

UNITED POLYFAB GUJARAT LIMITED

(FORMERLY KNOWN AS UNITED POLYFAB (UNIT-II) PRIVATE LIMITED)

CIN: L18109GJ2010PLC062928

ANNUAL REPORT F.Y. 2020-21

CORPORATE INFORMATION

UNITED POLYFAB GUJARAT LIMITED

(CIN: L18109GJ2010PLC062928)

REGISTERED OFFICE

Survey No. 238, 239, Shahwadi, Opp. New Aarvee Denim, Narol-Surkhej Highway, Ahmedabad – 382 405, Gujarat, India

Tel No. +91 79 2573 1155; **Fax No.** +91 79 2573 1144

E-Mail ID: info@unitedpolyfab.com

Website : www.upgl.in

PLANT ADDRESS

Survey No 188, Village Timba,
Taluka Dascroi,

District: Ahmedabad

BOARD OF DIRECTORS

Name	(DIN)	Designation
Mr. Gagan Mittal	00593377	Chairman and Managing Director
Mr. Ritesh Hada	01919749	Non-Executive Director
Mr. Sumit Saraf	07401639	Non-Executive (Independent) Director
Ms. Sejal Parmar	08193454	Non-Executive (Independent) Director

KEY MANAGERIAL PERSONNEL

Name	Designation
Mr. Mahesh Gupta	Chief Financial Officer
Ms. Payal Shah (resigned w.e.f. 02-10-2020)	Company Secretary & Compliance Officer
Ms. Rashmi Lakhani (Appointed w.e.f. 30-10-2020) (Resigned w.e.f. 12-06-2021)	Company Secretary & Compliance Officer
Mr. Aziz Vanak (Appointed w.e.f. 04-08-2021)	Company Secretary & Compliance Officer

AUDITORS

Statutory Auditor	Internal Auditor	Secretarial Auditor
M/s. Rajiv Shah & Associates Chartered Accountants 31, Kalindi Complex, Opp. Loha Bhavan, Old High Court Lane, Navrangpura, Ahmedabad - 380009 Mail ID: rajivshah1965@gmail.com	M/s. Kamal M. Shah & Co. Chartered Accountants 19, First Floor, Vijay Complex, Nr. Vasna Bus Stop, Vasna, Ahmedabad – 380 007. Mail ID: kamalca2008@gmail.com	M/s. SCS Co and LLP Practicing Company Secretary 415, Pushpam Complex, Nr. Bank Of Baroda, Opp. Seema Hall, Satellite, Ahmedabad-380015 Mail ID: scsandcollp@gmail.com

REGISTRAR & SHARE TRANSFER AGENT

Satellite Corporate Services Private Limited

Unit No. 2, Building No. 13 A-B, 2nd Floor,
Samhita Commercial Co-Op. Soc. Limited,
Off. Andheri Kurla Road, MTNL Lane,
Sakinaka, Mumbai-400072

E-Mail ID : service@satellitecorporate.com

Contact No. : 022 28520461

BANKERS

State Bank of India

Indian Bank

Oriental Bank of Commerce

11TH ANNUAL GENERAL MEETING

Date and Time:

Wednesday, September 29, 2021 at 04:30 P.M.

Registered Office:

Survey No. 238, 239, Shahwadi, Opp. New Aarvee Denim, Narol-Surkhej Highway, Ahmedabad - 382 405, Gujarat, India

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 11th Annual General Meeting of the Members of United Polyfab Gujarat Limited will be held on Wednesday, September 29, 2021 at 04:30 P.M. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), to transact the following businesses:-

ORDINARY BUSINESSES

ITEM NO. 1- ADOPTION OF FINANCIAL STATEMENTS:

To receive, consider and adopt audited financial statements of the company for the financial year ended on March 31, 2021 and the reports of the Board of Directors and the Auditor's thereon.

"RESOLVED THAT the audited financial statement of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted."

ITEM NO. 2- APPOINTMENT OF MR. GAGAN MITTAL (DIN: 00593377) AS A DIRECTOR LIABLE TO RETIRE BY ROTATION:

Explanation: Based on the terms of appointment, Non-Executive Director is subject to retirement by rotation. Mr. Gagan Mittal (DIN: 00593377), who was appointed as Executive Director for the current term, and is the longest-serving member on the Board, retires by rotation and, being eligible, seeks re-appointment.

To the extent that Mr. Gagan Mittal (DIN: 00593377) is required to retire by rotation, he would need to be reappointed as such. Therefore, shareholders are requested to consider and if thought fit, to pass the following resolution as an ordinary resolution:

"RESOLVED THAT, pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, the approval of the members of the Company be and is hereby accorded for the reappointment of Mr. Gagan Mittal (DIN: 00593377) as such, to the extent that he is required to retire by rotation."

SPECIAL BUSINESSES

ITEM NO. 3 – REAPPOINTMENT OF MS. SEJAL PARMAR (DIN – 07401639) AS INDEPENDENT DIRECTOR OF THE COMPANY FOR A FURTHER PERIOD OF 5 YEARS:

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any amendment, statutory modification(s) or re-enactment(s) thereof for the time being in force) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations') as amended from time to time, Ms. Sejal Parmar (DIN – 07401639), whose term as an Independent Director of the Company expires on the conclusion of this 11th Annual General Meeting and who has consented to act as an Independent Director of the Company and who has submitted her declarations that she meets the criteria of independence as specified for Independent Director under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) and 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors and in respect of whom a notice in writing pursuant to Section 160 (1) of the Companies Act, 2013 has been received from a member signifying his intention to propose her candidature for the office of the Director of Company, be and is hereby re-appointed as an Independent Director of the Company for a second consecutive term of 5 years w.e.f. 12th January, 2021 up to 11th January, 2026 and she will not be liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

ITEM NO. 4 - RATIFICATION OF REMUNERATION TO COST AUDITOR PAYABLE FOR THE FINANCIAL YEAR 2020-21:

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable for the financial year 2021-22 to M/s. M.I. Prajapati & Associates, Cost & Management Accountants, Ahmedabad appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2021-22, amounting to Rs.35,000/- (Rupees Thirty Five Thousand Only) per annum be and is hereby ratified and confirmed."

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**For and on behalf of Board of Directors,
United Polyfab Gujarat Limited**

**Gagan N. Mittal
Chairman and Managing Director
(DIN: 00593377)**

Place: Ahmedabad
Date: 4th September, 2021

Notes for Shareholders for AGM:

1. In view of the continuing Covid-19 pandemic, social distancing is a norm to be followed, the Government of India, Ministry of Corporate Affairs allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and dispensed the personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 5, 2020 and Circular No. 22/2020 dated June 15, 2020 and MCA General Circular No. 02/2021 dated January 13, 2021 and also SEBI circulars dated May 12, 2020 and January 15, 2021 prescribing the procedures and manner of conducting the Annual General Meeting through VC/ OAVM and Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to "Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Covid-19 pandemic" and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the CoVID-19 pandemic" (collectively referred to as "SEBI Circulars"). In terms of the said circulars, the 11th Annual General Meeting (AGM) of the members will be held through VC/OAVM. Hence, members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 15 and available at the Company's website www.upgl.in. The deemed venue for the AGM shall be the Registered Office of the Company.
2. Information regarding appointment/re-appointment of Director(s) and Explanatory Statement in respect of special businesses to be transacted pursuant to Section 102 of the Companies Act, 2013 and/or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard II is annexed hereto.
3. Though, pursuant to the provisions of the Act, a Member is entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf, since this AGM is being held pursuant to the Circular No. 14/2020 dated April 8, 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 and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorization etc., authorizing its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to scsandcollp@gmail.com with copies marked to the Company at info@unitedpolyfab.com and to National Securities Depository Limited (NSDL) at evoting@nsdl.co.in.
5. 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.
6. Since the AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto.
7. In line with the aforesaid Ministry of Corporate Affairs (MCA) Circulars and SEBI Circular dated May 12, 2020, the Notice of AGM along with Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Member may note that Notice and Annual Report 2020-21 has been uploaded on the website of the Company at www.upgl.in. The Notice can also be accessed from the websites of the Stock Exchange i.e. National Stock Exchange of India Limited at www.nseindia.com and the AGM Notice is also available on the website of NSDL i.e. www.evoting.nsdl.com. Annual Report will not be sent in physical form.
8. Those shareholders who have not yet registered their e-mail address are requested to get their e-mail addresses submitted, by following the procedure given below:
 - a) Please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), 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 info@unitedpolyfab.com.
 - b) Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (a) or (b) as the case may be.
 - c) It is clarified that for permanent submission of e-mail address, the shareholders are however requested to register their email address, in respect of electronic holdings with the depository through the concerned depository participants and in respect of physical holdings with the Company's Registrar and Share Transfer Agent, Satellite Corporate Services Private Limited, A Wing, Office No. 106 and 107 Dattani Plaza Andheri Kurla Road, East West Industrial Estate Sakinaka, Mumbai-400072, E-Mail ID : service@satellitecorporate.com by following the due procedure.
 - d) Those shareholders who have already registered their e-mail address are requested to keep their e-mail addresses validated with their depository participants / the Company's Registrar and Share Transfer Agent, Satellite Corporate Services Private Limited to enable servicing of notices / documents / annual Reports electronically to their e-mail address.
9. It is clarified that for permanent submission of e-mail address, the shareholders are however requested to register their email address, in respect of electronic holdings with the depository through the concerned depository participants, by following the due procedure.
10. Members seeking any information with regard to the accounts or any matter to be placed at the AGM or who would like to ask questions or registered themselves as Speaker, are requested to write to the Company mentioning their name demat account number/folio number, email id, mobile number at info@unitedpolyfab.com on or before September 25, 2021 so as to enable the management to keep the information ready. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
11. Members holding the shares in dematerialized form are requested to notify immediately, the information regarding change of address and bank particulars to their respective Depository Participant.
12. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode.

13. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
14. The Members can join the AGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. Instructions and other information for members for attending the AGM through VC/OAVM are given in this Notice under Note No.15.
15. **PROCESS AND MANNER FOR MEMBERS OPTING FOR VOTING THROUGH ELECTRONIC MEANS AND PARTICIPATING AT THE ANNUAL GENERAL MEETING THROUGH VC/OAVM:**
 - i. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 8, 2020, April 13, 2020, May 5, 2020 and SEBI Circular dated May 12, 2020, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL, as the Authorised e-voting agency for facilitating voting through electronic means. The facility of casting votes by a member using remote e-voting as well as e-voting system on the date of the AGM will be provided by NSDL.
 - ii. There being no physical shareholders in the Company, the Register of members and share transfer books of the Company will not be closed. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Wednesday, September 22, 2021, shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
 - iii. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Wednesday, September 22, 2021, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of the AGM by following the procedure mentioned in this part.
 - iv. The remote e-voting will commence on 9:00 A.M. on Sunday, September 26, 2021 and will end on 5:00 P.M. on Tuesday, September 28, 2021. During this period, the members of the Company holding shares as on the Cut-off date i.e. Wednesday, September 22, 2021 may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by NSDL thereafter.
 - v. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
 - vi. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. Wednesday, September 22, 2021.
 - vii. The Company has appointed M/s SCS and CO LLP, Firm of Practicing Company Secretary (FRN:- L2020GJ008700), to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.

INSTRUCTIONS FOR CASTING VOTES BY REMOTE E-VOTING

The remote e-voting period begins on 9:00 A.M. on Sunday, September 26, 2021 and ends on 5:00 P.M. on Tuesday, September 28, 2021. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, September 22, 2021, may cast their vote electronically.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) LOGIN METHOD FOR E-VOTING AND JOINING VIRTUAL MEETING FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE

In terms of SEBI circular 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.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	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: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service

	provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held 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 options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once 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 options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL 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. NSDL and CDSL

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

(B) LOGIN METHOD OF E-VOTING FOR MEMBERS OTHER THAN INDIVIDUAL MEMBERS & PHYSICAL MEMBERS:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: www.evoting.nsdl.com either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - i) If your email ID is registered in your demat account or with the company, your "initial password" is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - ii) If your email ID is not registered, you can send a request at evoting@nsdl.co.in or info@unitedpolyfab.com mentioning your demat account number/folio number, your PAN, your name and your registered address.

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com
 - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer by e-mail to scsandcollp@gmail.com with copies marked to the Company at info@unitedpolyfab.com and to National Securities Depository Limited (NSDL) at evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com to reset the password.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.

INSTRUCTIONS FOR SHAREHOLDERS/MEMBERS TO VOTE DURING THE ANNUAL GENERAL MEETING:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. 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 in the AGM.
3. 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.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned below for Remote e-voting.

Company	United Polyfab Gujarat Limited Survey No. 238, 239, Shahwadi, Opp. New Aarvee Denim, Narol-Surkhej Highway, Ahmedabad – 382 405, Gujarat, India Tel No. +91 79 2573 1155; Fax No. +91 79 2573 1144 E-Mail ID:info@unitedpolyfab.com Website :www.upgl.in
Registrar and Transfer Agent	Satellite Corporate Services Private Limited A Wing, Office No. 106 and 107 Dattani Plaza Andheri Kurla Road, East West Industrial Estate Sakinaka, Mumbai-400072 E-Mail ID :service@satellitecorporate.com Contact No. : 28520461-62
e-Voting Agency & VC / OAVM	Email: evoting@nsdl.co.in NSDL help desk 1800-222-990
Scrutinizer	M/s SCS and Co LLP Email:scsandcollp@gmail.com Tel No. 079-40051702

INSTRUCTIONS FOR SHAREHOLDERS/MEMBERS TO ATTEND THE 11th ANNUAL GENERAL MEETING THROUGH VC/OAVM:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.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. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
 2. Members are encouraged to join the Meeting through Laptops for better experience.
 3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 4. 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.
 5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at info@unitedpolyfab.com. The same will be replied by the company suitably.
-

EXPLANATORY STATEMENT

(Pursuant to Section 102 (1) of the Companies Act, 2013 and Secretary Standard 2 on General Meetings)

Item No. 3:

Ms. Sejal Parmar was appointed as Independent Directors of the Company for a term of 5 consecutive years upto 11th January, 2021 and she was not liable to retire by rotation. Hence, her appointment was due to expire at 11th January, 2021.

Pursuant to the provisions of section 149(10) of the Companies Act, 2013, an Independent Director shall be eligible for re-appointment for second term on passing of a Special Resolution by the Company.

The Company has received a notice in writing from Member of the Company under section 160(1) of the Companies Act, 2013 proposing the candidature of Ms. Sejal Parmar for the office of Independent Directors of the Company.

In the opinion of the Board, Ms. Sejal Parmar fulfill the conditions of their appointment as Independent Director of the Company as per the applicable provisions specified in the Companies Act, 2013 and SEBI - Listing Regulations for appointment as Independent Director and is independent of the management of the Company.

Details of Ms. Sejal Parmar is provided in the "Annexure" to the Notice pursuant to the provisions of the Listing Regulations and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

In view of above and also considering the recommendation of Nomination and Remuneration Committee of the Company for re-appointment of Ms. Sejal Parmar Independent Directors of the Company for a further consecutive second term of five years (with effect from 12th January, 2021 up to 11th January, 2026), on the basis of their skills, performance evaluation, extensive and enriched experience in diverse areas and suitability to the Company as well as fulfilling the criteria of their independence under Section 149(6) of Companies Act, 2013 read with Schedule IV thereto and Regulation 16(1) (b) and 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the said resolutions at item Nos. 3 is being recommended by the Board of Directors to the members of the Company for their consideration and accord approval thereto by way of Special Resolution.

Ms. Sejal Parmar is concerned or interested in the Resolution mentioned at Item Nos. 3 of the Notice, relating to her own re-appointment. Other than these Directors, none of the other Directors, Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the Resolution mentioned at Item Nos. 3 of the Notice.

Item No. 4:

The Board of Directors of the Company, upon the recommendation of the Audit Committee, has approved the appointment of M/s. M.I. Prajapati & Associates, Cost & Management Accountants, Ahmedabad to conduct the audit of the cost records of the Company for the financial year ending March 31, 2021 at a remuneration of Rs.35000/- (Rupees Thirty Five Thousand Only) per annum, as applicable, at its meeting held on 4th September, 2021.

In pursuance of Section 148 of the Companies Act, 2013, Rule 14 of the Companies (Audit and Auditors) Rules, 2014, read with Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2021.

The Board recommends the passing of Ordinary Resolution as set out at Item No. 4 of the Notice by the members.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested financially or otherwise in the resolution set out at Item No. 4 of the Notice.

**For and on behalf of Board of Directors,
United Polyfab Gujarat Limited**

Gagan N. Mittal
Chairman and Managing Director
(DIN: 00593377)

Place: Ahmedabad
Date: 4th September, 2021

Disclosure under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and

Secretarial Standards-2 issued by ICSI for Item No. 2:

Name	Mr. Gagan Mittal	Ms. Sejal Parmar
Date of Birth	February 6, 1982	October 19, 1980
Qualification	H.S.C.	Master of Arts in Economic
Experience - Expertise in specific functional areas - Job profile and suitability	He has been into Textile business since last ten years. He looks after day to day operations including manufacturing, management and finance of the company	She has extensive experience in Accounting and Finance.
No. of Shares held as on March 31, 2021	1633650 Equity Shares	NIL
Terms & Conditions	Liable to retire by rotation	As per resolution at items no. 3 the Notice convening this Meeting read with explanatory statement thereto.
Remuneration Last Drawn	Rs. 12,74,790/-	NIL
Remuneration sought to be paid	Rs. 30,00,000/-	NIL
Number of Board Meetings attended during the Financial Year 2020-21	11 out of 11	11 out of 11
Date of Original Appointment	November 16, 2010	January 12, 2016
Date of Appointment in current terms	October 1, 2020	January 12, 2021
Directorships held in other public companies including deemed public companies and excluding our Company, Section 8 Companies, Struck off Companies and LLPs.	Vinod Denim Limited	NA
Memberships / Chairmanships of committees of public companies*	Membership – 2 Committees Chairmanship – Nil	Membership-2 Committees Chairmanship- 1 Committees
Inter-se Relationship with other Directors.	No Relation	No Relation

*Committee includes the Audit Committee and Stakeholders' Grievance Committee

DIRECTORS' REPORT

Dear Shareholders,

The Board of Directors hereby submits their 11th Annual report of the business and operations of United Polyfab Gujarat Limited, along with the audited financial statements, for the financial year ended March 31, 2021.

Financial Highlights:

(Amount in Rs.)

Particulars	F.Y. 2020-21	F.Y. 2019-20
Income from Operations	2,09,78,43,392	2,64,13,78,361
Other Income	37,97,796	69,65,604
Total Revenue	2,10,16,41,188	2,64,83,43,965
Less: Total Expenses (excluding Depreciation & Interest)	1,86,21,48,991	242,69,48,512
Operating Profits (PBDIT)	23,94,92,197	22,13,95,453
Less: Finance Cost	11,36,43,681	6,89,22,112
Less: Depreciation	10,37,90,596	11,13,74,840
Profit Before Tax	2,20,57,920	4,10,98,501
Add/Less:		
Current Tax	36,72,240	68,60,000
Deferred Tax	1,29,51,707	(3,06,270)
Provision of Income Tax	158	(11,105)
Net Profit after Tax	54,33,815	3,45,55,875

REVIEW OF BUSINESS OPERATION

1. FINANCIAL PERFORMANCE:

During the year under review, Company has earned total income of Rs.2,10,16,41,188/- as against the total income of Rs.2,64,83,43,965/- for previous year. The total income of the company was decreased by 20.64% over previous year. Further, Profit before Tax in the financial year 2020-21 stood at Rs.2,20,57,920/- as compared to Rs.4,10,98,501/- of last year and Net Profit after Tax stood at Rs.54,33,815/- compared to profit of Rs.3,45,55,875/- for previous year. The Profit before tax and Net profit After Tax was decreased by 46.33% and 84.28% respectively over previous year.

The outbreak of Covid-19 pandemic had a moderate to high impact on the businesses of the Company. The Company is taking all necessary measures in terms of mitigating the impact of the challenges being faced in the business. During the year there were new developments happened in the company by which the company may reach to a new height soon.

A more detailed analysis and commentary is available in the Management Discussion and Analysis section of this report.

2. DIVIDEND:

Keeping in mind the need to conserve resources, your Directors do not recommend any dividend on Equity Shares for the year. In terms of the provisions of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has formulated a Dividend Distribution Policy and the same is available on the Company's Website at www.upgl.in.

3. RESERVES:

Your Directors do not propose transfer of any amount to the General Reserves. Full amount of net profit are carried to reserve & Surplus account of the Company.

4. CHANGE IN NATURE OF BUSINESS:

During the year, your Company has not changed its business or object and continues to be in the same line of business as per main object of the Company.

5. SHARE CAPITAL:

○ Authorized Capital

The present Authorized Capital of the Company is Rs.21,00,00,000/- divided into 2,10,00,000 Equity Shares of Rs.10/- each.

The Company has increased its Authorised Share capital from Rs. 7,00,00,000/- (Rupees Seven Crore only) divided into 70,00,000 (Seventy Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each to Rs.21,00,00,000/- (Rupees Twenty One Crore Only) divided into 2,10,00,000 (Two Crore Ten Lakhs) Equity Shares of Rs.10/- each (Rupees Ten Only) in the Board Meeting held on January 09, 2021.

○ Issued, Subscribed & Paid-up Capital

The present Issue, Subscribed & Paid-up Capital of the Company is Rs.20,95,15,500/- divided into 2,09,51,550 Equity Shares of Rs.10/- each.

During the year, Company had increased the Paid capital from Rs. 6,98,38,500/- to Rs.20,95,15,500/- pursuant to allotment of 1,39,67,700 (One Crore Thirty Nine Lakh Sixty Seven Thousand Seven Hundred) fully paid bonus Equity shares of Rs. 10/- each in the ratio of 2: 1 [i.e. 2(two) bonus equity shares of Rs. 10/- each for every 1 (one) fully paid-up equity share of Rs.10/-]

Further, entire equity share capital of the Company is listed at NSE Emerge Platform.

6. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures.

The details on Internal Financial Control and their adequacy are provided in Management Discussion and Analysis Report.

7. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

7.1 CONSTITUTION OF BOARD:

The Board of the Company comprises four Directors out of which one is Promoter Executive Director, one is Promoter Non-Executive Director and two are Non-Promoter Non-Executive Independent Directors. As on March 31, 2021, the Board comprised following Directors;

Name of Director	Category Cum Designation	Date of Appointment at current Term	Total Directorship -	No. of Committee [^]		No. of Shares held as on March 31, 2021.
				in which Director is Members	in which Director is Chairman	
Mr. Gagan Nirmalkumar Mittal	Promoter Chairman and Managing Director	January 16, 2016	6	2	-	1633650 Equity Shares
Mr. Ritesh Kamalkishore Hada	Promoter Non-Executive Director	January 12, 2016	18	-	-	7500 Equity Shares
Ms. Sejalben Shantilal Parmar	Non-Executive Independent Director	January 12, 2016	1	1	1	-
Mr. Sumit Saraf Ramesh	Non-Executive Independent Director	August 13, 2018	1	1	1	-

[^] Committee includes Audit Committee and Shareholders' Grievances Committee across all Public Companies.

~ Excluding Foreign Companies, Section 8 Companies & struck off Companies.

The composition of Board complies with the requirements of the Companies Act, 2013 ("Act"). Further, in pursuance of Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company is exempted from requirement of having composition of Board as per Regulation 17 of Listing Regulations.

None of the Directors of Board is a member of more than ten Committees or Chairman of more than five committees across all the Public companies in which they are Director. The necessary disclosures regarding Committee positions have been made by all the Directors.

None of the Director of the Company is serving as a Whole-Time Director in any Listed Company and is holding position of Independent Director in more than 3 Listed Company. Neither any of the Director of the Company is holding position as Director in more than 8 listed entities nor any of the Director of the Company serve as Independent Director in more than 7 listed entities.

None of the Directors of the Company is disqualified for being appointed as Director as specified in Section 164 (2) of the Companies Act, 2013.

7.2 BOARD MEETING:

The meetings of the Board are scheduled at regular intervals, at least once in a quarter to decide and discuss on business performance, policies, strategies and other matter of significance. The schedules of meeting are circulated in advance to ensure proper planning and effective participation in meetings. Additional Board meetings are convened, as and when required.

During the year under review, Board of Directors of the Company met 11 (Eleven) times on 30th May, 2020, 6th July, 2020, 1st September, 2020, 2nd October, 2020, 30th October, 2020, 11th November, 2020, 19th November, 2020, 31st December, 2020, 9th January, 2021, 19th February, 2021 and 18th March, 2021. The gap between two consecutive meetings was not more than one hundred and twenty days as provided in section 173 of the Act.

The details of attendance of each Director at the Board Meeting and Annual General Meeting are given below;

Name of Director	Mr. Gagan Mittal	Mr. Ritesh Hada	Mr. Sumit Saraf~	Ms. Sejalben Parmar
Number of Board Meeting held	11	11	11	11
Number of Board Meetings Eligible to attend	11	11	11	11
Number of Board Meeting attended	11	11	11	11
Presence at the previous AGM	Yes	No	Yes	Yes

7.3 INDEPENDENT DIRECTORS:

In terms of Section 149 of the Companies Act, 2013 and rules made there under, the Company has two Non-Promoter Independent Directors in line with the Companies Act, 2013. A separate meeting of Independent Directors was held on 18th March, 2021 to review the performance of Non-Independent Directors and Board as whole and performance of Chairperson of the Company including assessment of quality, quantity and timeliness of flow of information between Company management and Board.

The terms and conditions of appointment of Independent Directors and Code for Independent Director are incorporated on the website of the Company at <https://www.upgl.in/policy/nomination-and-remuneration-policy.pdf>

The Company has received necessary declaration from each independent director 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.

7.4 INFORMATION ON DIRECTORATE:

- a) During the year under review, there was no change in constitution of the Board of Directors of the Company. Change in Designation of Board of Directors During the financial year 2020-21, Mr. Gagan Mittal (DIN: 00593377) was re-appointed as a Chairman and Managing Director at 10th Annual General Meeting of the Company subject to approval of shareholders for further period of five (5) years from with effect from October 01, 2020 liable to retire by rotation there were no change in director.

- b) Retirement by rotation and subsequent re-appointment.

In accordance with the provisions of the Articles of Association and Section 152 of the Companies Act, 2013, Mr. Gagan Mittal (DIN: 00593377), Executive Director of the Company retires by rotation at the ensuing annual general meeting. He, being eligible, has offered himself for re-appointment as such and seeks re-appointment. The Board of Directors recommends his re-appointment as such on the Board.

The relevant details, as required under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), of the person seeking re-appointment as Director is annexed to the Notice convening the 11th annual general meeting.

7.5 KEY MANAGERIAL PERSONNEL:

During the year under review, Mr. Gagan Mittal is acting as Chairman and Managing Director of the Company.

Further, Mr. Mahesh Gupta acting as Chief Financial Officer of the company and Ms. Payal Shah was acting as Company Secretary of the Company till 02-10-2020 thereafter Ms. Rashmi Lakhani was appointed w.e.f. 30-10-2020 till 12-06-2021. Mr. Aziz Firojbhai Vanak is appointed as Company Secretary and Compliance officer of the Company w.e.f. 04-08-2021.

7.6 PERFORMANCE EVALUATION:

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Companies Act, 2013 in the following manners;

- o The performance of the board was evaluated by the board, after seeking inputs from all the directors, on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning etc.
- o The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.
- o The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.
- o In addition, the chairman was also evaluated on the key aspects of his role.

Separate meeting of independent directors was held to evaluate the performance of non-independent directors, performance of the board as a whole and performance of the chairman, taking into account the views of executive directors and non-executive directors. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

7.7 DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- a) In preparation of annual accounts for the year ended March 31, 2021, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that year;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts for the year ended March 31, 2021 on going concern basis.
- e) The Directors had laid down the internal financial controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

8. PUBLIC DEPOSIT:

The company has not accepted any deposits from the public. Hence, the directives issued by the Reserve Bank of India & the Provision of Section 73 to 76 of the Company Act, 2013 or any other relevant provisions of the Act and the Rules there under are not applicable.

9. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statement for the year ended on March 31, 2021.

10. COMMITTEES OF BOARD

The Board of Directors, in line with the requirement of the act, has formed various committees, details of which are given hereunder.

A. AUDIT COMMITTEE:

The Company has formed audit committee in line with the provisions Section 177 of the Companies Act, 2013. Audit Committee meeting is generally held once in quarter and the gap between two meetings did not exceed one hundred and twenty days. Additional meeting is held for the purpose of reviewing the specific item included in terms of reference of the Committee.

During the year under review, Audit Committee met 4 (Six) times viz. 6th July, 2020, 1st September, 2020, 11th November, 2020 and 18th March, 2021. The composition of the Committee and the details of meetings attended by its members are given below:

Name of Members	Category	Designation in Committee	Number of meetings during the financial year 2020-21		
			Held	Eligible to attend	Attended
Mr. Sumit Saraf	Independent Director	Chairperson	4	4	4
Ms. Sejal Parmar	Independent Director	Member	4	4	4
Mr. Gagan Mittal	Executive Director	Member	4	4	4

The Statutory Auditors and Internal Auditors of the Company are invited in the meeting of the Committee wherever requires. Chief Financial Officer of the Company is a regular invitee at the Meeting. Further, the Company Secretary of the Company is acting as Secretary to the Audit Committee.

Recommendations of Audit Committee, wherever/whenever given, have been accepted by the Board of Directors.

Vigil Mechanism

The Company has established a vigil mechanism and accordingly framed a Whistle Blower Policy. The policy enables the employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct. Further the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provide for adequate safe guards against victimization of the Whistle Blower who avails of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases. The functioning of vigil mechanism is reviewed by the Audit Committee from time to time. None of the Whistle blowers has been denied access to the Audit Committee of the Board. The Whistle Blower Policy of the Company is available on the website of the Company at <https://www.upgl.in/policy/vigil-mechanism.pdf>.

B. NOMINATION AND REMUNERATION COMMITTEE:

The Company has formed Nomination and Remuneration committee in line with the provisions of Section 178 of the Companies Act, 2013. Nomination and Remuneration Committee meetings are generally held for identifying the persons who are qualified to become Directors and may be appointed in senior management and recommending their appointments and removal. Further, the committee shall also meet as and when the need arises for review of Managerial Remuneration.

During the year under review, Nomination and Remuneration Committee met 3 (Three) times viz. 1st September, 2020, 30th October, 2020 and 18th March, 2021.

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

Name of Members	Category	Designation in Committee	Number of meetings during the financial year 2020-21		
			Held	Eligible to attend	Attended
Mr. Sumit Saraf	Independent Director	Chairperson	3	3	3
Ms. Sejal Parmar	Independent Director	Member	3	3	3
Mr. Ritesh Hada	Non-Executive Director	Member	3	3	3

o NOMINATION AND REMUNERATION POLICY:

The Board of Directors has framed a Remuneration Policy that assures the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel and Senior Management to enhance the quality required to run the Company successfully. All the Board Members and Senior Management personnel have affirmed time to time implementation of the said Remuneration policy.

Salient Features of the Nomination and Remuneration Policy are;

a. Policy on Appointment of Directors, Key Managerial Personnel and Senior Management Personnel:

- o The policy is formulated to identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, Key Managerial Personnel and Senior Management personnel and recommend to the Board for his / her appointment.
- o A person should possess adequate qualification, expertise and experience for the position he/ she is considered for appointment.
- o In case of appointment of Independent Director, the Committee shall satisfy itself with regard to the independent nature of the Director vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

b. Policy on remuneration of Director, KMP and Senior Management Personnel:

The Company's remuneration policy is driven by the success and performance of Director, KMP and Senior Management Personnel vis-à-vis the Company. The Company's philosophy is to align them with adequate compensation so that the compensation is used as a strategic tool that helps us to attract, retain and motivate highly talented individuals who are committed to the core value of the Company. The Company follows

mixed of fixed pay, benefits and performance based variable pay. The Company pays remuneration by way of salary, benefits, perquisites and allowance. The remuneration and sitting fees paid by the Company are within the salary scale approved by the Board and Shareholders.

The Nomination and Remuneration Policy, as adopted by the Board of Directors, is placed on the website of the Company at <https://www.upgl.in>

○ REMUNERATION OF DIRECTORS:

The details of remuneration/sitting fees paid during the financial year 2020-21 to Executive Directors/Directors of the Company is provided in Form MGT-7 which is available on the website of Company's on www.upgl.in.

C. STAKEHOLDER'S GRIEVANCE & RELATIONSHIP COMMITTEE:

The Company has constituted Stakeholder's Grievance & Relationship Committee mainly to focus on the redressal of Shareholders' / Investors' Grievances, if any, like Transfer / Transmission / Demat of Shares; Loss of Share Certificates; Non-receipt of Annual Report; Dividend Warrants; etc.

During the year under review, Stakeholder's Grievance & Relationship Committee met 4 (Four) times viz. 6th July, 2020, 1st September, 2020, 11th November, 2020 and 18th March, 2021. The Company had not received any complaints from the Shareholders. There was no complaint pending as on March 31, 2021.

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

Name of Members	Category	Designation in Committee	Number of meetings during the financial year 2020-21		
			Held	Eligible to attend	Attended
Ms. Sejal Parmar	Independent Director	Chairperson	4	4	4
Mr. Sumit Saraf	Independent Director	Member	4	4	4
Mr. Gagan Mittal	Executive Director	Member	4	4	4

Company Secretary and Compliance officer of the Company provides secretarial support to the Committee.

11. ENVIRONMENTAL PROTECTION & POLLUTION CONTROL

Your company regards preservation of the environment as one of its primary social responsibility. Accordingly the company places great emphasis on compliance with pollution control norms.

12. STATUTORY COMPLIANCES

To the best of our knowledge your company has complied with all the rules and regulations which are stipulated on corporate sector from time to time by various statutory Authorities.

13. CORPORATE GOVERNANCE

Your Company strives to incorporate the appropriate standards for corporate governance. However, pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is not required to mandatorily comply with the provisions of certain regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and therefore the Company has not provided a separate report on Corporate Governance, although few of the information are provided in this report under relevant heading.

However, Company is complying with few of the exempted regulations voluntarily and details of same are provided in this report under the respective heading.

14. MATERIAL CHANGES AND COMMITMENT

There are no material changes and commitments, affecting the financial position of the Company, have occurred between the ends of financial year of the Company i.e. March 31, 2021 to the date of this Report.

The COVID-19 pandemic is rapidly spreading across the world as well as in India and had caused nationwide shutdown. The company has resumed its business activities in a phased manner in line with the directives of the Government of India. The Company's management has made initial assessment of likely adverse impact on business and believes that the impact is not material in nature. As informed to us the management does not see any medium to long term risks in the company's ability to continue as going concern and meeting its liabilities as and when they fall due.

15. TRANSACTIONS WITH RELATED PARTIES:

All the related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholders. The details of the transactions with Related Parties are provided in the Company's financial statements in accordance with the Accounting Standards

All Related Party Transactions are presented to the Audit Committee and the Board. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

The Policy on Related Party Transactions as approved by the Board is available on Company's website at www.upgl.in.

16. PARTICULAR OF EMPLOYEES

The ratio of the remuneration of each whole-time director to the median of employees' remuneration as per Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as **Annexure – A**.

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the Members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any Member interested in obtaining a copy of the same may write to the Company Secretary.

17. SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

To foster a positive workplace environment, free from harassment of any nature, we have adopted policy on prevention, prohibition and Redressal of Sexual harassment at workplace and has duly constituted an Internal Complaints Committee in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. Further the company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace During the year under review, there were no incidences of sexual harassment reported.

18. RISK MANAGEMENT

A well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process is in place. The objective of the mechanism is to minimize the impact of risks identified and taking advance actions to mitigate it. The mechanism works on the principles of probability of occurrence and impact, if triggered. A detailed exercise is being carried out to identify, evaluate, monitor and manage both business and non-business risks.

19. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014, are provided as an **Annexure – B**.

20. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Schedule V of the Listing Regulations, is presented in a separate section forming part of this Annual Report as an Annexure- **C**.

21. WEB ADDRESS OF ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the draft Annual Return as on 31st March, 2021 is available on the Company's website Provide link under Investor Section.

22. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively. During the year under review, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India, New Delhi.

23. DISCLOSURE OF ACCOUNTING TREATMENT:

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

24. DISCLOSURE OF MAINTENANCE OF COST RECORDS:

In terms of Section 148 of the Companies Act, 2013 read with Companies (Cost records and audits) Rules, 2014, the Company is required to get its cost records audited by the Practising Cost Accountant. Accordingly, the Board of Directors at their meeting held on 4th September, 2021, appointed M/s.M.I. Prajapati & Associates, Cost & Management Accountants, Ahmedabad, as Cost Auditors for auditing the cost records of your Company for the year ended March 31, 2021.

25. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

During this period under the provisions under section 135 in respect of CSR is not applicable to the Company. Hence, your Directors have not constituted the Corporate Social Responsibility (CSR) Committee.

26. INSIDER TRADING POLICY:

As required under the Insider Trading Policy Regulations of SEBI, your Directors have framed and approved Insider Trading Policy for the Company i.e. 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' and 'Code of Conduct for Regulating Monitoring and Reporting of Trading by Designated Persons/Insiders'. The Policy is available on the company's website <https://www.upgl.in/policy/code-of-conduct-for-insider-trading.pdf>

27. STATUTORY AUDITOR AND THEIR REPORT

M/s. Rajiv Shah & Associates, Chartered Accountants (Firm Registration No. 108554W) as Statutory Auditor of the Company, were appointed at 10th Annual General Meeting held in the calendar year 2020, for the period of two years till the conclusion of 12th Annual General Meeting of the Company.

The Notes to the financial statements referred in the Auditors Report are self-explanatory and therefore do not call for any comments under Section 134 of the Companies Act, 2013. The Auditors' Report does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed with the financial statements in this Annual Report.

28. SECRETARIAL AUDITOR AND THEIR REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. SCS Co and LLP Practising Company Secretaries, to conduct the Secretarial Audit of the Company for the financial year 2020-21.

The Secretarial Audit Report for the financial year ended 31st March 2021, pursuant to Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as "**Annexure – D**". The Secretarial Audit Report does not contain any qualifications, reservation or adverse remarks.

29. REPORTING OF FRAUD

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

30. GENERAL DISCLOSURE

Your Directors state that the Company has made disclosures in this report for the items prescribed in section 134 (3) of the Act and Rule 8 of The Companies (Accounts) Rules, 2014 and other applicable provisions of the act and listing regulations, to the extent the transactions took place on those items during the year. Your Directors further state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review or they are not applicable to the Company;

30.1 DEPOSITS:

Details relating to deposits covered under Chapter V of the Act and The Company has not accepted during the year under review any Deposits and there were no overdue deposits.

30.2 INSURANCE:

The movable and immovable properties of the Company including plant and Machinery and stocks wherever necessary and to the extent required have been adequately insured against the risks of fire, riot, strike, malicious damage etc. as per the consistent policy of the Company.

30.3 SUBSIDIARIES/ ASSOCIATES/ JVs:

The Company does not have any Subsidiaries/ Associate Companies / JVs.

30.4 CODE OF CONDUCT:

The Board of Directors has laid down a Code of Conduct applicable to the Board of Directors and Senior Management. All the Board Members and Senior Management personnel have affirmed compliance with the code of conduct.

30.5 SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

There has been no significant and material order passed by any regulators or courts or tribunals, impacting the going concern status of the Company and its future operations.

30.6 DIFFERENTIAL RIGHTS:

Issue of Equity Shares with differential rights as to dividend, voting or otherwise;

30.7 SWEAT EQUITY SHARES AD EMPLOYEES STOCK OPTION SCHEME(ESOS):

Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and ESOS;

30.8 REVISION OF REPORTS AND STATEMENTS:

There is no revision in the Board Report or Financial Statement;

31. APPRECIATIONS AND ACKNOWLEDGEMENT

Your Directors wish to place on record their sincere appreciation for significant contributions made by the employees at all levels through their dedication, hard work and commitment during the year under review.

The Board places on record its appreciation for the support and co-operation your Company has been receiving from its suppliers, distributors, retailers, business partners and others associated with it as its trading partners. Your Company looks upon them as partners in its progress and has shared with them the rewards of growth. It will be your Company's endeavor to build and nurture strong links with the trade based on mutuality of benefits, respect for and co-operation with each other, consistent with consumer interests.

Your Directors also take this opportunity to thank all Shareholders, Clients, Vendors, Banks, Government and Regulatory Authorities and Stock Exchanges, for their continued support.

**For and on behalf of Board of Directors,
United Polyfab Gujarat Limited**

Place: Ahmedabad
Date: 4th September, 2021

Gagan Mittal
Chairman and Managing Director
(DIN [00593377](#))

Annexure – A
PARTICULARS OF EMPLOYEES

(Pursuant to Section 197(12) read with Rules made thereunder)

**Disclosures pertaining to remuneration and other details as required under
Section 197(12) of the Companies Act, 2013 read with Rules made there under.**

A. Information as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- a) The ratio of remuneration of each director to the median remuneration of employees for the financial year and the Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Sr. No.	Name	Designation	Nature of Payment	Ratio against median Employee' Remuneration	Percentage Increase as compared to Previous Year
1.	Mr.Gagan Mittal	Chairman and Managing Director	Remuneration	10.64 : 1.00	Not Applicable
2.	Mr.RiteshHada	Non-Executive Director	Sitting Fees	-	Not Applicable
3.	Mr.Sumit Saraf~	Independent Director	Sitting Fees	-	Not Applicable
4.	Ms.SejalParmar	Independent Director	Sitting Fees	-	Not Applicable
5.	Mr.Mahesh Gupta	Chief Financial Officer	Salary	Not Applicable	
6.	Ms.Payal Shah	Company Secretary and Compliance Officer	Salary	Not Applicable	Not Applicable

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

Median remuneration of Employees Decreased by (9.85) % in F.Y 2020-21 as compared from F.Y. 2019-20.

- c) The number of permanent employees on the rolls of the Company: 100 Employees

- d) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average salary of the employees is decreased by (5.39) % over a previous year. The average remuneration decreased due to increase in number of Unskilled and Semi-Skilled employees at New Spinning Unit of the Company. The Board of Directors of the Company affirmed that remuneration of all the Key Managerial Personnel of the Company are as per the Remuneration Policy of the Company.

The Board of Directors of the Company affirmed that remuneration of all the Key Managerial Personnel of the Company are as per the Remuneration Policy of the Company.

**For and on behalf of Board of Directors,
United Polyfab Gujarat Limited**

Place: Ahmedabad
Date: 4th September, 2021

Gagan Mittal
Chairman and Managing Director
DIN [00593377](#)

Annexure – B**Details of Conservation of energy, technology absorption, foreign exchange earnings and outgo**

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 and
rule 8(3) of the Companies (Accounts) Rules, 2014]

1. CONSERVATION OF ENERGY:**i. The steps taken or impact on conservation of energy**

Every watt counts when it comes to energy conservation. Our teams, across units, remain on a vigil to continuously improve the processes and ferret out alternatives in order to use less energy per unit of produce.

Other necessary energy conservation measures are taken on day to day basis.

ii. The steps taken by the Company for utilizing alternate sources of energy

The company has continued its focus on energy conservation efforts through up gradation of process with new technology.

iii. Capital Investment on energy conservation equipment: Nil**2. TECHNOLOGY ABSORPTION:****i. The effort made towards technology absorption**

Your Company has been very thoughtful in introducing new technology to reduce the production cost, improve yield, enhance product endurance and strengthen finish. It is inevitable on the part of your company to adopt sustainable measures to have a competitive edge as well as to continue with leadership position. The Company has specialized team to identify the customer's requirement, suitability of the product to the changes happening around, scope for enlarging product utility.

ii. The benefits derived like product improvement, cost reduction, product development or import substitution: NIL**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: NIL****b) The year of Import: NA****c) Whether the technology has been fully absorbed: Yes****d) If not fully absorbed areas where absorption has not taken place, and reasons thereof: Not Applicable****iv. the expenditure incurred on Research and Development: Not Applicable****3. FOREIGN EXCHANGE EARNINGS AND EXPENDITURE****i. Details of foreign Exchange Earnings: Nil****ii. Details of foreign Exchange Expenditure: Nil**

For and on behalf of Board of Directors,
United Polyfab Gujarat Limited

Place: Ahmedabad
Date: 4th September, 2021

Gagan Mittal
Chairman and Managing Director
(DIN: 00593377)

Annexure-C
MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The management discussion and analysis report provide an over view of the financial activities for the fiscal year ended on 31st March 2021, gives an overall sight of the spinning industry, opportunities and threats in the business and Company's strategy to deal with that. This report is designed to focus on current years' activities, resulting changes and other known facts in conjunction to the financial and strategic position of the Company.

OVERVIEW OF ECONOMY:

The textile industry is largest industry in India and also highly labour intensive offering the largest volume of employment. India is among the world's largest producer of textiles and apparels. The domestic textiles and apparel industry contribute 2% to India's GDP.

The widespread, synchronous and deep impact on economic activity was unprecedented, and nothing close to seen by a generation. Governments around the world rushed in with extra-ordinary policy support which limited the economic impact that could have otherwise ensued.

As the world tries to vaccinate itself out of this pandemic, the mutations and pathways of the disease evolution are very much unknown, and will continue to cast shadow of uncertainty on the outlook. 2021 is expected to see a global GDP growth of 6% on the previous year's reduced base, and 2022 will likely grow by another 4.4%. The outlook forward is likely to be defined by the ability of countries and regions to respond to the pandemic challenge. The wide variation in success of this response, and incidence of multiple waves is likely to be reflected in the variations in the economic activity as well.

But the real GDP grew by 6.4% on an annualized basis, driven by consumer spending on goods, business investment in equipment, and Federal government purchases of non-defence items. Global textiles and apparel manufacturing continued to trail at 10% below 2019 levels, and by some estimates lost 92% of economic profits in 2020. The Indian economy contracted by 7% during the financial year ending March 2021. Consumer demand also showed spikes in limited pockets in specific time windows.

Before the plunge of 2nd wave, it was widely estimated that the Indian economy will clock a strong 12%+ growth in FY22. The developments in April 2021 have created a huge uncertainty around this outlook, and most agencies have been revising down the growth expectations.

INDUSTRY DEVELOPMENTS & STRUCTURE

The textile industry is operating under different segments such as Spinning (the process of converting cotton or manmade fiber into yarn), Weaving and Knitting (converting yarn into woven or knitted fabrics), Fabric Finishing/ Processing (dyeing, printing and other cloth preparations) and Clothing (apparel manufacturing). The textiles and apparel industry in India have strengths across the entire value chain from fiber, yarn, fabric to apparel.

Presently, spinning is the most consolidated and technically efficient sector in India's textile industry. The Indian textile industry is the second largest

Manufacturer and exporter in the world, after China.

Textile industry has vital importance for Indian economy as-

- It has around 4.5 crore employed workers including 35.22 lakh handloom workers across the country.
- Contributes 2% to India's GDP, 7% of industry output in value terms and 12% of the country's export earnings.

Operating profits of cotton spinners will double next fiscal as revenue spurts 20-25% on higher sales to Asian buyers and appreciation in cotton yarn prices. Consequently, the credit outlook for cotton spinners, which was negative in the first half of this fiscal, will turn positive next fiscal, as accruals improve and inventory reduces.

Impact of Covid-19 Pandemic and Initiatives and steps taken by Government of India to enhance textile industry –

In the wake of the ongoing pandemic, all nations have suffered at large across all industries. Textile Industry too has been no exception to the brunt faced due to the impact of the coronavirus. While most economies are still struggling to get up, India surprisingly has sprung back with the ferociousness of a panther from the third quarter onward. Despite the country coming to a standstill for months and finances and supply chains being adversely affected, Indian textile industry too is gradually scaling back to its pre-covid glory. While credit for this does go to our robust organisations, the various initiatives and steps taken by the Government of India to facilitate this positive movement in the textile industry cannot be ignored. The support provided by the government with its ongoing schemes and the launch of new measures have provided the strong framework that domestic textile manufacturers were seeking to setup their products on

INDIA'S MAJOR COMPETITORS IN THE WORLD

India's textile and apparel industry can be labelled as that rocket which zoomed off to the skies but lost its fizz somewhere in between. Despite being the second-largest exporter of textiles and accounting for 5% of the global share of textiles and apparel, India's first runners up crown face stiff chances of being taken away by smaller countries like Vietnam and Bangladesh. Currently, India ranks second only to the manufacturing giant China but whether this position will go up or down vastly depends on certain factors. If we analyse India's productivity in textiles and apparel and compare it with its competition across the world, the following points play a deciding role in establishing India's position globally.

KEY STRENGTH OF THE INDUSTRY

- India is the third largest producer of cotton with the largest area under cotton cultivation in the world. It has an edge in low-cost cotton sourcing compared to other countries.
- Average wage rates in India are 50-60 per cent lower than that in developed countries, thus enabling India to benefit from global outsourcing trends in labour intensive businesses such as garments and home textiles.
- Design and fashion capabilities are key strengths that will enable Indian players to strengthen their relationships with global retailers and score over their Chinese competitors.

- Production facilities are available across the textile value chain, from spinning to garments manufacturing. The industry is investing in technology and increasing its capacities which should prove a major asset in the years to come.
- India has gathered experience in terms of working with global brands and this should benefit Indian vendors.

MARKETING APPROACH AND MARKETING SET UP

A successful organisation is one where every member of the management works individually towards its designated roles and responsibilities and works collectively with other members to attain company goals. Therefore, Our Directors with the dedicated team of marketing personnel through their relevant experience and good relationship with our customers has played a vital role in creating and expanding a work platform for our Company. We believe in operational excellence. Marketing department is headed by our executive directors. Our long-standing relationship with our major customers has been one of the most significant factors contributing to our growth. Our commitments to quality and customer service practices have been strong contributing factors to our robust customer relations. Over the years, we have steadily developed a robust base of international customers for our products.

Strategies:

- Organisational Alignment- clear assignment of duties towards every management personnel for smooth and efficient operations
- Assets Reliability- adopting smart machineries and incorporate data driven decisions
- Regulations- adhering to safety and environmental regulations.
- Lean Manufacturing- to minimise waste and create more value-oriented products
- Energy- sustainable manufacturing and use of energy efficient machinery

OPPORTUNITIES AND THREATS

Opportunities-

- Growth rate of Domestic Textile Industry is 6- 8% per annum.
- Large, Potential Domestic and International Market
- Product development and Diversification to cater global needs.
- Increased Disposable Income and Purchasing Power of Indian Customer opens New Market Development.
- Greater Investment and FDI opportunities are available.

Threats:-

- Competition from other REMOVE IT countries, especially China.
- Continuous Quality Improvement is need of the hour as there are different demand patterns all over the world.
- International labour and Environmental Laws.
- To balance the demand and supply.
- To make balance between price and quality.

SEGMENT REVIEW AND ANALYSIS

Yarn is the core of all fabrics- be it garments or home furnishings. The Company Produces Cotton Yarn using Cotton as raw material. We can call it a 'Sustainable Yarn' production because it has been manufactured keeping environment, humans and the economy in balance. Our yarns do not deplete the earth's resources or cause carbon footprints. They are organically grown or manufactured by recycling.

As the Company is manufacturing only the one product i.e. Cotton Yarn, Therefore, segment/ product-wise details are not applicable.

OUTLOOK

The business of the company has suffered due to sluggish economic scenario prevailing after the Covid pandemic. The second wave of Covid-19 is likely to adversely affect the recovery in domestic economic activity as well as operational performance of the company. If this situation continues for a longer time, it would affect the business operations and financial performance of the company going forward. With a close watch on the developments and rebalancing of business strategies, management is confident to take prudent measures and steer clear through these difficult times.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

(Amount in Rs.)

Particulars	F.Y. 2020-21	F.Y. 2019-20
Income from Operations	2,09,78,43,392	2,64,13,78,361
Other Income	37,97,796	69,65,604
Total Revenue	2,10,16,41,188	2,64,83,43,965
Less: Total Expenses (excluding Depreciation & Interest)	1,86,21,48,991	2,42,69,48,512
Operating Profits (PBDIT)	23,94,92,197	22,13,95,453
Less: Finance Cost	11,36,43,681	6,89,22,112
Less: Depreciation	10,37,90,596	11,13,74,840
Profit Before Tax	2,20,57,920	4,10,98,501

Add/Less:		
Current Tax	36,72,240	68,60,000
Deferred Tax	1,29,51,707	(3,06,270)
Provision of Income Tax	158	(11,105)
Net Profit after Tax	54,33,815	3,45,55,875

ENVIRONMENT AND SAFETY

The need for environmentally clean and safe operations is company's key priority. The Company policy requires the conduct of all operations in such a manner so as to ensure the safety of all concerned, for environment protection and conservation of natural resources to the extent possible.

RISK AND AREAS OF CONCERN

Indian spinning industry apart from profitability pressure, high cotton prices which translates into higher working capital requirements and hence increase in borrowings, which will translate into weaker credit metrics. The cotton prices of Indian cotton during the COVID-19 were very badly affected resulting in losses to many cotton spinning companies.

Hence, the Company believes that an effective, consistent and sustainable risk management framework is essential part of the work culture. Risk management must be fully integrated into the organisation's governance policies. A well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process is in place. The objective of the mechanism is to minimize the impact of risks identified and taking advance actions to mitigate it. A detailed exercise is being carried out to identify, evaluate, monitor and manage both business and non-business risks.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has implemented proper system for safeguarding the operations/ business of the Company, through which the assets are verified and frauds, errors are reduced and accounts, information connected to it are maintained such, so as to timely completion of the statements. The Company has adequate systems of Internal Controls commensurate with its size and operations to ensure orderly and efficient conduct of business. These controls ensure safeguarding of assets, reduction and detection of fraud and error, adequacy and completeness of the accounting records and timely preparation of reliable financial information.

The Audit Committee of Board of Directors reviews the efficiency and effectiveness of internal control systems and suggests the solution to improve and strengthen. The Internal control system were tested during the year and no material weakness in design or operation were observed. The requirement of having internal auditor compulsory by statute in case of listed and other classes of companies as prescribed shall further strengthen the internal control measures of Company.

HUMAN RESOURCES AND INDUSTRIAL RELATION

The Company had cordial and harmonious industrial relations at all levels of organizations. The company believes that the industry has the tremendous potential to impact the society, nation and the world positively. Its employees are major stakeholders and their efforts have direct stake in the business prospectus of the organization. The employees have extended a very productive cooperation in the efforts of the management to carry the company to greater heights. The Company considers employees as their biggest competitive advantages. The Company takes initiative like training and development for its people to increase the performance. The Company has taken various steps to improve and enhance skill of its people. The industrial relations remained cordial in our plant. The Company has continued to give special attention to human resources and overall development. At present company has employed man power of around 100+ peoples including technical, non-technical, managerial and non- managerial, casual and contract labour.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

Particulars	F.Y. 2020-21	F.Y. 2019-20	Reason
Debtors Turnover	4.19 times	5.79 times	Due to reduction in collection period
Interest Coverage Ratio	1.20 times	1.63 times	Due to reduction in Operating profitability
Current Ratio	3.94 : 1.00	1.74 : 1.00	Due to increase in current Assets
Debt Equity Ratio	2.30 : 1.00	2.27 : 1.00	Due to increase in debt.
Net Profit Margin (%)	0.26%	1.31%	Due to Decrease in finance cost
Return on Net Worth	1.16%	7.75%	Due to decrease in profits of the companies

CAUTIONARY STATEMENT

Certain statement made in this report describing Company's Objective, Projects, estimates and expectations may be forward looking statement within the applicable laws and Regulations. Actual results may differ from such expectations and forward- looking statement due to various risk and uncertainties. Several factors affecting company's operation like economic condition affecting demand and supply, Government regulations and Tax Laws, Competitions prevailing at the relevant time, natural calamities etc. The Company assumes no responsibility to publicly amend, modify or revise any of these statements on the basis of any subsequent developments, information or events.

Annexure – D**SECRETARIAL AUDIT REPORT**
Form No. MR-3

For the financial year ended March 31, 2021
[Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
United Polyfab Gujarat Limited
Survey No. 238, 239 Shahwadi,
Opp. New Aarvee Denim, Narol – Surkhej Highway,
Ahmedabad – 382 405

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by United Polyfab Gujarat Limited (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes 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 F.Y. ended on March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

- i. The Companies Act, 2013 ('the Act') and the rules made there under as applicable;
- ii. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”);
- vi. Secretarial Standards issued by the Institute of Company Secretaries of India w.r.t. meetings of the Board of Director (SS-1) and General Meetings (SS-2);

During the period under review the Company has complied with the provisions of the Act, Rules made there under, Regulations, guidelines etc. mentioned above except:-

- Company has delayed in Appointment of Company Secretary and Compliance Officer under Regulation 6 of SEBI LODR Regulations, 2015 by 28 days,

Further company being engaged in the business of Fabrics Manufacturing and Spinning & Weaving of Yarn, there are few major specific and general applicable acts/rules to the Company, which -requires approvals or compliances under the respective acts/rules, as list out in the **Annexure I**. We have relied on the representation made by the Company and its officers for system and mechanism framed by the Company for compliances of the said major specific and general acts/rules.

During the Period under review, provisions of the following Acts, Rules, Regulations, and Standards are not applicable to the Company,

- i. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; - The Company is not registered as Registrar to an Issue & Share Transfer Agent. However, the Company has appointed Satellite Corporate Services Private Limited as Registrar & Share Transfer Agent in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- ii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- iii. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- iv. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- v. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- vi. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; and

- vii. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment and External Commercial Borrowings.

We further report that -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 2013 and rules made thereunder.

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

All decisions of the Board and Committees were carried with requisite majority.

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:-

- The Members of the Company has approved Increase in Authorised Capital of the Company 7,00,00,000/- (Rupees Seven Crore only) divided into 70,00,000 (Seventy lakh) Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 21,00,00,000/- (Rupees Twenty One Crore only) divided into 2,10,00,000 (Two Crore Ten lakh) Equity Shares of Rs. 10/- (Rupees Ten only) each, by way of creation of an additional 1,40,00,000 (One Crore Forty lakh) Equity Shares of Rs. 10/- (Rupees Ten only) each ranking *pari passu* in all respect with existing equity shares of the company, aggregating to Rs. 14,00,00,000/ (Rupees Fourteen Crore only) in the Extra-Ordinary General Meeting held on Friday, February 5, 2021.
- The Board of Directors in their Meeting held on February 19, 2021 approved allotment of 13967700 (One Crore Thirty Nine Lakh Sixty Seven Thousand Seven Hundred) Equity Shares of Rs. 10 (Rupees ten each) Bonus Equity Shares in the Ratio of 2:1 i.e 2 (TWO) Bonus Equity Shares of Rs. 10/- Each for Every 1(One) Fully paid up Equity Shares of Rs. 10/- Each held as on Record Date i.e 18th February, 2021.

For SCS and Co. LLP
Company Secretaries
ICSI Unique Code:-L2020GJ008700

SD/-
Anjali Sangtani
Partner

Place: Ahmedabad
Date: September 2, 2021

ACS No.: 41942 C P No.: 23630
UDIN: A041942C000879416

Note: This Report is to be read with **Annexure - I** and our letter of even date which is annexed as **Annexure – II** and both Annexures form integral part of this report.

Annexure - I**List of major Specific and General Acts/Rules applicable to the Company**

- i. The Textile Committee Act, 1963 (the "Committee")
- ii. The Textiles Committee (Cess) Rules, 1975
- iii. The Gujarat Textile Policy, 2012
- iv. The Cotton Control Order, 1986 ("Cotton Order")
- v. Textile (Development and Regulation) Order, 2001 ("Textile Order")
- vi. Textiles (Consumer Protection) Regulations, 1988
- vii. The Indian Boilers Act 1923
- viii. The Employees' State Insurance Act, 1948
- ix. The Child Labor Law (Prohibition & Regulation) Act, 1986
- x. The Equal Remuneration Act, 1976
- xi. The Industrial Disputes Act, 1947
- xii. The Industrial Employment (Standing Orders) Act, 1946
- xiii. The Labor Laws (Exemption from furnishing returns and maintaining registers by certain establishments) Act, 1988
- xiv. The Maternity Benefit Act, 1961
- xv. The Minimum Wages Act, 1948
- xvi. The Payment of Bonus Act, 1965
- xvii. The Payment of Wages Act, 1936
- xviii. The Employers Liability Act, 1938
- xix. The Factories Act , 1948
- xx. The Personal Injuries (Compensation Insurance) Act, 1963
- xxi. The Personal Injuries (Emergency provisions) Act, 1962
- xxii. The Trade Unions Act, 1926
- xxiii. The Workmen's Compensation Act, 1923
- xxiv. The Competition Act, 2002
- xxv. The Negotiable Instruments Act, 1881
- xxvi. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Rederessal) Act, 2013
- xxvii. The Water (Prevention and Control of Pollution) Act, 1974
- xxviii. The Air (Prevention and Control of Pollution) Act, 1981
- xxix. The Income Tax Act, 1961
- xxx. The Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made there under

Annexure - II

To,
The Members,
United Polyfab Gujarat Limited
Survey No. 238, 239 Shahwadi,
Opp. New Aarvee Denim, Narol – Surkhej Highway,
Ahmedabad – 382 405

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

1. Maintenance of secretarial records is the responsibility of the management of 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 secretarial records. The verification was done on test basis, on the records and documents provided by the Management of the Company, to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices followed by us provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedures on test basis.
5. Wherever required, We have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For SCS and Co. LLP
Company Secretaries
ICSI Unique Code:-L2020GJ008700

SD/-
Anjali Sangtani
Partner

Place: Ahmedabad
Date: September 2, 2021

ACS No.: 41942 C P No.: 23630
UDIN: A041942C000879416

Independent Auditors' Report

To the Members of
M/S. UNITED POLYFAB GUJARAT LIMITED

Report on the Standalone Financial Statements**Opinion**

We have audited the accompanying standalone financial statements of **M/S. UNITED POLYFAB GUJARAT LTD.** ("the Company"), which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2021 and its profit and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Responsibility of Management for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies; making judgements and estimates that are responsible 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 Financial Statement

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.

A further description of the auditor's responsibilities for the audit of the financial statements is included in Annexure A. This description forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B, 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 purpose of our audit.

- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c) The balance sheet, the statement of profit and loss and the cash flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the companies (Accounts) Rules, 2014;
- e) On the basis of written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act; and
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company does not have any pending litigations for which provision have not been made which would impact its financial position.
 - ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any.
 - iii) The Provisions of transfer of funds to Investor Education and Protection Fund not applicable to the Company.

As per our Report of Even Date For and on Behalf of
For, Rajiv Shah & Associates
Chartered Accountants
Firm Regn. No. 108454W

Place : Ahmedabad
Date : 28/06/2021

(CA. Rajiv C Shah) Partner
M. No. 043261
UDIN : 21043261AAAAEV8660

**Annexure “A” to the Independent Auditor’s Report
Responsibilities for Audit of Financial Statement**

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 internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

**As per our Report of Even Date For and on Behalf of
For, Rajiv Shah & Associates
Chartered Accountants
Firm Regn. No. 108454W**

**Place : Ahmedabad
Date : 28/06/2021**

**(CA. Rajiv C Shah)Partner
M. No. 043261
UDIN : 21043261AAAAEV8660**

Annexure “B” to the Independent Auditor’s Report

The Annexure referred to in our Independent Auditor’s Report to the members of the Company on the financial statements for the year ended 31 March 2021, we report that;

- (i) In respect of Fixed Assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) As per the information and explanations given to us, all the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) In respect of Inventory:
 - (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable. As informed to us there were no material discrepancies noticed on verification between the physical stocks and the book records and any discrepancies found has been properly dealt within the books of accounts.
- (iii) In respect of the loans, secured or unsecured, granted by the company to companies, firms or other parties covered in the register maintained u/s. 189 of the Companies Act, 2013:
 - (a) During the year under audit, the Company has not granted any loans, secured or unsecured, to the companies, firms and other parties covered in the register maintained under section 189 of the Companies Act, 2013 hence clause 3 (iii) (a), (iii) (b) and (iii) (c) of the Companies (Auditor’s Report) Order, 2021 are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) According to the information and explanation given to us, the company has not accepted any deposit from the public during the year. Therefore the provisions of clause (v) of paragraph 3 of the order are not applicable to the company.
- (vi) The central government has prescribed maintenance of cost records under section 148(1)(d) of the companies act 2013 in respect of certain manufacturing activities of the company. Company has obtained cost audit report for the F.Y. 2019-20 during the year. We have broadly reviewed the accounts and records of the company in this connection and are of the opinion, that prima facie, the prescribed accounts and records have been made and maintained. We have not, however carried out detailed examination of the same.
- (vii)
 - (a) The company is generally regular in depositing the undisputed statutory dues including Income Tax, Goods & Service Tax, Custom Duty, Excise Duty, Service Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of afore mentioned dues were outstanding as at 31st March 2021 for a period of more than six months from the date they became payable. As per information available company has not yet made application for registration for Provident fund and ESI.
 - (b) According to the information and explanations given to us, there are no material dues of Income Tax, Goods & Service Tax, Custom Duty, Excise Duty, Service Tax, Cess and any other statutory dues which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions or banks. As there are no debentures, the question of repayment does not arise.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and in our opinion and according to the information and explanations given to us, the Term loans have been applied for the purpose for which they were obtained.
- (x) According to the information and explanation given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**As per our Report of Even Date For and on Behalf of
For, Rajiv Shah & Associates
Chartered Accountants
Firm Regn. No. 108454W**

**Place : Ahmedabad
Date : 28/06/2021**

**(CA. Rajiv C Shah)Partner
M. No. 043261
UDIN : 21043261AAAAEV8660**

Annexure “C” to the Auditors’ Report**Report on the Internal Financial Controls 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 **M/S. UNITED POLYFAB GUJARAT LTD.** (‘the Company’), as of 31 March, 2021, in conjunction with our audit of the standalone financial statements of the Company for the year ended that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibility 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 the 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.

Auditor’s 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 of Accounting, 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, 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 were 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 the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, 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 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

As per our Report of Even Date For and on Behalf of
For, Rajiv Shah & Associates
Chartered Accountants
Firm Regn. No. 108454W

Place : Ahmedabad
Date : 28/06/2021

(CA. Rajiv C Shah) Partner
M. No. 043261
UDIN : 21043261AAAAEV8660

SIGNIFICANT ACCOUNTING POLICIES

Accounting Convention

The financial statement are prepared under the historical cost convention on the "Accrual Concept" of accountancy in accordance with the accounting principles generally accepted in India and comply with the accounting standards issued by the institute of Chartered Accountants of India to the extent applicable and with the relevant provisions of the Companies Act, 2013.

Use of Estimates

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

Fixed Assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises of all expenses incurred to bring the assets to its present location and condition. Borrowing cost directly attributable to the acquisition / construction are included in the cost of fixed assets. Adjustments arising from exchange rate variations attributable to the fixed assets are capitalized.

In case of new projects / expansion of existing projects, expenditure incurred during construction / preoperative period including interest and finance charge on specific / general purpose loans, prior to commencement of commercial production are capitalized. The same are allocated to the respective fixed assets on completion of construction / erection of the capital project / fixed assets.

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

Impairment of Assets

At each balance sheet date, the Company reviews the carrying amount of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the assets and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the assets.

Depreciation

All fixed assets, except capital work in progress, are depreciated on a Straight Line Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to / deletions from fixed assets made during the period is provided on pro-rata basis from / up to the date of such addition / deletion as the case may be.

Investments

Long term investments are stated at cost. Current investments are stated at lower of cost and market price. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary in the opinion of the management.

Inventories

Inventories are measured at lower of cost and net realizable value. Cost of raw materials, stores & spares parts are ascertained on FIFO basis. Cost of finished goods and process stock is ascertained on full absorption cost basis. Cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing in them to their present location & condition.

Revenue Recognition

Sales are recognized when goods are supplied. Sales are net of trade discounts, rebates and applicable taxes. It does not include interdivisional sales.

Revenue in respect of other items is recognized when no significant uncertainty as to its determination or realization exists.

Borrowing Cost

Borrowing cost that is attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying assets is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

Employee Benefits

Short – term employee benefits are recognized as an expense at the undiscounted amount in the profit & loss account of the year in which the related service is rendered.

Post employment and other long term employee benefits are recognized as an expense in the profit & loss account for the year in which the liabilities are crystallized

Taxes on Income.

Income tax expenses for the year comprises of current tax and deferred tax. Current tax provision is determined on the basis of taxable income computed as per the provisions of the Income Tax Act. Deferred tax is recognized for all timing differences that are capable of reversal in one or more subsequent periods subject to conditions of prudence and by applying tax rates that have been substantively enacted by the balance sheet date.

Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

Contingent liabilities are not recognized but are disclosed in the notes.

Contingent assets are neither recognized nor disclosed in the financial statements.

As per our Report of Even Date For and on Behalf of
For, Rajiv Shah & Associates
Chartered Accountants
Firm Regn. No. 108454W

Place : Ahmedabad
Date : 28/06/2021

(CA. Rajiv C Shah)Partner
M. No. 043261
UDIN : 21043261AAAAEV8660

BALANCE SHEET AS AT 31ST MARCH, 2021
(Amount in Rs.)

Particulars	Note No.	As at 31 March, 2021	As at 31 March, 2020
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	1	20,95,15,500	6,98,38,500
(b) Reserves and surplus	2	25,52,27,043	38,94,70,228
(c) Money received against share warrants		46,47,42,543	45,93,08,728
Share application money pending allotment		-	-
Non-current liabilities			
(a) Long-term borrowings	3	87,14,93,177	79,71,77,892
(b) Deferred tax liabilities (net)		2,43,34,787	1,13,83,080
(c) Other long-term liabilities	4	19,81,86,026	24,51,95,342
(d) Long-term provisions		-	-
Current liabilities			
(a) Short-term borrowings	5	1,09,40,13,991	1,05,37,56,314
(b) Trade payables		42,232	4,04,98,116
(A) Total outstanding dues of MSME		-	-
(B) Total outstanding dues of creditors other than MSME	6	8,54,45,010	14,31,12,551
(c) Other current liabilities	7	5,81,50,567	20,33,60,076
(d) Short-term provisions	8	36,72,240	68,60,000
TOTAL		1,70,60,66,583	1,90,68,95,785
ASSETS			
Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	1,07,92,62,002	1,16,64,96,796
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
		1,07,92,62,002	1,16,64,96,796
(b) Non-current investments		58,81,358	58,81,358
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	10	4,06,91,176	4,81,87,516
(e) Other non-current assets		-	-
		1,12,58,34,536	1,22,05,65,670
Current assets			
(a) Current investments		-	-
(b) Inventories	11	3,05,01,860	5,83,86,547
(c) Trade receivables	12	49,07,65,889	50,99,10,320
(d) Cash and cash equivalents	13	96,89,944	1,92,32,172
(e) Short-term loans and advances	14	4,92,74,354	9,88,01,076
(f) Other current assets		-	-
		58,02,32,047	68,63,30,115
TOTAL		1,70,60,66,583	1,90,68,95,785

See accompanying notes forming part of the financial statements

As per our report of even date

For Rajiv Shah & Associates

Chartered Accountants

Firm Regn. No. 108454W

CA. Rajiv Shah
Partner
M.No. 043261
UDIN-21043261AAAAEV8660
For and on behalf of the Board of Directors
United Polyfab Gujarat Limited
Gagan Mittal
(Managing Director)
(DIN- 00593377)
Ritesh Hada
(Director)
(DIN- 01919749)
Mahesh Gupta
(C.F.O)

Place : Ahmedabad

Date : 28/06/2021

Place : Ahmedabad

Date : 28/06/2021

Statement of Profit & Loss for the Year ended 31 March, 2021

Particulars	Note No.	For the yearended 31 March, 2021 (in Rs.)	For the yearended 31 March, 2020 (in Rs.)
CONTINUING OPERATIONS			
Revenue from operations	15	2,09,78,43,392	2,64,13,78,361
Other income	16	37,97,796	69,65,604
Total revenue		2,10,16,41,188	2,64,83,43,965
Expenses			
(a) Cost of materials consumed	17	1,58,49,85,705	2,02,85,22,731
(b) Purchases of stock-in-trade		15,38,955	4,03,65,359
(c) Changes in inventories of finished goods, work-in-progress and	18	1,95,60,985	3,29,55,776
(d) Employee benefits expense	19	6,70,73,724	8,27,53,937
(e) Finance costs	20	11,36,43,681	6,89,22,112
(f) Depreciation and amortisation expense	9	10,37,90,596	11,13,74,840
(g) Other expenses	21	18,89,89,623	24,23,50,709
Total expenses		2,07,95,83,268	2,60,72,45,464
Profit / (Loss) before exceptional and extraordinary items and tax		2,20,57,920	4,10,98,501
Exceptional items		-	-
Extraordinary items		-	-
Profit / (Loss) before tax		2,20,57,920	4,10,98,501
Tax expense:			
(a) Current tax expense		36,72,240	68,60,000
(b) Deferred tax		1,29,51,707	(3,06,270)
(c) Add/Less : Excess/Short Provision of Income Tax		158	(11,105)
Profit / (Loss) for the year		54,33,815	3,45,55,875
Earnings per equity share of face value of Rs. 10/- each :			
Basic		0.26	1.65
Diluted		0.26	1.65

See accompanying notes forming part of the financial statements

As per our report of even date

For Rajiv Shah & Associates

Chartered Accountants

Firm Regn. No. 108454W

CA. Rajiv Shah)

Partner

M.No. 043261

UDIN-21043261AAAAEV8660

For and on behalf of the Board of Directors

United Polyfab Gujarat Limited

Gagan Mittal

(Managing Director)

(DIN- 00593377)

Ritesh Hada

(Director)

(DIN- 01919749)

Mahesh Gupta

(C.F.O)

Place : Ahmedabad

Date : 28/06/2021

Place : Ahmedabad

Date : 28/06/2021

A. CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31-03-2021

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
Net Profit Before Tax And Extra Ordinary Items	2,20,57,920	15,53,31,407
Adjustment For:		
Depreciation	10,37,90,596	11,13,74,840
Preliminary Expenses	2,50,867	-
Interest Received	(26,69,043)	(32,44,457)
Fees For Increased In Authorised Capital	-	-
Loss On Sale Of Assets	-	4,91,809
Interest Paid	11,36,43,681	6,89,22,112
Operating Profit Before Working Capital Changes	23,70,74,021	33,28,75,711
Trade And Other Receivable	1,91,44,431	(10,68,27,822)
Increase In Long Term Loans And Advances	77,47,207	2,87,46,605
Increase In Short Term Loans And Advances	4,92,75,854	2,98,98,320
Inventories	2,78,84,687	5,69,98,667
Trade Payables	(5,76,67,541)	1,79,76,404
Increase In Current Liabilities	(14,52,09,509)	5,72,06,129
Decrease In Short Term Borrowings	(4,04,55,884)	(9,62,20,633)
Decrease In Short Term Provisions	(31,87,760)	3,60,000
 Cash In Flow From Operations	 9,46,05,506	 32,10,13,381
Cash In Flow Before Extraordinary Items	9,46,05,506	32,10,13,381
Direct Tax Paid	(36,72,398)	(68,48,895)
Extra Ordinary Items (Prior Period Adjustment)		
Net Cash In Flow From Operating Activities	9,09,33,108	31,41,64,486
 B. Cash Out Flow From Investing Activities		
Interest Received	26,69,043	32,44,457
Purchases Of Fixed Assets	(1,65,55,802)	(4,88,90,730)
Sales Of Fixed Assets	-	5,45,70,003
Change In Non Current Investment	-	-
Net Cash Out Flow From Investing Activities	(1,38,86,759)	89,23,730
 C. Cash In Flow From Financing Activities:		
Interest Paid	(11,36,43,681)	(6,89,22,112)
Proceeds Received From New Bond Issued	-	-
Repayment Of Long Term Borrowing	7,43,15,285	(14,71,62,313)
Increase In Unsecured Loans	(4,70,09,316)	(26,17,763)
Fees For Increase In Authorised Share Capital	-	-
Increase In Share Capital	-	-
Net Cash In Flow From Financing Activities	(8,63,37,712)	(21,87,02,189)
Net Increase In Cash And Cash Equivalent	(92,91,363)	10,43,86,027
Net Cash And Cash Equivalent (Opening Cash Balance)	1,92,32,171	2,90,79,051
Net Cash And Cash Equivalent (Closing Cash Balance)	96,89,942	1,92,32,171

AUDITORS REPORT

We have verified the attached Cash Flow Statement of United Polyfab Gujarat Ltd. derived from the audited financial statements and the books of records maintained by the company for the year ended 31st March 2021 and found the same in agreement therewith.

For Rajiv Shah & Associates

Chartered Accountants
Firm Regn. No. 108454W

CA. Rajiv Shah)

Partner

M.No. 043261

UDIN-21043261AAAAEV8660

For and on behalf of the Board of Directors

United Polyfab Gujarat Limited

Gagan Mittal
(Managing Director)
(DIN- 00593377)

Ritesh Hada
(Director)
(DIN- 01919749)

Mahesh Gupta
(C.F.O)

Place : Ahmedabad

Date : 28/06/2021

Place : Ahmedabad

Date : 28/06/2021

Notes forming part of the financial statements:

Note 1: Share capital

Particulars	As at 31 March, 2021		As at 31 March, 2020	
	Number of shares	Rs.	Number of shares	Rs.
(a) Authorised Share Capital:				
Equity shares of Rs.10/- each with voting rights	2,10,00,000	21,00,00,000	70,00,000	7,00,00,000
		21,00,00,000		7,00,00,000
(b) Issued, Subscribed and fully paid up Share Capital:				
Equity shares of Rs.10/- each with voting rights	2,09,51,550	20,95,15,500	69,83,850	6,98,38,500
Total	2,09,51,550	20,95,15,500	69,83,850	6,98,38,500

Notes:

- (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31 March, 2021		As at 31 March, 2020	
	Number of shares	Rs.	Number of shares	Rs.
Equity shares with voting rights				
At the end of the year	2,09,51,550	20,95,15,500	69,83,850	6,98,38,500
	2,09,51,550	20,95,15,500	69,83,850	6,98,38,500
At the beginning of the year	69,83,850	6,98,38,500	69,83,850	6,98,38,500
	69,83,850	6,98,38,500	69,83,850	6,98,38,500

- (ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2021		As at 31 March, 2020	
	Number of sharesheld	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Gagan Mittal	16,33,650	7.80	5,17,550	7.41
Gagan N. Mittal HUF	16,59,000	7.92	5,53,000	7.92
Nirmal Mittal	23,16,000	11.05	7,21,000	10.32
Amrapali Capital and Financial Services Limited	-	-	4,50,000	6.44
Amrapali Fincap Limited	-	-	4,50,000	6.44
Shree Siddhi Infrabuildcon LLP	-	-	4,00,000	5.73
Amay Spincot Pvt Ltd	27,27,000	13.02	7,38,000	10.57
Amaysha Textiles Private Limited	29,43,000	14.05	5,85,000	8.38
Kishan Sohanlal Safaria	-	-	5,02,000	7.19
Others	96,72,900	46.17	20,67,300	29.60
Total	2,09,51,550	100	69,83,850	100

As per records of the company, including its register of share holders/members and other declaration received from the share holders regarding beneficial interest, the above share holding represents both legal and beneficial ownership of shares.

Note 2: Reserves and surplus

Particulars	As at 31 March, 2021	As at 31 March, 2020
(a) Share Premium		
Opening balance	29,68,80,500	29,68,80,500
Add : During the year	(13,96,77,000)	-
	15,72,03,500	29,68,80,500
(b) General Reserve (Shree Ganesh Maharaj)	11	11
	11	11
(c) Surplus in Statement of Profit and Loss		
Opening balance	9,25,89,717	5,80,33,842
Less: Effect of changes made related to Schedule II, Companies Act, 2013.	-	-
Add: Profit for the year	54,33,815	3,45,55,875
	9,80,23,532	9,25,89,717
Total	25,52,27,043	38,94,70,228

Note 3: Long-term borrowings

Particulars	As at 31 March, 2021	As at 31 March, 2020
Secured		
SBI Term Loan (Note-1)	49,91,97,009	55,96,68,883
OBC Term Loan (A/C NO-01207021000296)- (Note-2)	24,57,53,875	24,91,46,632
Indian Bank Term Loan (A/C No. - 6599316349) (Note-3)	13,19,74,613	13,47,42,925
HDFC Bank (Car Loan, secured by hypothecation of car)	59,40,817	23,51,816
Yes Bank (Car Loan, secured by hypothecation of car)	1,01,941	2,72,872
	88,29,68,255	94,61,83,128
Less:-		
Current Maturity of Long term Borrowing	1,14,75,078	14,90,05,236
	-	-
Total	87,14,93,177	79,71,77,892

Repayment
TermsNote-1

- Term Loan from State Bank of India carries interest rate of 2.75% above Base Rate. The loan is Primarily secured by Hypothecation of machineries purchased out of bank finance. Further as a Colateral security Extension of Equitable Mortgage charge over factory land & building situated at survey No. 238 & 239, Shahwadi, Opp. Pirana Octroi Naka, Narol Highway, Ahmedabad which is owned by the M/s United Polyfab Pvt. Ltd. and Extension of charge over Unit- No-A-38 & B-09 On Ground Floor at Sumel Business Park-IV, Ahmedabad and Survey no-372/450 Plot No A-4 Belle View Farms Lapkaman Village Ahmedabad. Further, the loan has been guaranteed by Personal guarantee of Shri Gagan Mittal, Shri Ritesh Hada, Mrs. Shilpa Mittal, Mrs. Neeti Hada and also Corporate Guarantee of M/s United Polyfab Pvt. Ltd.

Note-2

- Term Loan from Oriental Bank of Commerce carries interest rate of 4.35% above Base Rate. The loan is Primarily secured by Hypothecation of entire machineries, Electrical Installations, Furniture & Fixtures, Office Equipments & other Movable Fixed Assets Standing in the Company (Spinning Division-Existing & Future) with State Bank of India. Further as a Equitable Mortgage charge over Factory Land & Building situated at survey No. 188, Village-Tamba, Taluka-Daskroi, Ahmedabad with State Bank of India. Further, the loan has been guaranteed by Personal guarantee of Shri Gagan Mittal, Shri Ritesh Hada, Mrs. Shilpa Mittal, Mrs. Neeti Hada, Mr. Nitesh Hada and also Corporate Guarantee of M/s United Polyfab Pvt. Ltd.

Note-3

- Term Loan from State Bank of India, Oriental Bank of Commerce and Indian Bank carries interest rate of 8.95 %, 11.20% and 11.70% respectively. The loan is primarily secured by Pari passu first charge by way of EM over factory Land and Building located at survey no. 188 (west), village Timba, Mouje Dascroi, Ahmedabad owned by United Techfab Pvt. Ltd. admesuring 15934 sq. mt. and construction thereupon and hypothecation of entire movable fixed assets of spinning division. It is also secured by collateral security as per sanction letter and person guarantee Shri Gagan Mittal, Shri Ritesh Hada, Mrs. Shilpa Mittal, Mrs. Neeti Hada and Mr. Nilesh Hada and also corporate gurantee of M/s United Polyfab Pvt. Ltd. and M/s United Techfab Pvt. Ltd. It is further stated that termloan from Indian Bank received in USD and payment of the same also made in USD only.

Note 4: Other current liabilities

Particulars	As at 31 March,2021	As at 31 March,2020
Directors	70,85,098	84,02,611
Directors's Relative	1,75,54,445	3,50,99,403
Inter Corporate Deposit	17,35,46,483	19,66,93,328
Others	-	50,00,000
Total	19,81,86,026	24,51,95,342

Note 5: Short-Term Borrowings

Particulars	As at 31 March,2021	As at 31 March,2020
From Banks		
Secured Loan		
SBI Cash Credit Ac No-37440324769 (Spinning)	18,914	47,22,375
Indian Bank CC Ac-No-6652533488	23,303	3,04,10,098
OBC Bank Cash Credit Ac No-01204011001851	15	53,65,642
Total	42,232	4,04,98,116

Note 6: Trade Payable

Particulars	As at 31 March,2021	As at 31 March,2020
Total outstanding dues of MSME	-	-
Total outstanding dues of creditors other than MSME	8,54,45,010	14,31,12,551
Total	8,54,45,010	14,31,12,551

Note 7: Other current liabilities

Particulars	As at 31 March, 2021	As at 31 March, 2020
Current Maturities of Long term Borrowing	1,14,75,078	14,90,05,236
Statutory Dues	24,35,458	22,34,566
Payables for Purchase of Fixed Assets	30,13,754	25,04,076
Payables for expenses	4,12,26,277	4,96,16,198
Total	5,81,50,567	20,33,60,076

Note 8: Short-term provisions

Particulars	As at 31 March,2021	As at 31 March,2020
Provision for Income Tax	36,72,240	68,60,000
Total	36,72,240	68,60,000

NOTES "9" OF FIXED ASSETS

(Amount in Rs.)

Sr. No.	Name of the Assets	GROSS BLOCK					DEPRECIATION				NET BLOCK	
		As on 01/04/2020	Addition	Capital Subsidy	Deduction	Total as on 31/03/2021	As on 01/04/2020	For the Year	Adjusted	Total as on 31/03/2021	As on 31/03/2021	As on 31/03/2020
1	Factory Land	62,99,981	-	-	-	62,99,981	-	-	-	-	62,99,981	62,99,981
2	Plant & Machinery	1,15,63,54,449	64,82,566	-	-	1,16,28,37,014	26,27,87,942	9,15,58,601	-	35,43,46,542	80,84,90,472	89,35,66,507
3	Factory Building	23,20,11,672	-	-	-	23,20,11,672	1,70,89,163	73,47,033	-	2,44,36,196	20,75,75,476	21,49,22,509
4	Electric Installation	4,77,08,225	-	-	-	4,77,08,225	61,45,828	30,51,443	-	91,97,271	3,85,10,954	4,15,62,397
5	Air Condition	8,12,714	57,813	-	-	8,70,527	2,09,219	80,339	-	2,89,558	5,80,969	6,03,495
6	CC TV Camera	4,99,234	-	-	-	4,99,234	2,52,269	1,50,174	-	4,02,443	96,791	2,46,965
7	Computer & Printers	3,53,347	42,150	-	-	3,95,497	2,96,879	34,291	-	3,31,170	64,327	56,468
8	Furniture & Fixtures	35,75,558	-	-	-	35,75,558	8,93,919	3,73,358	-	12,67,277	23,08,281	26,81,639
9	Fire Safety System & equipment	7,12,065	-	-	-	7,12,065	1,09,096	45,091	-	1,54,187	5,57,878	6,02,969
10	Water Cooler	2,00,522	-	-	-	2,00,522	1,01,140	38,100	-	1,39,240	61,282	99,382
11	Vehicles	68,45,450	78,87,497	-	-	1,47,32,947	15,03,435	10,69,575	-	25,73,010	1,21,59,937	53,42,015
12	Weight Scale	4,84,192	-	-	-	4,84,192	85,798	30,666	-	1,16,464	3,67,728	3,98,394
13	Office equipment	1,86,187	-	-	-	1,86,187	72,112	11,926	-	84,038	1,02,149	1,14,075
	Total (A)	1,45,60,43,596	1,44,70,025	-	-	1,47,05,13,621	28,95,46,800	10,37,90,596	-	39,33,37,396	1,07,71,76,225	1,16,64,96,796
	Work-in-Progress											
3	Furniture & Fixtures	-	20,85,777	-	-	20,85,777	-	-	-	-	20,85,777	-
	Total (B)	-	20,85,777	-	-	20,85,777	-	-	-	-	20,85,777	-
	Total (A+B)	1,45,60,43,596	1,65,55,802	-	-	1,47,25,99,398	28,95,46,800	10,37,90,596	-	39,33,37,396	1,07,92,62,002	1,16,64,96,796
	Total Previous Year:-	1,54,44,59,893	72,10,50,150	3,13,55,672	70,85,53,793	1,52,56,00,578	15,82,82,791	11,02,52,921	2,69,785	24,15,57,859	1,28,40,42,719	1,38,61,77,102

Note 10: Other Long term Loans & Advances

Particulars	As at 31 March,2021	As at 31 March,2020
Fixed Deposits with State Bank of India held as Security by Govt. Departments & Other Authorities With Accrued Interest	1,29,21,868	1,25,28,626
Fixed Deposits with Oriental Bank of Commerce with Accrued Interest	2,34,15,789	3,22,39,145
Fixed Deposits with Indian Bank	36,32,800	34,19,745
Total	3,99,70,457	4,81,87,516

Note 11: Inventories

(At lower of cost and net realisable value)

Particulars	As at 31 March,2021	As at 31 March,2020
Raw Material	1,14,42,675	1,97,88,316
Store & Spare	3,18,450	1,89,600
Work in Progress	1,01,97,010	1,22,38,377
Finished Goods	62,77,270	2,17,00,250
Cotton Waste (Spinning)	16,04,921	37,01,559
Packing Material	6,61,534	7,68,445
Total	3,05,01,860	5,83,86,547

Note 12: Trade receivables

Particulars	As at 31 March,2021	As at 31 March,2020
Trade receivables outstanding for a period less than six months from the date they were due for payment		
Secured	-	-
Unsecured, considered good	48,59,84,563	50,27,20,227
Doubtful	-	-
	48,59,84,563	50,27,20,227
Less: Provision for doubtful trade receivables	-	-
	48,59,84,563	50,27,20,227
Trade receivables outstanding for a period more than six months from the date they were due for payment		
Other Trade receivables		
Secured	-	-
Unsecured, considered good	47,81,326	71,90,093
Less: Provision for doubtful trade receivables	-	-
	47,81,326	71,90,093
Less: Advance Received from Customer		-
Total	49,07,65,889	50,99,10,320

Note 13: Cash and cash equivalents

Particulars	As at 31 March,2021	As at 31 March,2020
Balance with Banks		
State Bank Of India C.C.AC-6997	95,26,723	1,90,19,295
SBI Current Ac No-31531345930	54,155	72,836
OBC Bank Current A/C-No-01201131006056	66,356	66,356
Indian Bank-Current Ac No-6517861392	14,676	14,770
Cash on Hand	28,032	58,914
Total	96,89,942	1,92,32,171

Note 14: Short-term loans and advances

Particulars	As at 31 March,2021	As at 31 March,2020
Deposit for Land & Building	8,000	16,000
Subsidy Receivable	1,37,821	2,16,39,369
Balance with Statutory / Govt. Authority (TDS)	65,59,030	12,77,659
Other Loans & Advances (Unsecured but considred Good)	4,25,69,504	7,58,68,048
Total	4,92,74,354	9,88,01,076

Note 15: Revenue from operations

Particulars	For the year ended31 March, 2021	For the year ended31 March, 2020
Sale of products:		
(i) Sales (Grey/Dyed) (Net of returns)	15,54,500	4,05,02,658
(ii) Yarn Sales	1,99,59,43,738	2,44,79,64,364
(ii) Cotton Waste Sales	9,87,88,408	13,23,61,664
Total	2,09,62,86,646	2,62,08,28,686
Sale of Services		
(i) Job Sales	15,56,746	2,05,49,675
	15,56,746	2,05,49,675
Total	2,09,78,43,392	2,64,13,78,361

Note 16: Other incomes

Particulars	For the year ended31 March, 2021	For the year ended31 March, 2020
Interest income on:		
(i) Bank Deposites	26,69,043	32,44,457
Rent Income	4,01,220	3,96,946
Speculation Profit	-	11,94,127
VAT Refund	7,27,533	21,30,074
Total	37,97,796	69,65,604

Note 17: Cost of raw material and components consumed

Particulars	For the year ended31 March, 2021	For the year ended31 March, 2020
Inventory at the beginning of the year	1,97,88,316	4,36,36,944
Add: Purchases - Raw Material and Store & Spares	1,57,66,40,064	2,00,46,74,103
Sub-Total	1,59,64,28,380	2,04,83,11,047
Less: Closing stock - Raw Material and Stores & Spares	1,14,42,675	1,97,88,316
Total	1,58,49,85,705	2,02,85,22,731

Note 18: Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended31 March, 2021	For the year ended31 March, 2020
Inventories at the end of the year:		
Finished Goods	62,77,270	2,17,00,250
Work-in-Progress	1,01,97,010	1,22,38,377
Cotton Waste (Spinning)	16,04,921	37,01,559
	1,80,79,201	3,76,40,186
Inventories at the beginning of the year:		
Finished Goods	2,17,00,250	2,98,79,502
Work-in-Progress	1,22,38,377	3,84,76,561
Job Stock (Semi Finished)	-	33,258
Cotton Waste (Spinning)	37,01,559	22,06,641
	3,76,40,186	7,05,95,962
Net (increase) / decrease	1,95,60,985	3,29,55,776

Note 19 Employee Benefit Expenses

Particulars	For the year ended31 March, 2021	For the year ended31 March, 2020
Salary, Wages, Allowances & Bonus	6,23,77,910	7,90,79,487
Staff Welfare	33,18,815	21,74,450
Director Remuneration	13,76,999	15,00,000
Total	6,70,73,724	8,27,53,937

Note 20 Finance Costs

Particulars	For the year ended31 March, 2021	For the year ended31 March, 2020
Bank Charges	54,39,284	34,88,475
Interest Paid (Net of Interest subsidy)	9,64,55,175	4,73,41,566
Interest Expenses	1,13,57,621	1,78,48,362
Interest on Vehicle Loan	3,91,601	2,43,710
Total	11,36,43,681	6,89,22,112

Note 21: Other Expenses

Particulars	For the year ended31 March, 2021	For the year ended31 March, 2020
Other Operating & Manufacturing Expense:		
Cartage Exps.	17,54,772	30,07,766
Drawing & Design Exp	-	5,15,802
Electricity Exps. (Net off Subsidy)	11,92,18,231	16,64,89,974
Insurance Exps.	24,59,007	14,23,510
Loading & Unloading Exps.	2,00,243	3,29,653
Repairs & Maintenance - Machinery	17,54,335	5,51,884
Repairs & Maintenance - Building & Others	33,92,730	25,59,689
Labour / Contractor Charges	4,23,443	34,79,900
Folding, Packing & Testing Charges	2,31,35,507	2,93,82,641
Stores & Spares Consumption	1,29,56,550	1,06,82,850
	16,52,94,818	21,84,23,669
Administrative Expenses		
Audit Fee	2,15,000	1,50,000
Angadia & Courier Exps.	38,248	24,561
Advertisement Exp	12,960	35,690
Commission & Brokerage	1,50,72,834	1,31,94,461
Fire Safety Systems Exp	28,700	8,250
Loss on Sale of Assets	-	4,91,809
Legal Professional & Consultancy Exps	17,10,288	18,35,930
Membership Fees & Subscription	28,000	1,23,266
Office Factory Exps.	4,94,269	2,70,281
Printing & Stationery	1,82,137	2,10,599
Telephone/Mobile/internet Exps.	36,051	55,621
Interest on Late payment to Govt. Authorities	10,50,407	78,171
Rent,Rates & Taxes	7,46,402	11,33,194
Traveling Exps.	5,80,445	4,25,871
Sales Promotion Exp	-	3,71,295
Transporation Exp. for F.G.	23,29,930	43,84,310
Petrol & Diesel Exp	9,18,267	6,31,831
I. P. O. Exp. (W/off)	2,50,868	5,01,735
Round off	-	165
Total	18,89,89,623	24,23,50,709

22	Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure			
23	Balance of Trade Payables, Receivables, Loans and advances, unsecured loans are subject to confirmation.			
24	Value of Import on CIF basis during the year.	Amount in Rs.	Amount in Rs.	
	1) Raw Material	NIL	NIL	
	2) Components & Spare Parts	NIL	NIL	
	3) Capital Goods	NIL	NIL	
25	Expenditure in foreign currency, remittance in foreign currency and earnings in foreign currency during the year	NIL	NIL	
26	Contingent liabilities & Commitments	63,35,657	NIL	
27	Disclosures in respect of related parties as defined in Accounting Standard 18, with whom transactions have taken place during the year are given below:-			
a.	Concern in which directors are interested:	United Polyfab Pvt. Ltd.		
		United Techfab Pvt. Ltd.		
		Vinod Fabrics Pvt. Ltd.		
		Vinod Denim Ltd.		
		United Edu Plus Pvt. Ltd.		
		Karnavati Infracon LLP		
	b.	Directors and their relatives:	Ritesh Hada	
			Gagan N. Mittal	
			Gagan N. Mittal HUF	
			Kamal Kishore Hada & Others HUF	
			Dropadi Kamal Kishore Hada	
			Shilpa G. Mittal	
			Mansi N. Mittal	
			Nirmal Mittal	
			Urmila Mittal	
	Following transactions were carried out with the related parties in the ordinary course of business:			
	Particulars	Associates Companies	Directors' & Relatives	Concerns in which Directors are interested
1	Sales & other Inc.	Nil	-	8,74,53,618
2	Purchase & Other Exps.	Nil	-	12,03,840
3	Remuneration	Nil	24,75,000	-
4	Purchase of Assets	Nil	-	-
5	Deposit Received	Nil	5,00,00,000	-
6	Deposit Paid	Nil	2,66,30,000	16,34,19,473
7	Interest Recd.	Nil	-	-
8	Interest Paid	Nil	38,78,145	46,69,736
9	Rent Paid	Nil	-	6,00,000
10	Investment in Equity	Nil	-	-
11	Balance outstanding Dr./Cr. (Net)	Nil	2,48,34,663	4,13,17,174
	The particulars given above have been identified on the basis of information available with the company.			

28	Break up of expenditure incurred on employess who were in receipt of remuneration aggregating Rs 10200000/- or more for year or Rs. 850000/- or more, where employed for a part of the year. Nil (Previous Year :Nil)		
29	DEFERRED TAX	31 March 2021	31 March 2020
	Major Components of deferred tax are:		
	Deferred Tax Liability	24334787	11383080
	Depreciation		
	Deferred Tax Assets		
	Disallowance under the Income Tax Act, 1961		
	Deferred Tax Liability (Net)	24334787	11383080
30	The Profit and Loss Account includes:		
	Particulars	31 March 2021	31 March 2020
	Audit Fees	1,50,000	75,000
	Tax Audit Fees	30,000	25,000
	Income tax & Other Matter Fees	35,000	50,000
	TOTAL	2,15,000	1,50,000
31	Micro & Small Enterprises Dues		
	As per information given to us there were no amount overdue and remaining outstanding to small scale and /or ancillary Industrial suppliers on account of principal and /or interest as at the close of the year. Based on the information available with company, there are no dues outstanding to Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 for more than 45 days as at March 31, 2020.		
32	Note of Nature of Business : The Company is having two units. In one unit company is carrying the business of manufacturing of Grey Cloth & Job Work. It uses Yarn Cloth as its Raw Material & Manufactures Grey Cloth using that. During the year under consideration all manufacturing activity of unit one is closed and few machinery have been sold and other machinery transfer to unit two. In the second unit company running spinning unit, In that company uses cotton & Manufactured Yarn.		
33	Previous year's figures have been regrouped/rearranged wherever necessary so as to make them comparable with the figures of the current year.		
For Rajiv Shah & Associates		For and on behalf of the Board of Directors	
Chartered Accountants		United Polyfab Gujarat Limited	
Firm Regn. No. 108454W			
CA. Rajiv Shah)		Gagan Mittal	Ritesh Hada
Partner		(Managing Director)	(Director)
M.No. 043261		(DIN- 00593377)	(DIN- 01919749)
UDIN-21043261AAAAEV8660			
		Mahesh Gupta (C.F.O)	
Place : Ahmedabad		Place : Ahmedabad	
Date : 28/06/2021		Date : 28/06/2021	