investments.

**B Credit Risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk primarily trade receivables and other financial assets. Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. 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 impairment on doubtful receivables. Credit risk arising from these financial assets are limited and do not require for providing impairment. The Company does not have significant concentration of credit risk related to trade receivables except the details given below for the customers contribute to more than 5% of total outstanding accounts receivable as at any reporting period end:

	Rupees in Lakhs			
Particulars	March 31, 2023		March 31, 2022	
	% of Receivables	Amount	% of Receivables	Amount
Customer 1	5%	31.61	6%	48.34
Customer 2	10%	60.27	5%	40.58
Customer 3	13%	81.55	10%	76.22

**C Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing at an optimised cost.

The table below analysis financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed under the ageing buckets are the contractual undiscounted cash flows and includes contractual interest payments.

Particulars	Rupees in Lakhs			
	Carrying amount	Less than 12 months	More than 12 months	Total
<b>As at March 31, 2023</b>				
<b>Non-derivative Financial Liabilities</b>				
Borrowings	1043.82	647.84	395.98	1043.82
Trade Payable	112.85	112.85	-	112.85
Other Financial Liabilities	46.41	46.41	-	46.41
<b>Derivative Financial Liabilities</b>	-	-	-	-
<b>Total</b>	<b>1203.08</b>	<b>807.10</b>	<b>395.98</b>	<b>1203.08</b>

**As at March 31, 2022**

<b>Non-derivative Financial Liabilities</b>				
Borrowings	1308.07	943.46	364.61	1308.07
Trade Payable	342.98	342.98	-	342.98
Other Financial Liabilities	33.18	33.18	-	33.18
<b>Derivative Financial Liabilities</b>	-	-	-	-
<b>Total</b>	<b>1684.22</b>	<b>1319.61</b>	<b>364.61</b>	<b>1684.22</b>

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Entity's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	Rupees in Lakhs			
	Carrying amount	Less than 12 months	More than 12 months	Total
<b>As at March 31, 2023</b>				
<b>Non-derivative Financial Assets</b>				
Investments	8.89	-	8.89	8.89
Trade Receivables	632.30	632.30	-	632.30
Cash and Cash Equivalents	5.58	5.58	-	5.58
Bank Balance other than above	-	-	-	-
Other Financial Asset	306.12	165.29	140.83	306.12
<b>Derivative Financial Assets</b>	-	-	-	-
<b>Total</b>	<b>952.89</b>	<b>803.17</b>	<b>149.72</b>	<b>952.89</b>

**As at March 31, 2022**

<b>Non-derivative Financial Assets</b>				
Investments	-	-	8.74	8.74
Trade Receivables	785.56	785.56	-	785.56
Cash and Cash Equivalents	22.19	22.19	-	22.19
Bank Balance other than above	16.81	16.81	-	16.81
Other Financial Asset	231.77	142.49	90.77	233.26
<b>Derivative Financial Assets</b>	<b>1056.33</b>	<b>16.04</b>	<b>149.84</b>	<b>165.88</b>
<b>Total</b>	<b>2112.65</b>	<b>983.09</b>	<b>249.35</b>	<b>1232.44</b>

**39 Capital Management**

The entity manages its capital to ensure that entity will be able to continue as going concern while maximising the return to stakeholders through the optimisation of Total Equity balance. The capital structure of the Company consists of both own equity as well as borrowings. Gearing Ratio of the company as at March 31, 2023 and March 31, 2022 is as calculated as under. The company is not subject to any externally imposed capital requirement.

Particulars	Rupees in Lakhs	
	March 31, 2023	March 31, 2022
Interest-bearing loans and borrowings	1043.82	1308.07
Less: cash and cash equivalents	(5.58)	(22.19)
<b>Adjusted net debt</b>	<b>1038.24</b>	<b>1285.88</b>
Equity share capital	1212.20	1102.00
Other Equity	234.54	261.35
<b>Total equity</b>	<b>1446.74</b>	<b>1363.35</b>
<b>Adjusted net debt to total equity ratio</b>	<b>0.72</b>	<b>0.94</b>

**Note 41****Disclosures pursuant to Employee Benefits****Defined Benefit Plans****(a) Gratuity**

Every employee of the Company is entitled to the benefits in form of Gratuity for each completed year of service. The same is payable on retirement or termination whichever is earlier. The benefit vests only after five years of continuous service. The liability in respect of gratuity benefits being defined benefit schemes, payable in future, are determined by actuarial valuation as on balance sheet date.

In arriving at the valuation for gratuity following assumptions were used:

Particulars	As at March 31, 2023	As at March 31, 2022
Discount Rate	7.50%	7.25%
Rate of increase in Compensation	7.00%	7.00%
Withdrawal rate (per annum)	10% p.a at younger ages reducing to 2.00% p.a. at older ages	10% p.a at younger ages reducing to 2.00% p.a. at older ages

The following table sets out status of gratuity plan as required under Indian Accounting Standard 19 on "Employee Benefit".

Particulars	Rupees in Lakhs	
	As at March 31, 2023	As at March 31, 2022
<b>Table showing change in benefit obligation</b>		
Opening defined benefit obligation	6.34	-
Interest Cost	0.43	-
Current Service Cost	1.07	6.34
Liability Transferred In (Acquisitions) / Out (Divestments)	-	-
Past Service Cost	-	-
Benefit Paid	-	*
Actuarial Loss / (gain) on Obligations	-	-
<b>Liability at the end of the period</b>	<b>7.85</b>	<b>6.34</b>
<b>Table showing change in Fair Value of Plan Assets</b>		
Fair Value of Plan Assets at the beginning	-	-
Interest income	-	-
Contributions	-	-
Return on Plan Assets, Excluding Interest Income	-	-
Benefit Paid	-	-
Actuarial gain /(loss) on Plan Assets	-	-
<b>Fair Value of Plan Assets at the end of the period</b>	<b>-</b>	<b>-</b>

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Amount recognized in Balance Sheet</b>		
Liability at the end of the period	(7.85)	(6.34)
Fair Value of Plan Asset at the end of the period	-	-
<b>Net Asset/ (Liability) recognized in Balance Sheet</b>	<b>(7.85)</b>	<b>(6.34)</b>
Particulars	Year ended March 31 2023	Year ended March 31 2022
<b>Expense recognized in the Statement of Profit and Loss</b>		
Current Service cost	1.07	6.34
Interest cost (net)	0.43	-
<b>Net Expense recognized in P&amp;L</b>	<b>1.51</b>	<b>6.34</b>
<b>Expense recognized in Other comprehensive income</b>		
Net Actuarial Loss / (gain) on defined benefit obligation	-	-
Return on plan assets excluding interest income	-	-
<b>Net Income recognised in OCI</b>	<b>-</b>	

### Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particular	Rupees in Lakhs			
	As at March 31 2022		As at March 31 2022	
	Increase	Decrease	Increase	Decrease
Discount rate - 0.5%	7.54	8.17	6.08	6.63
Salary growth rate - 0.5%	7.97	7.64	6.53	6.22
Withdrawal Rate - 10%	8.06	7.61	6.54	6.13

### Maturity Profile of Defined Benefit Obligations

The weighted average duration (years) as at valuation date is 12.20 Years as on March 31, 2023 and 13.34 Years as on March 31, 2022

### Expected Future Cashflow ( Undiscounted)

Rs. In Lakhs

Particulars	As at 31st March 2023	As at 31st March 2022
Year 1 Cashflow	1.55	0.70
Year 2 Cashflow	0.63	0.68
Year 3 Cashflow	0.63	0.54
Year 4 Cashflow	0.63	0.54
Year 5 Cashflow	0.63	0.54
Year 6 to year 10 Cashflow	3.03	2.59

## 42 Ratio Analysis and Reasons for Movement

### Ratios:

Particulars	March 31, 2023	March 31, 2022	% change from March 31, 2021 to March 31, 2022
Current Ratio	1.25	0.99	25.52%
Debt-Equity Ratio	0.72	0.96	(24.80)%
Debt Service Coverage Ratio	1.36	1.34	1.50%
Return on Equity Ratio	6%	5%	16.84%
Inventory Turnover Ratio	20.23	26.37	(23.26)%
Trade Receivables Turnover Ratio	6.29	7.34	(14.26)%
Trade Payables Turnover Ratio	15.70	21.27	(26.20)%
Net Capital Turnover Ratio	21.38	(627.70)	(103.41)%
Net Profit Ratio	1.87%	1.28%	46.45%
Return on Capital Employed	8.87%	8.02%	10.60%
Return on Investment	1.76%	9.24%	(80.97)%

**Reasons for variance of more than 25% in above Ratios:**

- 1) Current Ratio : Variance is mainly due to decrease in Current Assets & Current Liabilities.
- 2) Trade Payables Turnover Ratio: Variance is mainly due to decrease in Purchase.
- 3) Net Capital Turnover Ratio: Variance is mainly due to increase in Working Capital.
- 4) Net Profit Ratio: Variance is mainly due to increase in Net Profit.
- 5) Return on Investment : Variance is due to change in fair value of investment in unit linked insurance plan.

**Elements of Ratio:****(Rupees in Lakhs)**

Ratios	Numerator	Denominator	March 31, 2023		March 31, 2022	
			Numerator	Denominator	Numerator	Denominator
Current Ratio	Current assets	Current liabilities	1052.78	844.10	1327.08	1335.51
Debt-Equity Ratio	<b>Total Debt:-</b> long term borrowings + short term borrowings	<b>Shareholder's Equity:-</b> Equity attributable to Equity Holders of the Company	1043.82	1446.74	1308.07	1363.35
Debt Service Coverage Ratio	<b>Earning available for debt services:-</b> Net profit after tax + Non cash operating expenses + Interest Expense	<b>Debt Service:-</b> Interest Payments + Principal Repayments during the year	360.10	264.25	255.14	190.03
Return on Equity Ratio	Net Profits after taxes	<b>Average Shareholder's Equity:-</b> Equity attributable to Equity Holders of the Company (Simple Average)	83.39	1405.05	67.54	1329.58
Inventory Turnover Ratio	<b>Cost of Goods Sold:-</b> Cost of Material Consumed+ Changes in Inventory + Stores and Spares Consumption	Average Inventory (Simple Average)	3605.44	178.18	4475.64	169.73
Trade Receivables Turnover Ratio	<b>Net Sales:-</b> Revenue from operations	Average Trade Receivables	4460.92	708.93	5291.25	720.97
Trade Payables Turnover Ratio	<b>Net Purchases:-</b> Purchase During the Year	Average Trade Payables	3577.77	227.91	4444.98	208.96
Net Capital Turnover Ratio	<b>Net Sales:-</b> Revenue from operations	<b>Working Capital:-</b> Current Assets - Current Liabilities	4460.92	208.69	5291.25	(8.43)
Net Profit Ratio	Net Profits after taxes	<b>Net Sales:-</b> Revenue from operations	83.39	4460.92	67.54	5291.25
Return on Capital Employed	<b>Earning before interest &amp; taxes (EBIT) :-</b> Profit/(loss) before tax + Interest Expense	<b>Capital employed: -</b> Shareholder's Equity + Total Debt - Intangible Assets - Deferred Tax Assets + Deferred Tax Liability	230.16	2595.10	220.04	2743.89
Return on Investment	Fair value Gain / (loss) on Investment	Average Investment (Simple Average)	0.16	8.81	0.77	8.35

**43 Segment Information:**

The Company manufactures Multi Filament Yarns which is the only reporting segment as per Ind AS 108 and hence, no segment information has been provided.

**Entity Wide Disclosure:**

Particulars	Rupees in Lakhs	
	As at March 31,	
	2023	2022
<b>Revenue from external customers:</b>		
In India	3545.19	3939.94
Outside India	915.72	1351.31
<b>Total</b>	<b>4460.92</b>	<b>5291.25</b>
<b>Non-current Operating Assets:</b>		
In India	1589.24	1709.93
Outside India	-	-
<b>Total</b>	<b>1589.24</b>	<b>1709.93</b>



**44 Related Party Transactions****List of Related Party & their Relation****Key Management Personal**

- (i) Mr Ankit Anil Somani
- (ii) Mr Akshay Anil Somani
- (iii) Mr Anil Devkishan Somani
- (iv) Ms Dhara Manojkumar Sanghvi

**Entity Significantly influenced by KMP**

- (i) M/s Shubham Tax O Pack Pvt. Limited
- (ii) M/s Shubham Texplast Pvt. Limited
- (iii) M/s Nitin Somani HUF
- (iv) M/s Flexishine Polyblends LLP
- (v) M/s Sparebiz Enterprise Pvt. Limited

**Relative of KMP**

- (i) Mrs. Pooja Ankit Somani
- (ii) Mrs. Sangita Anil Somani
- (iii) Mr. Nitin Devkishan Somani

**44.1 Transactions with related parties FY 21-22**

					Rupees in Lakhs
Particulars	For the Year ended March	Key Management Personnel	Relatives of Key Management Personnel	Enterprises significantly influence by KMP	Total
<b>A. Disclosure of transactions during the year:</b>					
i. Remuneration/Salary	2022-23	49.61	18.00	-	67.61
	2021-22	40.65	12.00	-	52.65
ii. Loan Received	2022-23	-	-	-	0.00
	2021-22	71.25	-	-	71.25
iii. Loan Repaid	2022-23	-	-	-	0.00
	2021-22	71.25	-	-	71.25
iv. Sales	2022-23	-	-	702.03	702.03
	2021-22	-	-	700.02	700.02
v. Purchase	2022-23	-	-	151.96	151.96
	2021-22	-	-	394.40	394.40

**34.2 Disclosure of amount outstanding as on Balance Sheet Date**

i. Deposit Given	March 31, 2023	-	70.00	-	70.00
	March 31, 2022	-	70.00	-	70.00
ii. Trade Receivables	March 31, 2023	-	-	5.01	5.01
	March 31, 2022	-	-	18.88	18.88

**44.3 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	Rupees in Lakhs	
	For Year ended March March 31, 2023	For Year ended March March 31, 2022
<b>A. Disclosure of transactions during the year:</b>		
<b>i. Remuneration/Salary</b>		
Ankit Somani	25.58	18.00
Akshay Somani	12.79	12.00
Anil Somani	6.39	6.00
Preeti Nitin Somani	-	-
Pooja Somani	18.00	12.00
Dhara Manojkumar Sanghavi	4.85	4.65
<b>Total</b>	<b>67.61</b>	<b>52.65</b>
<b>ii. Loan Received from</b>		
Nitin Somani	-	71.25
<b>Total</b>	<b>-</b>	<b>71.25</b>
<b>iii. Loan Repaid</b>		
Ankit somani	-	71.25
Nitin Somani	-	-
<b>Total</b>	<b>-</b>	<b>71.25</b>
<b>iv. Sales</b>		
Shubham Tax-O-Pack Pvt. Ltd.	568.67	505.43
Shubham Texplast P Ltd.	72.28	62.83
Flexishine Polybends LLP	61.08	131.76
<b>Total</b>	<b>702.03</b>	<b>700.02</b>
<b>v. Purchases</b>		
Shubham Tax-O-Pack Pvt. Ltd	147.96	386.25
Flexishine Polybends LLP	4.00	7.03
Shubham Texplast P Ltd.	0.00	1.12
<b>Total</b>	<b>151.96</b>	<b>394.40</b>

	Rupees in Lakhs	
	As at March 31, 2023	As at March 31, 2022
<b>B. Amount Outstanding as on Balance Sheet Date:</b>		
<b>i. Deposit Given</b>		
Sangita Somani	70.00	70.00
<b>Total</b>	<b>70.00</b>	<b>70.00</b>
<b>ii. Trade Receivables</b>		
Shubham Tax-O-Pack Pvt. Ltd	-	16.36
Shubham Texplast Pvt.Ltd	5.01	2.52
<b>Total</b>	<b>5.01</b>	<b>18.88</b>

	Rupees in Lakhs	
	For Year ended March March 31, 2023	For Year ended March March 31, 2022
<b>Compensation of key management personnel:</b>		
Short-term employee benefits	49.61	40.65
<b>Total</b>	<b>49.61</b>	<b>40.65</b>

		Rupees in Lakhs	
		As at March 31, 2023	As at March 31, 2022
<b>43</b>	<b>Contingent Liabilities and Commitments:</b>		
	<b>Contingent Liabilities:</b>		
	Claim against company not acknowledge as a debt	-	-
	<b>Total</b>	<u>-</u>	<u>-</u>

**44 Leases**

The Company has lease contracts for its factory building and guest house. Lease agreement of the guest house is having a lease terms of 20 years. In respect of this, company has created right of use asset by discounting interest free security deposit which will be received back from lessor at the the end of lease tenure. The lease agreement of factory premise has a lease term less than 12 months. The Company has applied the 'short-term lease' recognition exemptions for this lease.

		Rupees in Lakhs	
		For Year ended March March 31, 2023	For Year ended March March 31, 2022
	<b>Amount Recognised in Statement of Profit and Loss</b>		
	Interest Income on Security Deposits	(1.42)	(1.28)
	Amortisation of ROU Assets	3.02	3.02
	Expense related to short-term leases	0.31	0.05
	<b>Expense recognised (net)</b>	<u>1.91</u>	<u>1.79</u>
	<b>Amount Recognised in Cashflow Statement</b>		
	Operating outflow - Payment of Lease Rent	0.31	0.05

**45**

<b>1)</b>	The amount outstanding to MSME Vendors for more than 45 Days as on reporting date	-	-
<b>2)</b>	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
<b>3)</b>	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
<b>4)</b>	The amount of interest accrued and remaining unpaid at the end of each reporting period	-	-
<b>5)</b>	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

This information, as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company. The auditor has relied on the same.

- 46** Company has not granted any Loans or Advances in the nature of loans to Promoters, directors, KMP's and related parties that are repayable on demand or given without specifying terms or period of repayment.
- 47** The Company does not hold any Benami Property under the Benami Transactions (Prohibition) Act, 1988.
- 48** The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- 49** The Company has not made any Investment in violation to the provisions related to number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

- 50 The Company has not traded or invested in Crypto Currency or Virtual Currency.
- 51 The Financial Statements were authorized for issue in accordance with a resolution of the Directors on 30th May, 2023.
- 52 Previous year's figures have been regrouped / reclassified wherever necessary to make it comparable with the Current year's figures.
- 

**Signatures to Notes 1 to 53**

As per our report of even date

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

**sd/-**  
**Karan Ranka**  
**Partner**  
**Membership No.: 136171**  
**UDIN :- 23136171BGWYHJ6867**

**Place : Ahmedabad**  
**Date : 30/05/2023**

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

**sd/-**  
**Ankit Anil Somani**  
**Chairman & Managing Director**  
**DIN: 05211800**

<b>sd/-</b> <b>Akshay Anil Somani</b> <b>CFO &amp; Director</b> <b>DIN: 05244214</b>	<b>sd/-</b> <b>Dhara M Sanghavi</b> <b>Company Secretary</b>
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**Place : Ahmedabad**  
**Date : 30/05/2023**

**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