



# **ANNUAL REPORT**

**2021-22**



**SHANTI SPINTEX LIMITED**





# SHANTI SPINTEX PRIVATE LIMITED

**Regd. Office:** Sub Plot 1, Unit 1, Survey No. 297, Dholi - Integrated Spinning Park Limited, Dholi, Dholka Ahmedabad, – 382 240, Gujarat.  
**CIN:** U17120GJ2010PTC062084 **E-Mail:** [shantispintex10@gmail.com](mailto:shantispintex10@gmail.com)

---

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 12<sup>th</sup> Annual General Meeting of the Members of the Company will be held on Friday, 30<sup>th</sup> September, 2022 at 5.30p.m. at the Registered Office of the Company situated at Sub Plot No. Unit 1, Survey No. 297, Dholi - Integrated Spinning Park Limited, Dholi, Dholka, Ahmedabad – 382 240, Gujarat to transact the following business:

### ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet of the company as at 31<sup>st</sup> March, 2022 and the Reports of the Directors and Auditors there on.
2. To ratify the appointment of Statutory Auditors, for that following resolution will be passed:

“**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, the appointment of Anil S Shah & Co., Chartered Accountants (FRN.: 100474W) be and are hereby ratified for F.Y. 2022-23, who was appointed in previous AGM who hold office up to the conclusion of AGM of the Company to be held in financial year 2025, subject to ratify the appointment in every AGM, on such remuneration and reimbursement of out of pocket expenses, as shall be decided by the Chairman of the Company in consultation with the said Auditors.”

**By Order of the Board of Directors**

**Date: 01.09.2022**  
**Place: Ahmedabad**

**SD/-**  
**BHARATBHUSAN O AGARWAL**  
**Director**  
**(DIN 00302785)**

**SD/-**  
**RIKIN B AGARWAL**  
**Director**  
**(DIN02435645)**

**NOTES:**

1. A member entitled to attend and vote at the annual general meeting of the company is entitled to appoint a proxy to attend and vote on a poll in his/her stead and the proxy need not be a member of the company.
2. Proxies in order to be effective must be received at the Company's Registered Office not less than 48 hours before the commencement of the Meeting. Corporate members intended to send their authorized representatives to attend the meeting are requested to send the company a certified copy of Board Resolution authorizing their authorized representative to attend and vote on their behalf at the meeting.
3. All the relevant documents are open for inspection by the Members of the Company at the Registered Office of the Company during normal business hours on all working days except Sundays and public holidays upto the date of the Annual General Meeting.

## DIRECTORS' REPORT

**To,  
The Members,**

Your Directors take pleasure in presenting the 12<sup>th</sup> Annual Report on the Company's business and operations together with the Audited Financial Statements for the financial year ended on 31<sup>st</sup> March, 2022.

### FINANCIAL REVIEW:

The Company's financial performance in broader terms for the financial year ended 31<sup>st</sup> March, 2022 is summarized below:

PARTICULARS	2021-2022 (Rs. )	2020-2021 (Rs.)
Total revenue	2,55,25,37,778	1,12,93,73,233
Profit (loss) before tax	2,98,86,515	1,86,88,476
Less: tax expenses		
Current tax	31,30,000	-
Deferred tax	45,41,680	48,14,722
Income Tax adjustment of earlier years	-	16,78,878
Profit (loss) for the year	2,22,14,835	1,21,94,876
Earnings Per Share		
1. Basic	3.13	1.72
2. Diluted	3.13	1.72

### Statement of Companies Affairs

During the year under review, total income was Rs. 2,55,25,37,778 /- (previous year Rs 1,12,93,73,233 /- )

Current Tax expenses were Rs. 31,30,000/- (previous year Rs. Nil/- )

The net Profit for the year was 2,22,14,835/- (previous year profit after tax Rs. 1,21,94,876/-)

Your directors assure you that they would grab all business opportunities that could be seized from the market for the overall development of our business and foresee bright prospects of the Company in the years to come.

We seek long-term relationship with clients while addressing their requirements. Our customer centric approach has resulted in high levels of client satisfaction and retention.

### DIVIDEND:

With a view to conserve the present resources for better future of the Company, your Directors are not recommending any dividend for the financial year ended on 31<sup>st</sup> March, 2022.

### SHARE CAPITAL:

At present, the Company has only one class of share i.e. equity shares of par value Rs. 10/- each.

The authorized share capital of the Company is Rs.10,00,00,000 /- divided into 1,00,00,000 equity shares of Rs. 10 each.



The paid up share capital of the Company is Rs. 7,10,00,000/- divided into 71,00,000 equity shares of Rs 10 each.

During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

### **Reserves**

No amount is transferred to the reserves and surplus account for the financial year ended on 31<sup>st</sup> March, 2022.

### **Future outlook**

The economy has signaled for an upward swing. Policy stability and consistency appear to take place in view of government at center with clear mandate. Capital market has also improved substantially, and bullish trend is expected to continue for a long run. Demand from export as well as domestic markets is increasing. But volatility of rupee and crude price may hamper growth.

### **Changes in the nature of business**

There were no major changes in the nature of business during the year.

### **Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future**

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

### **Details of subsidiary/joint ventures/associate companies**

The Company has no any subsidiary/joint ventures/associate companies. Hence, details relating to subsidiary/joint ventures/associate companies are not provided for.

### **Deposits**

The Company has not accepted any deposits from the public during the year under review

### **Extracts of annual return**

An extract of annual return in form MGT-9 is attached herewith.(annexure-1)

### **Energy, technology and foreign exchange**

In accordance with the provisions of section 134(3)(m) of the companies act, 2013 read with rule, 8 of the companies (accounts) rules, 2016, the relevant information pertaining to conservation of energy, technology absorption, foreign exchange earning and outgo are as follows:

#### **(a) Conservation of energy**

Your Company is engaged in manufacturing activities and energy conversion measures are not much affecting the Company. However, an Endeavour has been made to ensure the optimal utilization of energy, avoid wastage and conserve energy.

Steps Taken for Conservation	No Specific measures were taken
Steps taken for utilizing alternate sources of energy	NIL
Capital Investment on energy Conservation Equipments	NIL

**(b) Technology absorption**

There is manufacturing activity in the Company, details are there for technology absorption as follows:

Efforts made for technology absorption	No research and Development was carried out during the year under report
Benefits Derived	NA
Expenditure on R&D , if any	Capital & Reserve Expenditure -- NIL
Details of Technology imported, if any	NA
Year of import	NA
Whether imported technology fully absorbed	NA
Areas where absorption of imported technology has not taken , if any	NA

**(c) Foreign exchange earnings and outgo**

Foreign exchange outgo during the year under review was Rs. Nil P.Y. Rs. Nil/-)  
Foreign Exchange Earnings during the year under review was nil (P.Y. Nil)

**Insurance**

All the Properties of the Company are adequately insured.

**Loans, guarantees or investments**

Details of loans, guarantees and investments, if any covered under the provisions of section 186 of the act are given in the notes to the financial statements.

**Particulars of contracts or arrangements with related parties**

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are materially significant related party transactions made by the Company which may have a potential conflict with the interest of the Company at large and thus disclosure in form Aoc-2 is required.

**Directorate**

During the period under review there was no change in the constitution of Board of Directors.

None of the directors of the Company are disqualified under section 164 of companies act , 2013.

**PARTICULARS OF EMPLOYEES:**

The provisions of Section 197(12) of the Companies Act, 2013 is not applicable to the Company.

**NUMBER OF BOARD MEETINGS:**

09 Board Meetings were held during the Financial Year ended March 31, 2022. The maximum gap between any two Board Meetings was less than one Hundred and Twenty days.

The Date of Board Meeting and their attendance at the Board Meetings are as under:

<b>Sr. No.</b>	<b>Date of Board Meeting</b>	<b>Total Number of directors associated as on the date of meeting</b>	<b>No. of Directors attended</b>
1.)	14-04-2021	2	2
2.)	28-06-2021	2	2
3.)	03-09-2021	2	2
4.)	21-10-2021	2	2
5.)	25-11-2021	2	2
6.)	17-01-2022	2	2
7.)	09-02-2022	2	2
8.)	05-03-2022	2	2
9.)	25-03-2022	2	2

#### **General Meeting**

During the year 01 General meeting has been conducted on 30-11-2021 which was 10<sup>th</sup> Annual General Meeting and total 5 Member were presented during the meeting.

#### **No. Of Employees**

During the year **125** employees except Directors there in the Company.

#### **STATUTORY AUDITORS:**

Pursuant to Section 139 of the Companies Act, 2013, Anil S Shah & Co., Chartered Accountants (FRN.: 100474W), were appointed as the Statutory Auditor of the Company at 10<sup>TH</sup> Annual General Meeting for 5 (five) consecutive years till the conclusion of the Annual General Meeting to be held in Financial Year 2025. The amended provision section 139(1) of the Companies Act, 2013, has dispensed with the ratification of appointment of Statutory auditors each year by the members.

#### **Internal control system and compliance framework**

The Company has an Internal Control System, commensurate with size, scale and complexity of its operations. The internal financial controls are adequate and are operating effectively so as to ensure orderly and efficient conduct of business operations.

Based on the internal control systems and review of operations, the Board undertakes necessary actions in their respective areas.

#### **Risk management policy**

Company has implemented an integrated risk management approach through which it reviews and assesses significant risks on a regular basis to help ensure that there is a system of risk controls and mitigation in place. Management periodically reviews this risk management framework to keep updated and address emerging challenges. Major risks identified for the

Company by the management are currency fluctuation, compliance, regulatory changes, manufacturing & supply, litigation, information technology and new capital investments return. The management is however, of the view that none of the above risks may threaten the existence of the Company as robust risk mitigation mechanism is put in place to ensure that there is nil or minimum impact on the Company in case any of these risks materialize.

### **Cost Auditors**

As per the Cost Audit Orders, Cost Audit is applicable to the Company's products for F.Y. 2021-22, 2022-23. The Company has not appointed any Cost auditor till date.

### **Company's Policy On Directors Appointment And Remuneration Etc. If Required To Constitute Nomination & Remuneration Committee Pursuant To Section 178(1) Of The Act.**

Since the Company being a Private Company need not constitute Nomination & Remuneration committee and accordingly the Company is not required to formulate policy on Directors Appointment and Remuneration.

### **Explanation(S) / Comment(S) On Qualification(S) / Reservation(S) / Adverse Remark(S)/Disclaimer By Statutory Auditor In Their Respective Report**

There is neither any qualification / reservation / adverse remark nor any disclaimer by statutory Auditors in their report and accordingly no explanation / comment is required.

### **Corporate Social Responsibility**

Since the Company does not fall in any of the criteria mentioned in section 135(1) of the Act and rules framed there under, your Company is not required to constitute a Corporate Social Responsibility ("CSR") Committee.

### **Disclosure On Establishment Of A Vigil Mechanism**

Since the Company does not fall in any of the criteria mentioned in Section 177(9) read with rule 7 of the Companies (Meetings of Board & its Power) Rules, 2014, are not applicable to the Company. Your Company believes in promoting a fair, transparent, ethical & professional work environment. The Mechanism is established for Directors and employees to report their concerns before the Board.

### **Disclosures Under Sexual Harassment Of Women At Workplace (Prevention, Prohibition & Redressal) Act, 2013**

The company has not formulated any policy for prevention of sexual harassment in accordance with the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013. However your Company has zero tolerance for sexual harassment at workplace and there was no case filled during the year, under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act) and the Rules framed there under. Further, your Company ensures that there is a healthy and safe atmosphere for every women employee at the workplace.

### **DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(3) (c) and 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

1. that in the preparation of the annual financial statements for the financial year ended 31<sup>st</sup> March, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. they have 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 as at the end of the financial year as on 31<sup>st</sup> March, 2022 and of the profit and loss of the Company for that period;
3. they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. they had prepared the annual financial statements on a going concern basis;
5. the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively; and
6. 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.

**ACKNOWLEDGEMENT:**

Your Directors place on records their gratitude for the contributions made by the employees at all levels for their dedicated services enabling the Company to achieve a satisfactory performance during the year under review.

Your Directors also take this opportunity to place on record the valuable co-operation and continued support extended by the Company's bankers, investors, vendors, dealers and business associates in ensuring an excellent all around operational performance.

**Date: 01.09.2022**  
**Place: Ahmedabad**

**SD/-**  
**BHARATBHUSAN O AGARWAL**  
**Director**  
**(DIN 00302785)**

**SD/-**  
**RIKIN B AGARWAL**  
**Director**  
**(DIN02435645)**

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**as on the financial year ended on 31.03.2022**  
**[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1)**  
**of the Companies (Management and Administration) Rules, 2014]**

**I. REGISTRATION AND OTHER DETAILS**

1.	CIN	U17120GJ2010PTC062084
2.	Registration Date	23.08.2010
3.	Name of the Company	Shanti Spintex Private Limited
4.	Category / Sub-Category of the Company	Limited by Shares/ Non – govt company
5.	Address of the Registered Office and contact details	Sub Plot 1, Unit 1, Survey No. 297, Dholi - Integrated Spinning Park Limited, Dholka, Ahmedabad - 382240. Gujarat Email id :shantispintex10@gmail.com
6.	Whether listed Company	No
7.	Name, Address and Contact details of Registrar & Transfer Agents, if any	Not Applicable

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sr. No.	Name and description of Main Product/Services	NIC Code of the Product/Service	% to total turnover of the Company
1	Manufacturing and selling of Cotton Yarn and Fabrics	13121	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

The Company does not have any holding, subsidiary or associate company.

**IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Share	De-mat	Physical	Total	% of Total Share	
<b>A. Promoters &amp; Promoter Group</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	0	3550000	3550000	50.00	0	3550000	3550000	50.00	0.00

b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A)(1)</b>	<b>0</b>	<b>355000</b>	<b>355000</b>	<b>50.00</b>	<b>0</b>	<b>355000</b>	<b>355000</b>	<b>50.00</b>	<b>0.00</b>
		<b>0</b>	<b>0</b>			<b>0</b>	<b>0</b>		
<b>(2) Foreign</b>	0	0	0	0.00	0	0	0	0.00	0.00
a) NRIs - Individual	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individual	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter (A) = (A)(1) + (A)(2)</b>	<b>0</b>	<b>355000</b>	<b>355000</b>	<b>50.00</b>	<b>0</b>	<b>355000</b>	<b>355000</b>	<b>50.00</b>	<b>0.00</b>
		<b>0</b>	<b>0</b>			<b>0</b>	<b>0</b>		
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>(2) Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	0	2693000	2693000	37.93	0	2693000	2693000	37.93	0.00
ii) Overseas	0	542000	542000	7.63	0	542000	542000	7.63	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0.00	0	0	0	0	0.00
ii) Individual	0	315000	315000	4.44	0	315000	315000	4.44	0.00

shareholders holding nominal share capital in excess of Rs 1 lakh									
c) Others (specify)									
- Other Directors	0	0	0	0.00	0	0	0	0.00	0.00
- Clearing Members	0	0	0	0.00	0	0	0	0.00	0.00
- Foreign National	0	0	0	0.00	0	0	0	0.00	0.00
- Trusts	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B)(2)</b>	<b>0</b>	<b>355000</b>	<b>355000</b>	<b>50</b>	<b>0</b>	<b>355000</b>	<b>355000</b>	<b>50</b>	<b>0.00</b>
		<b>0</b>	<b>0</b>			<b>0</b>	<b>0</b>		
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>0</b>	<b>355000</b>	<b>355000</b>	<b>50</b>	<b>0</b>	<b>355000</b>	<b>355000</b>	<b>50</b>	<b>0.00</b>
		<b>0</b>	<b>0</b>			<b>0</b>	<b>0</b>		
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total (A+B+C)</b>	<b>0</b>	<b>710000</b>	<b>710000</b>	<b>100.0</b>	<b>0</b>	<b>710000</b>	<b>710000</b>	<b>100.00</b>	<b>0.00</b>
		<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>		

**(ii) Shareholding of Promoters and Promoter Group**

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Bharatbhushan O Agarwal	1516900	21.36	0.00	1516900	21.36	0.00	0.00
2	Rikin Agarwal	1514200	21.33	0.00	1514200	21.33	0.00	0.00

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

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	<b>For Each of the Top 10 Shareholders</b>				
1.	Bharatbhushan O. Agarwal				
	At the beginning of the year	1516900	21.36%	1516900	21.36%



	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	-	-	-	-
	At the End of the year (or on the date of separation, if separated during the year)	1516900	21.36%	1516900	21.36%
2.	Rikin B. Agarwal				
	At the beginning of the year	1514200	21.33%	1514200	21.33%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	-	-	-	-
	At the End of the year (or on the date of separation, if separated during the year)	1514200	21.33%	1514200	21.33%
3.	Urmiladevi . B. Agarwal				
	At the beginning of the year	518900	7.31%	518900	7.31%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	-	-	-	-
	At the End of the year (or on the date of separation, if separated during the year)	518900	7.31%	518900	7.31%

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

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Chiripal Exim LLP				
	At the beginning of the year	346000	4.87%	346000	4.87%
	Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	346000	4.87%	346000	4.87%
2.	Kautilya Traders Pvt. Ltd.				
	At the beginning of the year	386000	5.44%	386000	5.44%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	386000	5.44%	386000	5.44%
3.	Drakensburg Investments				
	At the beginning of the year	542000	7.63%	542000	7.63%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	542000	7.63%	542000	7.63%
4.	Shivhari Trading LLP				
	At the beginning of the year	310000	4.37%	310000	4.37%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	310000	4.37%	310000	4.37%

5.	Satrama Trading LLP				
	At the beginning of the year	320000	4.51%	320000	4.51%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	320000	4.51%	320000	4.51%
6.	Rushp Trading LLP				
	At the beginning of the year	1000000	14.08%	1000000	14.08%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	1000000	14.08%	1000000	14.08%
7.	Harianand Trading LLP				
	At the beginning of the year	331000	4.66%	331000	4.66%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	331000	4.66%	331000	4.66%
8.	Rukmani Agarwal				
	At the beginning of the year	215000	3.03%	215000	3.03%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	215000	3.03%	215000	3.03%
9.	Pawankumar Agarwal				
	At the beginning of the year	100000	1.41%	100000	1.41%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	100000	1.41%	100000	1.41%

**(v) Shareholding of Directors and Key Managerial Personnel**

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Mr. Bharatbhusan O Agarwal				
	At the beginning of the year	1516900	21.36%	1516900	21.36%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	1516900	21.36%	1516900	21.36%
2.	Mr. Rikin B. Agrawal				
	At the beginning of the year	1514200	21.33%	1514200	21.33%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	1514200	21.33%	1514200	21.33%

**V. INDEBTEDNESS**

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

Particulars	Principal Outstanding (Amount in Lakhs)	Interest Outstanding
Secured Loans excluding deposits	44,63,64,124.00/-	NIL
Unsecured Loans excluding deposits	4,05,00,000.00/-	
Deposits	NIL	NIL

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The Company has not paid any remuneration to its Director and / or Manager and / or Key Managerial Personnel during the financial year 2021-22

## **VII.PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Neither the Company nor any of its Directors or officers in default was liable for any penalty, punishment or any compounding offences under the Companies Act, 2013, during the financial year 2020-21.

**Date: 01.09.2022**  
**Place: Ahmedabad**

**SD/-**  
**BHARATBHUSAN O AGARWAL**  
**Director**  
**(DIN 00302785)**

**SD/-**  
**RIKIN B AGARWAL**  
**Director**  
**(DIN02435645)**

**FORM NO. AOC -2**

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

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

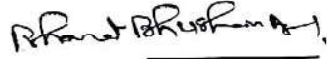
SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

**2. Details of contracts or arrangements or transactions at Arm's length basis.**

SL. No.	Particulars	Details
<b>1.</b>		
a)	Name (s) of the related party & nature of relationship	1. Bharat Bhushan Agarwal --Director
b)	Nature of contracts/arrangements/transaction	Loan Taken
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A.
e)	Date of approval by the Board	17-05-2021
f)	Amount paid as advances, if any	N.A.
<b>SL. No.</b>	<b>Particulars</b>	<b>Details</b>
<b>2.</b>		
	Name (s) of the related party & nature of relationship	2. Rikin Fabrics Private Limited- Director is Director in this Company
	Nature of contracts/arrangements/transaction	Loan given
	Duration of the contracts/arrangements/transaction	
	Salient terms of the contracts or arrangements or	N.A.

	transaction including the value, if any	
	Date of approval by the Board	17-05-2021
	Amount paid as advances, if any	N.A.
<b>SL. No.</b>	<b>Particulars</b>	<b>Details</b>
<b>3.</b>	Name (s) of the related party & nature of relationship	3. Sparsh Fabrics Private Limited- Director is Director in this Company
	Nature of contracts/arrangements/transaction	Sales/ Purchase
	Duration of the contracts/arrangements/transaction	
	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A.
	Date of approval by the Board	17-05-2021
	Amount paid as advances, if any	N.A.

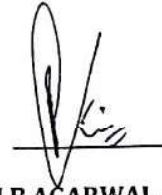
By Order of the Board of Directors



BHARATBHUSAN O AGARWAL

Director

(DIN: 00302785)



RIKIN B AGARWAL

Director

(DIN:02435645)

Date: 01.09.2022

Place: Ahmedabad

**Form No. MGT-8**

*[Pursuant to section 92(2) of the Companies Act, 2013 and rule 11(2) of  
Companies (Management and Administration) Rules, 2014]*

**CERTIFICATE BY A COMPANY SECRETARY IN PRACTICE**

We have examined the registers, records and books and papers of **SHANTI SPINTEX PRIVATE LIMITED - (CIN: U17120GJ2010PTC062084)** (the company) having its Registered Office at Sub Plot 1, Unit 1, Survey No. 297, Dholi – Integrated Spinning Park Limited, Dholi, Dholka Ahmedabad GJ 382240 as required to be maintained under the Companies Act, 2013 (the Act) and the rules made there under for the financial year ended on 31<sup>st</sup> March, 2022.

In our opinion and to the best of my information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that:

A. the Annual Return states the facts as at the close of the aforesaid financial year correctly and adequately.

B. during the aforesaid financial year the Company has complied with provisions of the Act & Rules made there under except the specific paragraph wise observations made in respect of:

1. Its status under the Act;
2. Maintenance of registers/records & making entries therein within the time prescribed thereof;
3. Filing of forms and returns with the Registrar of Companies, Regional Director, Central Government, the Tribunal, Court or other authorities within/beyond the prescribed time; **-The Company is in default to file Annual Fillings Forms for the Annual General Meeting held on 30-11-2021 in prescribed time as mentioned in the Company's Act, 2013. Details are mentioned here in this report at point No.20.**
4. Calling/ convening/ holding meetings of Board of Directors or its committees, if any, and the meetings of the members of the company on due dates as stated in the annual return in respect of which meetings, proper notices were given and the proceedings including the circular resolutions have been properly recorded in the Minute Book/registers maintained for the purpose and the same have been signed;
5. Closure of Register of Members / Security holders, as the case may be;
6. Advances/loans to its directors and/or persons or firms or companies referred in section 185 of the Act;
7. Contracts/arrangements with related parties as specified in section 188 of the Act: **As per information and Explanation provided by management, all the related party transactions entered into during the Financial Year were in ordinary course of business and on arm's length basis.**



8. Issue or allotment or transfer or transmission or buy back of securities/ redemption of preference shares or debentures/ alteration or reduction of share capital/ conversion of shares/ securities and issue of security certificates in all instances;
9. Keeping in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares in compliance with the provisions of the Act;
10. Declaration/ payment of dividend; transfer of unpaid/ unclaimed dividend/other amounts as applicable to the Investor Education and Protection Fund in accordance with section 125 of the Act;
11. Signing of audited financial statement as per the provisions of section 134 of the Act and report of directors is as per sub - sections (3), (4) and (5) thereof, to the extent if possible;
12. Constitution/ appointment/ re-appointments/ retirement/ filling up casual vacancies/ disclosures of the Directors, Key Managerial Personnel and the remuneration paid to them;
13. Ratification of the appointment/reappointment statutory auditors as per the provisions of section 139 of the Act;
14. Approvals required to be taken from the Central Government, Tribunal, Regional Director, Registrar, Court or such other authorities under the various provisions of the Act;
15. Acceptance/ renewal/ repayment of deposits as the case may be;
16. Borrowings from its directors, members, public financial institutions, banks and others and creation/ modification/ satisfaction of charges in that respect, wherever applicable;
17. Loans and investments or guarantees given or providing of securities to other bodies corporate or persons falling under the provisions of section 186 of the Act;
18. Alteration of the provisions of the Memorandum and/ or Articles of Association of the Company: **During the year under review, the company has not altered its MOA/AOA;**
19. **During the year under review, the Company is in default to comply with the provision of Section 148 of the Companies Act, 2013 and Rule 4 of the Companies (Cost Records and Audit) Rules, 2014.**



20. During the year under Review the Company has filled below mentioned forms with ROC through MCA portal with penalty:

Sr. No.	Form ID	SRN	Date of Event	Date of filling with MCA
01	AOC-4-Xbrl	F06714810	30/11/2021	16/06/2022
02	MGT-7	F07098981	30/11/2021	17/06/2022

**Date: 24-11-2022**

**Place: AHMEDABAD**



**For, HDS & Associates  
Practicing Company Secretaries**

**Heti Rehen** Digitally signed by Heti Rehen Gandhi

**Gandhi** Date: 2022.11.24  
**Mrs. Heti Rehen Gandhi** 15:06:57 +05'30'  
**(Proprietor)**

Membership No: F11884

COP No: 17840

PR No: 1507/2021

**UDIN: A047554D002139710**



## INDEPENDENT AUDITORS' REPORT

UDIN :22115801AWVBOW6378

TO,  
**THE MEMBERS OF SHANTI SPINTEX PRIVATE LIMITED**  
Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of **SHANTI SPINTEX PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2022, and the statement of Profit and Loss, Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31/03/2022**, and its Profit and other comprehensive income and 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 there under, 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 on standalone financial statements.

### Emphasis of Matters

We draw attention to Note No.28.2.1 of the Standalone Financial Statement, which describes the management assessment of uncertainties related to COVID-19 pandemic and its consequential impact including the recoverability of assets and operations of the Company.

Our report is not modified in respect of these matters.

### Key Audit Matters

There are no key Audit matter.





**Other Information (or another title if appropriate, such as "Information Other than the Standalone Financial Statements and Auditors' Report Thereon")**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**Responsibility of Management for Financial Statements**

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

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

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





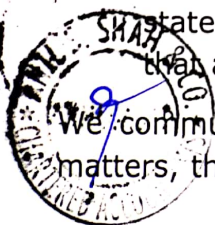
## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings,



including any significant deficiencies in internal control that we identify during our audit.

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

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

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India, in terms of sub section 11 of section 143 of the companies Act, 2013 in Our opinion and according to the information and explanation given to us, the details of the said Order specified in paragraph 3 and 4 of the order are given to the extent applicable in **Annexure A** to this Report.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on **31/03/2022** taken on record by the Board of Directors, none of the directors is disqualified as **31/03/2022** from being appointed as a director in terms of Section 164 (2) of the Act.



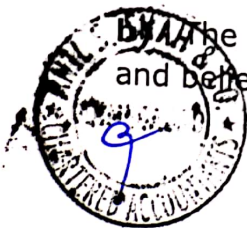
(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give report of the same in **Annexure B** to this Report.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, no remuneration has been paid by the Company to its directors during the year, hence compliance of the provisions of section 197 of the Act. Is not applicable.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund by the Company. The question of delay in transferring such sums does not arise.
- iv. **a)** The management has represented that to the best of its knowledge and belief, no funds have been advanced or loaned invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding. Whether recorded in writing or otherwise. that the intermediary shall :
  - i) Directly or indirectly lend or invest in other persons or entities identified In any manner whatsoever ('Ultimate Beneficiaries') by or on behalf of the Company or
  - ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

**b)** The management has represented that to the best of its knowledge and belief, no



Funds have been received by the Company from any persons or entities including foreign entities (Funding Parties). With the understanding, whether recorded in writing or otherwise that the Company shall:

- i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ('Ultimate Beneficiaries') by or on behalf of the Funding Party or
- ii) Provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries and
- c) Based on such audit procedures as considered reasonable and appropriate in the circumstances. Nothing has come to our notice that has caused us to believe that the representations made in sub clause 4(a) and 4(b) above contain any material misstatement.
- d) According to the information and explanations given to us the Company has not declared or paid dividend during the year.

Date : 01.09.2022  
Place : Ahmedabad



**FOR ANIL S SHAH & CO.**  
**(Chartered Accountants)**  
**F.R.N. : 10047W**

  
**(CA KRUNAL A SHAH)**

**Partner**

**M.No. : 115801**



**Annexure – “A “ to the Independent Auditor’s report on the standalone financial statements of Sterling Greenwoods Limited for the year ended 31<sup>st</sup> March, 2022**

**(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)**

i) (a) (A) The company has maintained proper records showing full particulars including quantitative details and situation of Property, plant and equipment.

(B) According to the information and explanations given to us the Company do not have any Intangible Assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company. In our opinion, this periodicity of physical verification is reasonable having regard to 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 the immovable properties (other than immovable properties where the company is the lessee and the lease agreements are duly executed in favor of lessee) disclosed in the financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property plant and Equipments during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against Company for holding any benami property Transactions Act, 1988 and rules made thereunder.

ii) (a) The inventory has been physically verified by the management during the year. In our opinion the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.

(b) According to the information and explanations given to us on the basis of our examination of the records of the Company. The Company is not in receipt of any working capital loan during the reporting period hence reporting under the said clause is not applicable.

iii) According to the information and explanations given to us and on the basis of our examination of the records of the company. The Company has granted advance amounting to its subsidiary and loan to other parties during the year.

(a) (A) During the year the Company has granted advances to its related party U/S 185 of the Company’s Act amounting to Rs.65,00,000/- (P.Y. Rs.NIL/-) and balance outstanding at the balance sheet date with respect to such advances as on 31<sup>st</sup> March,2022 is Rs.65,00,000/-(P.Y. Rs.NIL/-).

(B) During the year the Company has not granted Loans to other parties and balance outstanding as on 31<sup>st</sup> March,2022 is as follow.

Details of loans and advances of the company during the period under audit :





	Guarantees	Security	Loans	Advance in nature of loans
Aggregate amount granted /provided during the year	0	0	65,00,000/-	0
-Subsidiaries	0	0	0	0
-Joint Ventures	0	0	0	0
-Associates	0	0	65,00,000/-	0
-Others(loans and advances to related parties and staff)	0	0	0	0
Balance Outstanding as at balance sheet date in respect of above cases				
-Subsidiaries	0	0	0	0
-Joint Ventures	0	0	0	0
-Associates	0	0	65,00,000/-	0
-Others-(loans and advances to related parties and staff)	0	0	0	0

(b) According to information and explanations given to us and based on the audit procedures conducted by us. Since the Company has given interest free loan , we are of the opinion that the terms and conditions of the loans given are prima facie, prejudicial to the interest of the Company

(c) According to information and explanations given to us and on the basis of our examination of the records of the Company. In the case of loans and advances given, the repayment of principal and payment of interest has been stipulated on Demand and repayments, since the repayment of loan is not stipulated and also interest free loan given , we are unable to opine whether repayment of loan is regular or not.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, since, since the repayment of loan is not stipulated, we are unable to opine whether there is overdue amount for more than ninety days in respect of loans given.

(e) According to information and explanations given to us and on the basis of our examination of the records of the Company. There is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the overdues of existing loans given to the same party.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company. The Company has given loans either repayable on demand or without specifying any terms or period of repayment.

iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not provided any guarantee or security, however given loans of Rs. 65,00,000/-(P.Y Rs. Nil) as specified under Section 185 of the Companies Act, 2013. Further the Company has complied with the provision of Section 185 of the Companies Act, 2013 in relation to loans given. Further the Company has not provided or any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further the



Company has complied with the provision of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly clause 3(v) of the order is not applicable.

(vi) According to Information and explanations given to us the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the companies Act, 2013 which is applicable on the Company and its business hence this clause is not applicable to the company.

(vii) (a) According to information and explanations given to us and based on our examination of records of the Company has been generally regular in depositing the undisputed statutory dues including Goods and Service Tax, Provident Fund, Investor education fund, employee state insurance income tax and any other material statutory dues applicable to it with the appropriate authorities.

According to information and explanation given to there is no undisputed statutory tax payable outstanding as at March, 2022 for a period of more than Six Months from the date of they become payable.

(b) According to information and explanations given to us there are no dues of Goods and Service Tax, Provident Fund, Investor education fund, employee state insurance income tax and any other material statutory dues which have not been deposited by the Company on account of dispute.

(viii) In our opinion and according to information and explanations given to us and on the basis of our examination of records of the Company. The Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

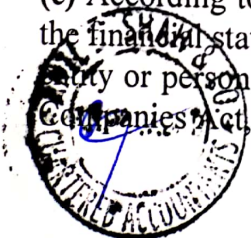
(ix) (a) According to the information and explanations and on the basis of our examination of the records of the Company, the Company has not defaulted from any loans or borrowings from any lender during the year.

(b) According to the information and explanations given to us and on the basis of our examination the records of the Company, the Company has not been declared wilful defaulter by any bank of financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has applied the funds of the term loan for the purpose for which it was obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short term basis by the Company. Accordingly clause 3(ix) (d) of the Order is not applicable.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix) (e) of the order is not applicable.





According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly clause 3(ix) (f) of the Order is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly clause 3(x) (a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly clause 3(x) (b) of the order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering principles of materiality outlined in the Standards on Auditing. We report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under subsection (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have not received any information about Whistle Blower Complaints from the Company.

(xii)(a) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with the related parties are in compliance with the Section 177 and 188 of the Companies Act, 2013 where applicable, and the details of the related party transactions have been disclosed in the Standalone financial statements as required by the applicable Indian Accounting Standards.

(xiv) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the Company's Act 2013.

(xv) In our opinion and according the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xv) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly clause 3(xv) (a) of the order is not applicable.

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

(c) The Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India. Accordingly clause 3(xvi) (c) of the Order is not applicable.



According to the information and explanations provided to us during the course audit, the Group does not have any CIC. Accordingly the requirements of the clause 3(xv) (d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year:

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly clause 3(xviii) of the order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, aging and expected dates of realisation of financial assets and payment of the financial liabilities, other information accompanying the financial statements, our knowledge of the board of directors and managements plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on facts upto the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) According to the information and explanations given to us and based on our examination the Company is not covered under liability of CSR. Accordingly Clause 3(xx) is not applicable to the Company.

Date : 01.09.2022  
Place : Ahmedabad



FOR ANIL S SHAH & CO.  
(Chartered Accountants)  
F.R.N. : 100474W

  
(CA KRUNAL A SHAH)

Partner

M.No. : 115801



**To the Independent Auditors' Report to the members of SHANTI SPIN TEX PRIVATE LIMITED for the year ended 31<sup>st</sup> March, 2022 on the financial statements**

( Referred to in paragraph 2(F) under ' Report on Other Legal and Regulatory Requirements ' section of our report of even date)

**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 standalone financial reporting of SHANTI SPIN TEX PRIVATE LIMITED Sterling Greenwood Limited as at 31st March, 2022 in conjunction with our audit of financial statements of the Company for the year ended on 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 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

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

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

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

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

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance

with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

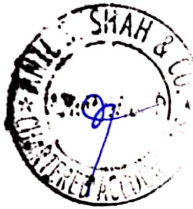
#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

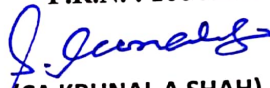
#### **Opinion**

In our opinion, 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 31st March 2022, 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.

Date : 01.09.2022  
Place : Ahmedabad



**FOR ANIL S SHAH & CO.**  
(Chartered Accountants)  
F.R.N. : 100474W

  
(CA KRUNAL A SHAH)

Partner

M.No. : 115801



# SHANTI SPINTEX PRIVATE LIMITED

Sub Plot 1, Unit 1, Survey No. 297, Dholi Integrated Spinning Park Limited, Dholi, Dholka Ahmedabad -382240, Gujarat

CIN: U17120GJ2010PTC062084  
BALANCE SHEET AS ON 31-03-2022

Particulars		Note No.	As at 31-03-2022	Amount in ₹ Lakhs As at 31-03-2021
A	<b>EQUITY AND LIABILITIES</b>			
1	<b>Shareholders' Funds</b>			
(a)	Share Capital	3	71,000,000	71,000,000
(b)	Reserves and Surplus	4	316,072,027	293,857,192
(c)	Money received against share warrants			
2	Share application money pending allotment		-	-
3	<b>Non-Current Liabilities</b>			
(a)	Long-Term Borrowings	5	393,738,200	342,944,601
(b)	Deferred tax liabilities (net)		-	-
(c)	Other Long-Term Liabilities	6	12,155,357	9,576,090
(d)	Long-term provisions	7	-	-
4	<b>Current Liabilities</b>			
(a)	Short-Term Borrowings	8	93,125,924	88,090,572
(b)	Trade Payables	9	330,065,632	276,054,914
	(i) Total outstanding dues of micro enterprises and small enterprises			
	(ii) Total outstanding dues of Creditors other than micro enterprises and small enterprises			
(c)	Other Current Liabilities	10	637,771	1,129,898
(d)	Short-term provisions	11	9,995,999	6,290,446
TOTAL			1,226,790,910	1,088,943,713
B	<b>ASSETS</b>			
1	<b>Non-Current Assets</b>			
(a)	Property, Plant & Equipment and Intangible assets			
	(i) Property, Plant & Equipment	12	405,980,412	473,467,837
	(ii) Intangible Assets		-	-
	(iii) Capital Work in Progress	12(a)	2,711,839	-
	(iv) Intangible assets under development			
(b)	Non-Current Investments	13	20,000,000	20,000,000
(c)	Deferred Tax Assets (net)	14	(1,197,337)	3,344,344
(d)	Long-Term Loans and Advances	15	114,776,316	1,550,000
(e)	Other non-current assets	16	18,680,278	13,774,466
2	<b>Current Assets</b>			
(a)	Current investments		-	-
(b)	Inventories	18	68,882,262	32,134,129
(c)	Trade Receivables	19	501,035,296	367,645,145
(d)	Cash and Bank Balances	20	31,380,544	59,465,016
(e)	Short-Term Loans and Advances	21	63,904,569	116,749,340
(f)	Other current assets	22	636,731	813,440
TOTAL			1,226,790,909	1,088,943,717

The notes referred to above are an integral part of Balance Sheet  
Significant Accounting Policies and Notes on Accounts as Note "1"

As per our report of even date,  
UDIN:22115801AWVBOW6378  
For M/s ANIL SHAH & CO.  
Chartered Accountants  
FRN : 100474W

Krunal A. Shah  
Partner  
Membership No : 115801  
Place : Ahmedabad  
Date:01.09.2022



For and on behalf of the Board

Bharat Bhushan Agarwal  
Director  
DIN: 302785

Rishi Agarwal  
Director  
DIN: 2435645



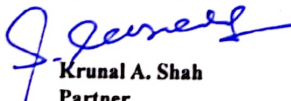
**SHANTI SPINTEX PRIVATE LIMITED**  
Sub Plot 1. Unit 1, Survey No. 297, Dholi Integrated Spinning Park Limited, Dholi, Dholka Ahmedabad -382240,  
Gujarat

CIN: U17120GJ2010PTC062084  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDING 31-03-2022**

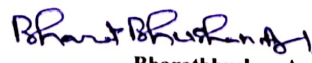
Particulars	Note No.	As at 31-03-2022	Amount in ₹ Lakhs As at 31-03-2021
<b>A CONTINUING OPERATIONS</b>			
1 Revenue from Operations	23	2,549,094,018	1,128,007,050
2 Other Income	24	3,443,760	1,366,183
<b>Total Income</b>		<b>2,552,537,778</b>	<b>1,129,373,233</b>
<b>3 Expenses</b>			
(a) Cost of materials consumed	25	2,394,897,318	855,091,445
(b) Purchases of Stock-in-trade	26	-	119,503,608
(c) Changes in inventories of finished goods, work-in-progress and stock in trade		-	-
(d) Employee Benefits Expense	27	21,501,299	19,769,096
(e) Finance Costs	28	23,803,621	26,577,624
(f) Depreciation & Amortisation Expense	12	67,525,427	67,548,084
(g) Other Expenses	29	14,923,598	22,194,900
<b>Total Expenses</b>		<b>2,522,651,263</b>	<b>1,110,684,757</b>
4 Profit / (Loss) before exceptional and extraordinary items & tax		29,886,515	18,688,476
5 Exceptional Items		-	-
6 Profit / (Loss) before extraordinary items & tax		29,886,515	18,688,476
7 Extraordinary Items		-	-
8 Profit / (Loss) before tax		29,886,515	18,688,476
9 Tax Expense :			
Current Tax		3,130,000	-
Deferred Tax		4,541,680	4,814,722
Earlier Years		-	1,678,878
Net Tax Expense		7,671,680	6,493,600
<b>10 Profit/ (Loss) from continuing operations for the Year</b>		<b>22,214,835</b>	<b>12,194,876</b>
Profit/(loss) from discontinuing operations		-	-
Tax expense of discontinuing operations		-	-
Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
Profit/ (Loss) after tax (XI + XIV)		<b>22,214,835</b>	<b>12,194,876</b>
<b>Earnings Per Equity Share (F. V. of ₹ 10/- each) :</b>	32		
Basic and Diluted (in ₹)		3.13	1.72

The notes referred to above are an integral part of statement of Profit & Loss  
Significant Accounting Policies and Notes on Accounts as Note "1"

As per our report of even date,  
UDIN:22115801AWVBOW6378  
For M/s ANIL SHAH & CO.  
Chartered Accountants  
FRN : 100474W.

  
Krunal A. Shah  
Partner  
Membership No : 115801  
Place : Ahmedabad  
Date:01.09.2022



  
Bharatbhushan Agarwal  
Director  
DIN: 302785

  
Rikin Agarwal  
Director  
DIN: 2435645

**SHANTI SPINTEX PRIVATE LIMITED**

Sub Plot 1. Unit 1, Survey No. 297, Dholi Integrated Spinning Park Limited, Dholi, Dholka Ahmedabad -382240,  
Gujarat  
U17120GJ2010PTC062084

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2022**

Particulars	Note No.	Amount in ₹ Lakhs	
		As at 31-03-2022	As at 31-03-2021
<b>A. Cash Flow from Operating Activities</b>			
Net Profit After Tax		22,214,835	12,194,876
Adjustments for :			
Depreciation and amortisation expense		67,525,427	67,548,084
Interest expenses		23,803,621	26,577,624
Interest and other income on investments		(507,681)	(591,274)
Deffered tax Asset/ Liabilities		4,541,680	4,814,722
Operating Profit Before Working Capital Changes		117,577,883	110,544,032
Changes in Working Capital :			
(Increase)/ Decrease in Inventories		(36,748,133)	15,590,058
(Increase)/ Decrease in Trade Receivables		(133,390,151)	(118,317,730)
(Increase)/ Decrease in Advances		52,844,771	(9,249,845)
Increase / (Decrease) in Trade Payables		54,010,718	17,053,496
Increase / (Decrease) in Short Term Provisions		3,705,553	3,927,214
Increase / (Decrease) in Other Current Liabilities		(492,127)	200,493
(Increase) / Decrease in Other Current Assets		176,709	646,242
(Increase) / Decrease in Other Non- Current Assets		(4,905,812)	13,314,957
Increase / (Decrease) in Short Term Borrowings		5,035,352	5,576,448
Increase / (Decrease) in Other Long Term Liabilities		2,579,267	(2,044,216)
		(57,183,853)	(73,302,883)
Net Cash flow from / (used in) Operating Activities		60,394,030	37,241,149
<b>B. Cash Flow from Investing Activities</b>			
Purchases of Tangible Assets		(2,749,839)	(44,200)
Interest Received		507,681	591,274
Net Cash from / (used in) Investing Activities		(2,242,158)	547,074
<b>C. Cash Flow from Financing Activities</b>			
Increase in Long Term Borrowings		50,793,599	32,323,765
Increase in Long Term Loans and Advances		(113,226,316)	(200,000)
Interest expenses		(23,803,621)	(26,577,624)
Net Cash from / (used in) Financing Activities		(86,236,338)	5,546,141
Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)		(28,084,467)	43,334,364
Cash & Cash Equivalents at beginning of the year	14	59,465,016	16,130,652
Cash & Cash Equivalents at end of the year	14	31,380,549	59,465,016

As per our report of even date annexed

For and on behalf of the Board

For M/s ANIL SHAH & CO.  
Chartered Accountants  
FRN : 100474W

*Krunal A. Shah*  
Krunal A. Shah  
Partner

Membership No : 115801



Place : Ahmedabad  
Date:01.09.2022

*Bharat Bhushan Agarwal*

Bharatbhushan Agarwal  
Director

DIN: 302785

*Rikin Agarwal*  
Rikin Agarwal  
Director

DIN: 2435645

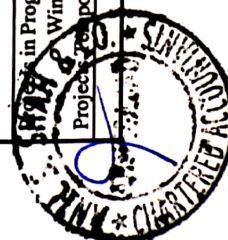




Particulars	Gross block				Depreciation		Net block	
	As at	Additions	Deletions/adjustments	As at	Additions	Deletions/adjustments	As at	As at
	01-04-2021			31-03-2022	01-04-2021		31-03-2022	31-03-2021
<b>PHASE I</b>								
Leasehold Land	21,650,000	38,000		21,688,000				
Computer Equipments	150,257			150,257	218,687		20,375,279	20,555,966
Air Compressor Machine	6,511,582			6,511,582			47	47
Air Jet Looms	243,596,168			243,596,168	618,600		3,125,381	3,743,981
Electrical Cabling & Other Electrification	19,283,651			19,283,651	23,141,636		116,964,101	140,105,737
H Plant	12,579,342			12,579,342	1,333,598		9,977,927	11,511,525
OHTC	1,357,426			1,357,426	1,227,990		5,941,414	7,169,404
Profile Reeds	1,357,833			1,357,833	128,956		705,899	780,483
Stores & Spares parts of Plant & Machinery	13,165,304			13,165,304	128,994		686,136	800,691
Todo Warp Typing Machine	5,259,997			5,259,997	1,250,704		6,338,462	7,589,166
Transformers	1,662,819			1,662,819	499,700		2,735,344	3,024,353
Office Equipment	278,611			278,611	157,968		864,712	956,075
Furniture & Fixtures	324,358			324,358	47,933		127,544	151,067
Factory Building	48,642,340			48,642,340	30,664		166,030	199,000
<b>PHASE II</b>								
Computer Equipments	127,801			127,801				
Air Compressor Machine	20,859,802			20,859,802	1,981,681		6,391	6,391
Air Jet Looms	233,375,679			233,375,679	22,170,690		8,589,094	14,252,389
H Plant	7,911,425			7,911,425	751,585		96,051,750	137,323,929
Stores & Spares parts of Plant & Machinery	16,971,854			16,971,854	2,505,971		4,653,869	5,405,454
Todo Warp Typing Machine	3,352,530			3,352,530	5,211,711		6,763,669	10,208,185
Tudo Typing Machine	3,917,412			3,917,412	1,061,926		1,380,416	1,760,143
OHTC	1,223,269			1,223,269	372,154		1,613,008	2,290,604
Electrical Cabling & Other Electrification	13,931,390			13,931,390	77,433		331,594	891,675
Furniture & Fixtures	71,800			71,800	26,836		8,357,268	9,680,750
Vehicles	7,174,698			7,174,698	6,821		33,637	38,143
Factory Building	49,302,131			49,302,131	831,939		3,218,431	4,788,206
Utilities	2,951,056			2,951,056	4,683,731		19,932,195	29,369,936
<b>Sub Total (a)</b>	<b>736,990,535</b>	<b>38,000</b>	<b>-</b>	<b>737,028,535</b>	<b>67,525,427</b>	<b>-</b>	<b>405,980,412</b>	<b>473,467,538</b>
<b>Figures of previous year</b>								
<b>Particulars</b>	<b>As at</b>	<b>Additions</b>	<b>Deletions/adjustments</b>	<b>As at</b>	<b>Additions</b>	<b>Deletions/adjustments</b>	<b>Net block</b>	<b>Net block</b>
	<b>01-04-2021</b>			<b>31-03-2022</b>	<b>01-04-2021</b>	<b>31-03-2022</b>	<b>As at</b>	<b>As at</b>
							<b>31-03-2022</b>	<b>31-03-2021</b>
Intangible fixed assets								
Software-website								
Other software								
<b>Sub Total (b)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>736,990,535</b>	<b>38,000</b>	<b>-</b>	<b>737,028,535</b>	<b>263,522,698</b>	<b>-</b>	<b>405,980,412</b>	<b>473,467,538</b>
<b>Figures of previous year</b>								

Note No:12.1 CAPITAL WORK IN PROGRESS

Amount in CWIP for a period of - As at 31 March, 2022				
	Less than 1 year	1 - 2 years	2 - 3 years	Total
in Progress				
Windmill				
Project temporarily Suspended	2,711,839.00	-	-	2,711,839.00
	-	-	-	2,711,839.00





# SHANTI SPINTEX PRIVATE LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Amount in ₹ Lakhs

SHARE CAPITAL	As at 31-03-2022		As at 31-03-2021	
	No. of Shares	Amount in ₹ Lakhs	No. of Shares	Amount in ₹ Lakhs
(a) Authorised : Equity Shares of ₹10/- each with voting rights	10,000,000	100,000,000	10,000,000	100,000,000
(b) Issued, Subscribed & Fully paid-up : Equity Shares of ₹10/- each with voting rights	7,100,000 7,100,000	71,000,000 71,000,000	7,100,000 7,100,000	71,000,000 71,000,000

### (a) Terms / Rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. Any shareholder whose name is entered in the Register of Members of the Company shall enjoy the same rights and be subject to the same liabilities as all other shareholders of the same class.

In the event of liquidation of the Company, Equity Shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of the equity shares held by the shareholders.

### (b) Details of Shareholders holding more than 5 % (percent) shares in the Company

	As at 31-03-2022		As at 31-03-2021	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity Shares of ₹ 10 each fully paid-up				
<u>Name of the Shareholders</u>				
1. Bharatbhushan O. Agarwal	1,516,900	21.36%	1,516,900	21.36%
2. Rikin B. Agarwal	1,514,200	21.33%	1,514,200	21.33%
3. Urmiladevi B. Agarwal	518,900	7.31%	518,900	7.31%
4. Kautilya Traders Pvt. Ltd.	386,000	5.44%	386,000	5.44%
5. Rushp Trading LLP	1,000,000	14.08%	1,000,000	14.08%
6. Drakensburg Investment Limited	542,000	7.63%	542,000	7.63%

### (c) Reconciliation of number of shares outstanding is set out below:

	As at 31-03-2022		As at 31-03-2021	
	No. of Shares	Amount in ₹ Lakhs	No. of Shares	Amount in ₹ Lakhs
Equity shares at the beginning of the year	7,100,000	71,000,000	7,100,000	71,000,000
Add: Shares issued during the year	-	-	-	-
Less: Buy Back	-	-	-	-
Equity shares at the end of the year	7,100,000	71,000,000	7,100,000	71,000,000

### (f) Shareholding of Promoters as at 31-03-2022

S. No. Promotor Nmae	No. of Shares	% of total shares	% Change during the year
1 Bharatbhushan O. Agarwal	1,516,900	21.36%	0.00%
2 Rikin B. Agarwal	1,514,200	21.33%	0.00%
3 Urmiladevi B. Agarwal	518,900	7.31%	0.00%
4 Total	3,550,000	50.00%	0.00%

### Shareholding of Promoters as at 31-03-2021

S. No. Promotor Nmae	No. of Shares	% of total shares	% Change during the year
1 Bharatbhushan O. Agarwal	1,516,900	21.36%	0.00%
2 Rikin B. Agarwal	1,514,200	21.33%	0.00%
3 Urmiladevi B. Agarwal	518,900	7.31%	0.00%
4 Total	3,550,000	50.00%	0.00%

As per records of the Company, including its registers of Shareholders / Members and other declarations received from Shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.



# SHANTI SPINTEX PRIVATE LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31-03-2022	As at 31-03-2021
<b>RESERVES AND SURPLUS</b>		
Capital Reserve	45,266,912	45,266,912
Securities Premium Account	210,800,000	210,800,000
	-	-
Surplus in the Statement of Profit and Loss :		
Opening Balance	37,790,280	25,595,404
Add : Profit for the year	22,214,835	12,194,876
Less: Transfer to Reserve	-	-
Closing Balance	60,005,115	37,790,280
	316,072,027	293,857,192

<b>Note : 5 LONG-TERM BORROWINGS</b>	<b>As at 31-03-2022</b>	<b>As at 31-03-2021</b>
Secured:		
Term Loan From Bank Term Loan -1 (Refer Note 7.1)	89,811,869	122,796,321
Term Loan From Bank Term Loan -2 (Refer Note 7.1)	169,532,545	203,301,579
Working Capital Term Loan From GECL (Refer Note 7.1)	58,202,129	71,800,000
Working Capital Term Loan From GECL Extension (Refer Note 7.1)	35,219,973	-
Term Loan From Bank Car Loan (Refer Note 7.1)	2,299,719	2,984,280
Term Loan From Bank -Wind Mill (Refer Note 7.1)	69,797,889	-
	424,864,124	400,882,180
Less: Current Maturities of Term Loan	68,200,004	67,991,659
Less: Current Maturities of GECL	23,940,000	15,960,000
Less: Current Maturities of Car Loan	985,920	985,920
(Refer Note No:8)	331,738,200	315,944,601
Unsecured:		
From Body Corporates	21,500,000	27,000,000
From Directors	40,500,000	-
(interest free loan from body corporate and Director)	393,738,200	342,944,601

### NOTE NO. 7.1

(A) Details of Term Loan and Security Provided

TERMS OF REPAYMENT	Rate of Interest	31-Mar-22	31-Mar-21
<b>Term Loan 1</b> Repayable in Total 27 Quarterly installmennts commencing from April. 2018 and ending on February, 2025.	9.15%	89,811,869	122,796,321
<b>Term Loan 2</b> Repayable in Total 83 Monthly installmennts commencing from February, 2019 and ending on June, 2026.	9.15%	169,532,545	203,301,579
<b>GECL Loan</b> Repayable in Total 36 Monthly installmennts commencing from August, 2021 and ending on July, 2024 after a moratorium period of 12 months from the date of disbursement.	7.40%	58,202,129	71,800,000
<b>GECL Extension Loan</b> Repayable in Total 36 Monthly installmennts commencing from November, 2023 and ending on October, 2026 after a moratorium period of 24 months from the date of disbursement.	7.40%	35,219,973	-
<b>Car Loan</b> Repayable in Total 84 EMI starting after one month of disbursement	8.60%	2,299,719	2,984,280
<b>Term Loan 3</b> Repayable in Total 90 Monthly installmennts commencing from April 2023 and ending on September 2030	9.15%	69,797,889	-

(B)(i) Primary Security with Bank for Term Loan 1, Term Loan 2 and GECL

Hypothecation of Stock & Receivables

\* Hypothecation of Plant & Machinery located at Weaving Unit 1, Survey No. 297, Dholi Integrated Spinning Park Ltd., Dholka, Ahmedabad-382240, Gujarat





# SHANTI SPINTEX PRIVATE LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Amount in ₹ Lakhs

### (ii) Primary Security with Bank for Term Loan 3 (Wind Mill)

Hypothecation of Stock & Receivables

Hypothecation of Plant & Machinery located at Weaving Unit 1, Survey No. 297, Dholi Integrated Spinning Park Ltd., Dholka, Ahmedabad-382240, Gujarat

Hypothecation of Wind Mill and related Plant & Machinery Purchased out of the Bank Finance located at

### (C) Collateral Security with Bank for Term Loan 1, Term Loan 2 and GECL and Term Loan 3(Wind Mill)

(i) Equitable Mortgage over immovable property at Plot No. 544 & 545 admeasuring 644sq. Yards each located at Survey No. 138, Vraj Garden, Nr. 200 Feet Ring Road and Shanti Asiatic School Road, Sanand, Ahmedabad -380058

(ii) Equitable Mortgage over Factory Land and Building (admeasuring 8660.36 sqft. Meteres) at Weaving Unit 1, Survey No. 297, Dholi Integrated Spinning Park, Dholka, Ahmedabad -382240

(iii) Equitable Mortgage over Immovable property (admeasuring 598 sq. mtrs.) at Flat No./ Plot No.: Unit no. 330, Survey No. / House No. Block No. 161, Vraj Garden, Akshat C.J. Society Ltd., behind Applewoods Scheme, Near Sahara City, Ahmedabad -380058

(iv) Pledge of units 741048 of SBI corporate bond fund amounting to Rs. 20000000/- ( Refer Note No. :13)

### (D) Guarantee

Personal Guarantee

(i) Shri Bharatbhushan Agarwal

(ii) Shri Rikin Agarwal

(iii) Shri Vedprakash Chiripal

Corporate Guarantee

(i) M/s. Krishna Traders (Proprietary Firm)

(ii) M/s. Star Traders (Proprietary Firm)

### (E) Primary Security with Bank for Car Loan

Hypothecation of vehicle purchased out of Bank Finance. It is a multi Utility Vehicle.

With Margin 24.89% and personal guarantee of directors.

### Note : 6 OTHER LONG-TERM LIABILITIES

As at 31-03-2022

As at 31-03-2021

Creditors for Capital Goods

Creditors for Goods

12,155,357

12,155,357

-

9,576,090

### Trade Payables ageing schedule as at 31-03-2022

Particulars

Outstanding for following periods from due date of payment

Less than 1

1-2 years

2-3 years

More than 3

Total

(i) MSME

(ii) Others

(iii) Disputed dues- MSME

(iv) Disputed dues - Others

Total

8,145,176

4,010,181

12,155,357

-

-

-

8,145,176

4,010,181

12,155,357

### Trade Payables ageing schedule as at 31-03-2021

Particulars

Outstanding for following periods from due date of payment

Less than 1

1-2 years

2-3 years

More than 3

Total

(i) MSME

(ii) Others

(iii) Disputed dues- MSME

(iv) Disputed dues - Others

Total

-

-

-

-

79,379.00

75,854

9,420,857

9,576,090

-

-

-

79,379.00

75,854.00

9,420,857.00

9,576,090.00

Note No. 6.1 Based on the information available with the company, there are no suppliers who are registered as micro, small or medium enterprises under "The Micro, Small and Medium Enterprises Development Act 2006" as at March 31st 2022 and 2021.

Note No : 6.1 Outstanding Balances are subject to confirmation and reconciliation, if any.



# SHANTI SPINTEX PRIVATE LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Amount in ₹ Lakhs

### Note : 7 LONG-TERM PROVISIONS

As at 31-03-2022	As at 31-03-2021
-	-
-	-

### Note : 8 SHORT-TERM BORROWINGS

	As at 31-03-2022	As at 31-03-2021
(a) Secured Loans :		
Loan repayable on demand from banks	-	-
Current Maturities of long-term borrowings (Refer No Note:3)	93,125,924	88,090,572
(b) Unsecured Loans :		
Loan from Related Parties	-	-
Loan from Body Corporates	-	-
	<u>93,125,924</u>	<u>88,090,572</u>

### Note : 9 TRADE PAYABLES

	As at 31-03-2022	As at 31-03-2021
Total outstanding dues of micro & small enterprises	-	-
Total outstanding dues of creditors other than micro & small enterprises	330,065,632	276,054,914
	<u>330,065,632</u>	<u>276,054,914</u>

#### Trade Payables ageing schedule as at 31-03-2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME					
(ii) Others	330,065,632	-	-	-	330,065,632
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	<u>330,065,632</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>330,065,632</u>

#### Trade Payables ageing schedule as at 31-03-2021

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME					
(ii) Others	276,054,914	-	-	-	276,054,914
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	<u>276,054,914.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>276,054,914.00</u>

Note No.: 9 Based on the information available with the company, there are no suppliers who are registered as micro, small or medium enterprises under "The Micro, Small and Medium Enterprises Development Act 2006" as at March 31st 2022 and 2021.

Note No.: 9.1 Outstanding Balances are subject to confirmation and reconciliation, if any.

### Note : 10 OTHER CURRENT LIABILITIES

	As at 31-03-2022	As at 31-03-2021
Advance from customers	-	100,976
Staff Advance	52,800	367,435
Statutory Liabilities	565,686	661,487
Interest Accrued Receivable -UGVCL deposits	19,285	-
	<u>637,771</u>	<u>1,129,898</u>

### Note : 11 SHORT-TERM PROVISIONS

	As at 31-03-2022	As at 31-03-2021
Provision for Expenses	6,865,999	6,290,446
Provision for Current Tax	3,130,000	-
	<u>9,995,999</u>	<u>6,290,446</u>





# SHANTI SPINTEX PRIVATE LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Amount in ₹ Lakhs

13 NON-CURRENT INVESTMENTS	As at 31-03-2022	As at 31-03-2021
Trade Investments	-	-
Other Investments (at cost)		
In SBI Corporate Fund Bond (Unit 74049.38)	20,000,000	20,000,000
(Market Value as on 31-03-2022 equals to ₹ 267,94,448)		
(P.Y.Rs.25383117/-)	20,000,000	20,000,000
Refer Note N0.7.1 (C) (IV)		
Note : 14 DEFERRED TAX ASSETS	As at 31-03-2022	As at 31-03-2021
Opening Balance	3,344,344	8,159,065
Current Year DTA		
i) Difference in depreciation between Books & Tax return	3,574,970	1,317,352
ii) Due to C/F Business Loss set off against current year profit		(6,132,073)
	6,919,314	3,344,344
Note : 15 LONG-TERM LOANS AND ADVANCES	As at 31-03-2022	As at 31-03-2021
Advances for Goods	1,350,000	1,550,000
Advances to Staff	150,000	-
Advances against Land	3,600,000	-
Integrum Energy Infrastructure Pvt. Ltd.	103,176,316	-
Rikin Fabrics Pvt. Ltd.	6,500,000	-
Realted Party Unsecured		
i) Rikin Fabrics P Ltd(interest free)	114,776,316	1,550,000
Note : 16 OTHER NON-CURRENT ASSETS	As at 31-03-2022	As at 31-03-2021
Security Deposits	70,000	70,000
(Refer Note no 18)		
Deposits with Bank	2,534,940	1,646,224
Long term Trade Receivables		
Secured, considered good	-	-
Unsecured considered good	16,075,338	12,058,242
Doubtful	-	-
	18,680,278	13,774,466

### Trade Receivables ageing schedule as at 31-03-2022

#### Outstanding for following periods from due date of payment

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	-	-	15,523,204	542,019	10,115	16,075,338
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables - considered good	-	-	-	-	-	-
(iv) Disputed trade receivables - considered doubtful	-	-	-	-	-	-
Total	-	-	15,523,204	542,019	10,115	16,075,338

### Trade Receivables ageing schedule as at 31-03-2021

#### Outstanding for following periods from due date of payment

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	-	-	5,588,846	6,469,396	-	12,058,242
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables - considered good	-	-	-	-	-	-
(iv) Disputed trade receivables - considered doubtful	-	-	-	-	-	-
Total	-	-	5,588,846	6,469,396	-	12,058,242





# SHANTI SPINTEX PRIVATE LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Amount in ₹ Lakhs

### Note : 17 CURRENT INVESTMENTS

	As at 31-03-2022	As at 31-03-2021
NIL	-	-

### Note : 18 INVENTORIES

	As at 31-03-2022	As at 31-03-2021
(i) Raw Materials	36,864,340	12,773,529
(ii) Work in Progress	6,725,165	4,695,187
(iii) Finished Goods	-	-
(a) Grey Fabrics	13,656,726	14,268,542
(b) Finished Fabrics	11,636,031	396,871
	68,882,262	32,134,129

### Note : 19 TRADE RECEIVABLES

	As at 31-03-2022	As at 31-03-2021
Secured, considered good	-	-
Unsecured considered good	501,035,296	367,645,145
Doubtful	-	-
	501,035,296	367,645,145

### Trade Receivables ageing schedule as at 31-03-2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	498,067,398	2,967,898	-	-	-	501,035,296
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables - considered good	-	-	-	-	-	-
(iv) Disputed trade receivables - considered doubtful	-	-	-	-	-	-
Total	498,067,398	2,967,898	-	-	-	501,035,296

# SHANTI SPINTEX PRIVATE LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Amount in ₹ Lakhs

### Trade Receivables ageing schedule as at 31-03-2021

Particulars	Less than 6	Outstanding for following periods from due date of payment			More than 3	Total
		6 months -	1-2 years	2-3 years		
(i) Undisputed Trade receivables - considered good	-	-	-	-	-	-
(ii) Undisputed Trade receivables - considered doubtful	362,843,048	4,802,097				367,645,145
(iii) Disputed trade receivables - considered good	-	-	-	-	-	-
(iv) Disputed trade receivables - considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>362,843,048</b>	<b>4,802,097</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>367,645,145</b>

### Note : 20 CASH AND BANK BALANCES

As at 31-03-2022

As at 31-03-2021

#### Cash and Cash Equivalents

#### Balances with Banks

In Current Accounts

31,346,530

59,462,747

Cash in Hand

34,014

2,269

#### Other Bank Balances

Term Deposits with Nationalised Bank

2,534,940

1,646,224

Less : Term deposits maturing after 12 months from Balance Sheet Date

2,534,940

1,646,224

(Refer Note No.14)

31,380,544

59,465,016

### Note : 21 SHORT-TERM LOANS AND ADVANCES

As at 31-03-2022

As at 31-03-2021

#### Loan and Advances to related parties

a) Subsidiaries

-

-

b) Others

-

-

#### Other Loans and Advances

#### Balances with Statutory Authorities

Inverted IGST Claim Refund

595,404

6,573,464

State GST Refund Receivable (Phase 1)

17,766,045

19,758,143

State Power Subsidy Receivable

-

7,754,887

State Interest Subsidy Receivable

2,603,992

16,398,168

Tuff Capital Subsidy Receivable A/c (Phase 1)

5,695,510

5,695,510

Tuff Capital Subsidy Receivable A/c (Phase 2)

22,905,479

22,905,479

GST receivable

10,178,110

35,823,699

TDS / TCS Receivable

4,054,298

1,830,510

Other advances recoverable in cash or in kind or for value to be received

105,731

9,480

63,904,569

116,749,340

### Note : 22 OTHER CURRENT ASSETS

As at 31-03-2022

As at 31-03-2021

#### Prepaid Expenses

636,731

813,440

636,731

813,440



# SHANTI SPINTEX PRIVATE LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Amount in ₹ Lakhs

: 23 REVENUE FROM OPERATIONS	As at 31-03-2022	As at 31-03-2021
Sale of Products		
Sale of Traded Goods		
Fabrics Sales	235,178,788	562,038,839
Weaving Job Work Sales	536,899	12,933,674
Grey Fabric Sales	1,362,988,515	489,264,650
Yarn Sales	950,389,816	63,769,887
	<u>2,549,094,018</u>	<u>1,128,007,050</u>

Note : 24 OTHER INCOME	As at 31-03-2022	As at 31-03-2021
Interest Income	504,714	529,277
Interest on Fixed Deposit	2,967	-
Interest Income on I.T. Refund	-	61,997
Scrap & Wastage Sales	109,050	220,459
Comission	127,357	-
Rebate	2,700	13,638
Vatav Kasar	5,233	52,908
Discount Received	150,624	487,904
Bad Debts Recovered	972,427	-
Creditors w/off	1,031,318	-
Excess provision of previos year written back	536,885	-
Rounding Off	486	-
	<u>3,443,760</u>	<u>1,366,183</u>

Note : 25 COST OF MATERIALS CONSUMED	As at 31-03-2022	As at 31-03-2021
(A) MATERIALS CONSUMED :		
Opening Stock	32,134,129	47,724,187
Add: Purchases		
Grey Fabrics Purchase	346,444,129	-
Weft Purchase (raw material)	-	315,239
Yarn Purchase (raw material)	1,911,667,763	702,208,245
Job Work Purchase ( raw material)	90,345,257	88,775,188
Total Purchases	2,348,457,149	839,022,859
Less: Closing Stock	68,882,262	32,134,129
	<u>2,311,709,016</u>	<u>806,888,730</u>

(B) MANUFACTURING EXPENSES :		
Drawing & Knotting Charges	2,017,619	535,904
Electricity Charges (A/c Plant)	49,806,129	39,140,888
Inspection Charges	1,024,817	1,003,211
Knotting Charges		1,362,470
Re-Knotting Charges		158,980
Reed Repairing	71,000	58,560
Stiching Expenses	49,032	192,447
	<u>52,968,597</u>	<u>42,452,460</u>

(C) OTHER DIRECT EXPENSES :		
Loading & Unloading Expenses	1,535,300	788,496
Catch Code Yarn	82,500	434,405
Insurance Expenses - P&L	1,316,054	892,212
Rent, Rates & Taxes	-	7,000
Freight Expenses	3,555,850	3,628,141
Plant Sundries Material	62,532	-
Tools & Spares	3,212,339	-
Weight Difference & Quality Claim	20,455,131	-
	<u>30,219,705</u>	<u>5,750,254</u>
	2,394,897,318	855,091,444





# SHANTI SPINTEX PRIVATE LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Amount in ₹ Lakhs

### Note : 26 PURCHASE OF STOCK IN TRADE

	As at 31-03-2022	As at 31-03-2021
Fabrics Purchase	-	119,503,608
	-	119,503,608

### Note : 27 EMPLOYEE BENEFITS EXPENSE

	As at 31-03-2022	As at 31-03-2021
Salaries, Bonus & Other Allowances	21,484,878	17,969,096
Contribution to Provident & Other Funds	2,853	-
Staff Welfare Expenses	13,568	-
	21,501,299	17,969,096

### Note : 28 FINANCE COSTS

	As at 31-03-2022	As at 31-03-2021
Interest to Depositors	-	1,342,588
Interest on Car Loan	198,990	275,051
Interest on Term Loan	16,446,903	22,045,760
Interest on GECL Loan	6,834,824	2,816,636
Other Borrowing Costs	322,904	97,589
	23,803,621	26,577,624

### Note : 29 OPERATING AND OTHER EXPENSES

	As at 31-03-2022	As at 31-03-2021
Audit Fee (Refer Note : 27.1)	118,000	118,000
Audit Fees -GST	25,000	50,000
Bank Charges & Guarantee Commission	131,109	141,845
Canteen Expenses	548,847	574,875
Car Hire	502,300	276,200
Cash Discount	-	1,496,672
Claim -Quality	-	2,913,401
Conveyance Expenses	37,935	29,340
Commission & Brokerage	555,360	1,478,844
Computer Repairing	64,830	86,916
Consultancy & Professional Fess	187,801	132,724
Damage	-	3,502
Discount	-	143,369
Housekeeping Expenses	1,221,855	1,304,440
Factory Licence Fees	28,086	39,336
Fuel Expenses	561,973	349,982
GST Expenses	-	162,648
Insurance Charges- Volvo Car	79,110	76,505
Internet Broadband Expenses	191	-
Internet Leased Line Expenses	50,000	-
Interest on Late payment of GST	249,363	3,382
Interest on Late payment of TDS	7,954	-
Late Fees GST	200	2,850
Lease Rent Expenses	554,260	108,253
Legal and Professional Fees	1,181,166	1,095,114
Maintenance Expenses	-	389,715
Medical Expenses	30,954	275,329
Mobile Expenses	53,246	57,145
Office Expenses	17,179	51,558
Other Expenses	515,733	837,701
Printing & Stationery	187,773	150,423
Rate Difference	240,484	1,565,048
Repairs and Maintenance	529,003	170,305
Round Off	-	101
Security Charges	651,343	410,400
Shortage	-	35,840
Stores & Spares	-	4,260,599



# SHANTI SPINTEX PRIVATE LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

		Amount in ₹ Lakhs
Sundry Debtors/ Creditors w/off	-	2,798,455
Bad debts w/off	5,897,971	
Travelling Expenses	367,740	230,574
UGVCL Service Charges	-	12,324
Vehicle Repairing	267,532	299,286
Water Expenses	59,300	61,900
	<u>14,923,598</u>	<u>22,194,901</u>

### Note: 29.1

(i)

As auditors - statutory audit fees	59,000	59,000
Tax Audit report	29,500	29,500
Income Tax Return	29,500	29,500
Company Law Matter		
	<u>118,000</u>	<u>118,000</u>



**30 Disclosure required under companies Act, 2013.**

**Directors Remuneration**

Particulars	This year (Rs)	Last year (Rs)
Remuneration /Consultancy	NIL	NIL
Contribution to superannuation fund	Nil	Nil

**Note: 31 Deferred Taxes**

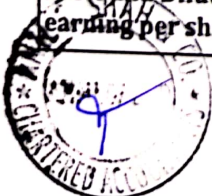
In accordance with accounting standard 22 "Accounting for Taxes on Income" (AS22) issued by the ICAI. The company has accounted for deferred taxes during the year.

Following are the major components of deferred tax assets/ (liabilities) :

Component	Deferred	Current year	Deferred Tax
Opening Balance	3344343		3344343
i)ADifference in depreciation between accounting books and tax return		3573833	3573833
2) Due to set off of carried forward business loss against profit for the year		-8115513	-8115513
Total	3344343	-4541680	-1197337

**Note: 32 Earning Per Share**

Particulars	31/03/2022	31/03/2021
Numerator used for calculating Basic and Diluted Earning Per Share (Profit After Tax)	29886514.8	18688476
Nominal Value per	10	10
Weighted Average No. of Shares used as denominator for calculating Basic and	7100000	7100000
Basic and Diluted earning per share	4.21	2.63





Note: 33 **Related party Discloser (Accounting Standard 18)**

Description of relationship

Key Management Personnel

Names of related parties

1) Bharatbhushan Agrawal

2) Rikin Agarwal

Associates

Rikin Fabrics Pvt. Ltd.

Sparsh Fabric Pvt. Ltd

Relatives Of Key Management Personnel

1) Urmiladevi Agrawal

2) Deepika Agrawal

A Transaction with related parties

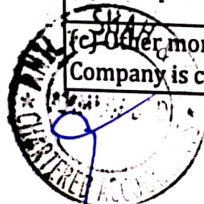
PARTICULARS	Key Managerial Personnel		Relatives of Key Managerial Personnel		Associates	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
<b>1) LOAN TAKEN</b>						
Bharat Bhushan Agarwal	40500000	0				
<b>2) LOANS GIVEN</b>						
Rikin Fabrics Pvt. Ltd.					6500000	0
<b>3) Purchases</b>						
Sparsh Fabrics Pvt. Ltd.					13957010.5	12113230
<b>4) SALES</b>						
Sparsh Fabrics Pvt. Ltd.					13734437.5	5711903
<b>5) LOAN REPAID</b>						
URMILADEVI B AGRAWAL	0	13432975				
<b>OUTSTANDING BALANCES:-</b>						
<b>1) LOAN TAKEN</b>						
Bharat Bhushan Agarwal	40500000					
<b>2) LOAN GIVEN</b>						
Rikin Fabrics Pvt. Ltd.					6500000	0
<b>3) DEBTORS</b>						
Rikin Fabrics Pvt. Ltd					0	1944683
<b>4) CREDITORS</b>						
Rikin Fabrics Pvt. Ltd					0	9092294

Note: 34

	Foreign Exchange Earnings/outgoings	Foreign Exchange Earnings/outgoings
Particular	2021-22	2020-21
Revenue in foreign		
Out going Expenditure in foreign currency	0	0

Note: 35 **Contingent liabilities and commitments (to the extent not provided for)**

Contingent liabilities	As at 31 March, 2022	As at 31 March, 2021
(a) Claims against the Company not acknowledged as debt	NIL	NIL
(b) Unexpired Guarantees	7952740	3194000
(c) Other money for which the Company is contingently liable	NIL	NIL



(f) Other commitments : The estimated amount of contracts remaining to be executed on capital account and not provided for against which advance have been paid	NIL	NIL
--	-----	-----

**Note 36:**

Provision for current year's income tax aggregating Rs.31300000/- (P.Y.NIL) has been made on estimated basis for the accounting year ended on 31.03.2022. The actual tax liabilities of the company will be determined on the basis of taxable income of the company for F.Y year 2021-22.

**Note 37: Others**

37.1 In the opinion of the Board, all the current assets, Loans and advances have a value on the realization in the ordinary course of the business at least equal to the amount at which they are stated.

37.2 Balances of sundry debtors, sundry creditors and loans and advances etc., are subject to confirmation and reconciliation, and consequential adjustment, if any.

37.3 Previous year figures have been regrouped/ rearranged so as to make them comparable with current year's figures.

**Note 38:** There is no Expenditure incurred on employees in receipt of remuneration of not less than Rs.2400000/- (Rupees twenty four lakh only) per annum or Rs 200000/- (rupees two lac only) per month, if employed throughout the year or part of the year.

**Note 39:** The outbreak of Corona virus disease (COVID-19) globally and its declaration as global pandemic, the Government of India declared lockdown on March 24, 2020, as there were no operation during the year, management while concluding no significant impact due to COVID-19 on the current year's financial results. However, the assessment of Impact of COVID-19 is continuing process, given the uncertainties associated with its nature and duration. The Company will continue to closely monitor any material changes to future economic conditions impacting business operations.

**Note 40:** Based on the information available with the company, there are no suppliers who are registered as micro, small or medium enterprises under "The Micro, Small and Medium Enterprises Development Act 2006" as at March 31st 2022 and as at March 31st 2021.





Notes to Financial statements for the year ended 31st March, 2022

Note: 41 Other Statutory Disclosure

41.1 (a) There is no such property wherein there is an issue with the title, hence the title deeds related disclosures are not given

(b) The company does not have any investment in property hence, comment related to revaluation is not made

(c) During the year, the company has not revalued its intangible assets or any asset of Property, Plant & Equipment, hence, disclosure related to revaluation is not made

(d) The company has no loans and advances which are either repayable on demand or are without specifying any terms or period of repayment. Hence, the disclosures related to loans and advances given to related party are not given

Type of Borrower	31.03.22		31.03.21	
	Amount of loan or advance in the nature of loan	percentage to the total loans and advances in the nature of loans	Amount of loan or advance in	percentage to the total loans and advances
Promoters	NIL	NIL	NIL	NIL
Directors	NIL	NIL	NIL	NIL
KMPs	NIL	NIL	NIL	NIL
Related Parties	6,500,000	100%	NIL	NIL

41.2 Ageing schedule of CWIP is given during the year:

For FY 2021-22

(a) For Capital-work-in progress  
(Amount In Rs.)

CWIP	Amount In CWIP for a period of				Total
	Less than 1 year	1-2 years		More than 3 years	
Project in progress	2,711,839.00				2,711,839
Projects temporarily suspended	0	0	0	0	-
	-				-

There is no capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan.

(Amount In Rs.)

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects	No such CWIP				

For FY 2020-21

(b) For Capital-work-in progress  
(Amount In Rs.)

CWIP	Amount In CWIP for a period of				Total
	Less than 1 year	1-2 years		More than 3 years	
	No such CWIP				

(Amount In Rs.)

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects	No such CWIP				

41.3 The company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

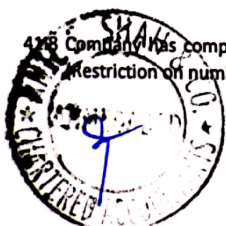
41.4 As on the reporting date, the company has no borrowings from banks or financial institutions on the basis of security of current assets and for which quarterly returns are submitted and these are in agreement with books of account of the company

41.5 The company is not declared a wilful defaulter by any bank or financial institution or other lender.

41.6 The company does not have any transactions with struck off Companies.

41.7 The company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

41.8 Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017



41.9 Ratios for FY 21-22 and FY 20-21 are presented as under:

Ratio	Numerator	Denominator	Current period	Previous period	% variance
- Current Ratio	Current Assets	Current Liabilities	1.461	0.850	0.719
- Debt-Equity Ratio	Total Debt	Shareholder's Equity	1.258	1.181	0.065
- Debt Service Coverage Ratio	Earnings for debt service	Debt service (Interest & Lease Payments + Principal Repayments)	0.046	0.028	0.613
- Return on Equity Ratio	Net profit after tax - Preference Dividend	Average shareholder's equity	0.057	0.033	0.717
- Inventory turnover ratio	Cost of goods sold	Average Inventory	47.416	24.408	0.943
- Trade Receivables turnover ratio	Net Credit sales (Gross credit sales - sales return)	Average Trade Receivables	5.685	5.942	-0.043
- Trade payables turnover ratio	Net credit purchase (Gross credit purchases - purchase return)	Average Trade payables	7.902	6.195	0.276
- Net capital turnover ratio	Net sales (Total sales - sales Return)	Working capital (Current assets - Current liabilities)	10.987	5.496	0.999
- Net profit ratio	Net profit	Net sales (Total sales - Sales Return)	0.009	0.011	-0.194
- Return on Capital employed	Earnings before interest and tax	Capital Employed (Tangible Net worth + Total Debt + Deferred Tax Liability)	0.075	0.050	0.492
- Return on investment	Interest (Financial Income)	Investment	0.025	0.026	0.000

41.10 During the year, company has not entered in any scheme of arrangements as specified in Section 230 to Section 237 of the Companies Act, 2013

41.11 The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries,

41.12 The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

41.13 The company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

41.14 The company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

41.15 The company is not covered under section 135 of the Companies Act. Hence, CSR related disclosures are not made

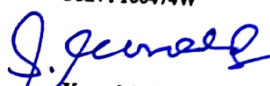
Signatures to Notes on Account Note no :1 to 41

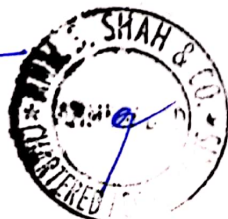
For M/s ANIL SHAH & CO.

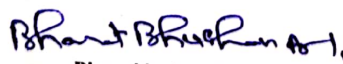
For M/s ANIL SHAH & CO.

Chartered Accountants

FRN : 100474W

  
Krunal A. Shah  
Partner  
Membership No : 115801



  
Bharatbhushan Agarwal  
Director  
DIN: 44287

  
Rikin Agarwal  
Director  
DIN: 100474W

Place: Ahmedabad  
Date: 01-09-2022



done- checked w/ tools

> 25%  
doubts  
final ans

Ratio 2021-22 Ratio 2020-2 % variance

2020-21

2021-22

## Current Assets (Numerator)

2020-21

2021-22

Current Assets (Numerator)

Inventories

68,882,262

32,134,129

Financial Liabilities

--&gt; Borrowings

486,864,124

431,035,173

Contract assets

Financial assets

501,035,296

367,645,145

--&gt; Lease liabilities

--&gt; Trade payables

330,065,632

276,054,914

--&gt; Cash and cash equivalents

31,380,544

59,465,016

--&gt; Loans Advances

178,680,885

9,995,999

6,290,446

--&gt; Other financial assets

-1,197,337

3,344,344

Refund liability

20,000,000

12,793,128

10,705,988

Investments

428,009,260

14,587,906

Other current liabilities

Government Grants

Provisions

Liabilities for current taxes (net)

839,718,883

724,086,521

615,475,880

1,226,790,909

1,46

0.85

0.72

Ratio 2021-22 Ratio 2020-2 % variance

Total Debt

2020-21

2021-22

Shareholder's Equity

Equity

71,000,000

71,000,000

Ratio 2021-22 Ratio 2020-2 % variance

--&gt; Borrowings (current &amp; non-current)

486,864,124

431,035,173

Equity

--&gt; Equity share capital

22,214,835

12,194,876

281,662,316

--&gt; Equity component of convertible preference shares

293,857,192

387,072,027

364,857,192

1.18

0.06

0.06

Ratio 2021-22 Ratio 2020-2 % variance

Net profit after tax - Preference

2020-21

2021-22

Average shareholder's equity

Equity

71,000,000

71,000,000

Ratio 2021-22 Ratio 2020-2 % variance

Here we have taken

22,214,835

12,194,876

--&gt; Equity share capital

--&gt; Equity component of convertible preference shares

22,214,835

12,194,876

281,662,316

--&gt; Retained Earnings

293,857,192

387,072,027

364,857,192

1.18

0.06

0.06

Ratio 2021-22 Ratio 2020-2 % variance

Net profit after tax - Preference

2020-21

2021-22

Average shareholder's equity

Equity

71,000,000

71,000,000

Ratio 2021-22 Ratio 2020-2 % variance

Here we have taken

22,214,835

12,194,876

--&gt; Equity share capital

--&gt; Equity component of convertible preference shares

22,214,835

12,194,876

281,662,316

--&gt; Retained Earnings

293,857,192

387,072,027

364,857,192

1.18

0.06

0.06

Ratio 2021-22 Ratio 2020-2 % variance

Net profit after tax - Preference

2020-21

2021-22

Average shareholder's equity

Equity

71,000,000

71,000,000

Ratio 2021-22 Ratio 2020-2 % variance

Here we have taken

22,214,835

12,194,876

--&gt; Equity share capital

--&gt; Equity component of convertible preference shares

22,214,835

12,194,876

281,662,316

--&gt; Retained Earnings

293,857,192

387,072,027

364,857,192

1.18

0.06

0.06

Ratio 2021-22 Ratio 2020-2 % variance

Net profit after tax - Preference

2020-21

2021-22

Average shareholder's equity

Equity

71,000,000

71,000,000

Ratio 2021-22 Ratio 2020-2 % variance

Here we have taken

22,214,835

12,194,876

--&gt; Equity share capital

--&gt; Equity component of convertible preference shares

22,214,835

12,194,876

281,662,316

--&gt; Retained Earnings

293,857,192

387,072,027

364,857,192

1.18

0.06

0.06

Ratio 2021-22 Ratio 2020-2 % variance

Net profit after tax - Preference

2020-21

2021-22

Average shareholder's equity

Equity

71,000,000

71,000,000

Ratio 2021-22 Ratio 2020-2 % variance

Here we have taken

22,214,835

12,194,876

--&gt; Equity share capital

--&gt; Equity component of convertible preference shares

22,214,835

12,194,876

281,662,316

--&gt; Retained Earnings

293,857,192

387,072,027

364,857,192

1.18

0.06

0.06

Ratio 2021-22 Ratio 2020-2 % variance

Net profit after tax - Preference

2020-21

2021-22

Average shareholder's equity

Equity

71,000,000

71,000,000

Ratio 2021-22 Ratio 2020-2 % variance

Here we have taken

22,214,835

12,194,876

--&gt; Equity share capital

--&gt; Equity component of convertible preference shares

22,214,835

12,194,876

281,662,316

--&gt; Retained Earnings

293,857,192

387,072,027

364,857,192

1.18

0.06

0.06

Ratio 2021-22 Ratio 2020-2 % variance

Net profit after tax - Preference

2020-21

2021-22

Average shareholder's equity

Equity

71,000,000

71,000,000

Ratio 2021-22 Ratio 2020-2 % variance

Here we have taken

22,214,835

12,194,876

--&gt; Equity share capital

--&gt; Equity component of convertible preference shares

22,214,835

12,194,876

281,662,316

--&gt; Retained Earnings

293,857,192

387,072,027

364,857,192

1.18

0.06

0.06

Ratio 2021-22 Ratio 2020-2 % variance

Net profit after tax - Preference

2020-21

2021-22

Average shareholder's equity

Equity

71,000,000

71,000,000

Ratio 2021-22 Ratio 2020-2 % variance

Here we have taken

22,214,835

12,194,876

--&gt; Equity share capital

--&gt; Equity component of convertible preference shares

22,214,835

12,194,876

281,662,316

--&gt; Retained Earnings

293,857,192

387,072,027

364,857,192

1.18

0.06

0.06

Ratio 2021-22 Ratio 2020-2 % variance

Net profit after tax - Preference

2020-21

2021-22

Average shareholder's equity

Equity

71,000,000

71,000,000

Ratio 2021-22 Ratio 2020-2 % variance

Here we have taken

22,214,835

12,194,876

--&gt; Equity share capital

--&gt; Equity component of convertible preference shares

22,214,835

12,194,876

281,662,316

--&gt; Retained Earnings

293,857,192

387,072,027

364,857,192

1.18

0.06

0.06

Ratio 2021-22 Ratio 2020-2 % variance

Net profit after tax - Preference

2020-21

2021-22

Average shareholder's equity

Equity

71,000,000

71,000,000

Ratio 2021-22 Ratio 2020-2 % variance

Here we have taken

22,214,835

12,194,876

--&gt; Equity share capital

--&gt; Equity component of convertible preference shares

22,214,835

12,194,876

281,662,316

--&gt; Retained Earnings

293,857,192

387,072,027

364,857,192

1.18

0.06

0.06

Ratio 2021-22 Ratio 2020-2 % variance

Net profit after tax - Preference

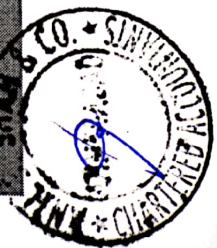
2020-21

2021-22

Average shareholder's equity



2,394,897,318		974,595,053		50,508,195.50		39,929,158.00		47.42		24.41		0.94	
Net Credit sales (Gross credit sales - sales return)													
Here we have													
Average Trade Receivables													
		Opening Trade Receivables (From Balance sheet)		379,703,387									
Goods transferred at a point in 1		2,549,094,018		1,128,007,050		517,110,634		379,703,387					
2,549,094,018		1,128,007,050		448,407,010		189,851,693		5.68		5.94		-0.04	
Net credit purchase (Gross credit purchases - purchase return)													
Purchase of Raw materials													
Trade Purchases		2394897318		855091445		276,054,914							
		330,065,632		276,054,914									
2,394,897,318		855,091,445		303,060,273		138,027,457		7.90		6.20		0.28	
Net sales (Total sales - sales Return)													
Here we have taken													
Goods transferred at a point in 1		2,549,094,018		1,128,007,050		665,839,401		576,807,070					
2,549,094,018		1,128,007,050		232,014,075		433,825,326		371,565,830					
						205,241,240		10.99		5.50		1.00	
Net profit													
Profit after discontinuing operati		22,214,835		12,194,876		2,549,094,018		1,128,007,050					
		22,214,835		12,194,876		2,549,094,018		1,128,007,050		0.01		-0.19	
Earnings before interest and tax													
Profit before tax from continuing		29,886,515		18,688,476		Capital Employed (Tangible Net worth + Total Debt + Deferred Tax Liability)		371088942					
Interest add back						Total Assets - Total Liabilities without equity		397712881					
		29,886,515		18,688,476		397,712,881		371,088,942		0.05		0.49	
Earnings for debt service													
Net profit after taxes		22214835		12194876		Debt service (Interest & Lease Payments + Principal Repayments)		486,864,124		431,035,173			
Non cash Operating expenses (Ex HeRE -- Depreciation													
		22,214,835		12,194,876		486,864,124		431,035,173		0.05		0.61	
Interest (Financial Income)													
Interest (Financial Income)		507,681		529,277		Investment		20,000,000		20,000,000		-0.04	
		507,681		529,277		Investment (Of Financial Assets) under Non c		20,000,000		20,000,000		0.03	





**Shanti Spintex Pvt.Ltd - (2020-2023)**  
 Sub Plot1, Unit 1, Survey No. 297,  
 Dholi Integrated Spinning Park Limited,  
 Dholi, Dholka, A'bad-382240 Gujarat  
 PAN NO.AAOCSS8908E  
 GST NO 24AAOCSS8908E1Z3  
 CIN: U17120GJ2010PTC062084

### Trial Balance

1-Apr-21 to 31-Mar-22

Particulars	Shanti Spintex Pvt.Ltd - (2020-2023)	
	1-Apr-21 to 31-Mar-22	
	Closing Balance	
	Debit	Credit
<b>Capital Account</b>		<b>364867192.00</b>
Reserves & Surplus		83057192.00
Share Capital		71000000.00
Share Premium Account		210800000.00
<b>Current Liabilities</b>	<b>11633861.00</b>	<b>349662674.17</b>
Duties & Taxes	10178110.00	51402.00
Provisions		4216059.00
Sundry Creditors	1455731.00	342220989.17
Statutory Liabilities	20.00	514284.00
Salary Payable A/c.		2649940.00
<b>Fixed Assets</b>	<b>740091160.50</b>	<b>331398910.00</b>
Building Construction (Phase-I)	48642340.00	
Building Construction (Phase-II)	49302131.00	
Computer & Peripherals	278058.00	
Depreciation Fund		331048122.00
Furniture & Fixtures	396158.00	
Land(At Dholi Khata 134 Block 464(Sur.No.298)	21333.00	
Land(At Dholi Khata 166 Block 465(Sur.No.299)	8333.00	
Land(At Dholi Khata 415 Block 451(Sur.No.300)	8334.00	
Office Equipments	278611.00	
Plant & Machineries (Phase-I)	305124910.00	350788.00
Plant & Machineries (Phase-II)	304494415.50	
Vehicles	7174698.00	
Wind Mill 2 MV SVR-T-135	2711839.00	
Land(Unit No.1,Plot No.1 Dholi Park)	21650000.00	
	20000000.00	
<b>Investments</b>	<b>20000000.00</b>	
SBI - Corporate Bond Fund		
<b>Current Assets</b>	<b>704640623.59</b>	<b>72084.76</b>
Opening Stock	32134130.20	
Loans & Advances (Asset)	113426316.00	
Sundry Debtors	523008604.72	
Cash-in-hand	34014.03	
Bank Accounts	31346530.10	
Advance - Staff		52800.00
Tcs Receivable	1365403.50	
Tds Receivable	2688894.04	
Interest Accrued Receivable- UGVCL Deposit		19284.76
Prepaid Exp.	636731.00	
<b>Revenue From Operations</b>	<b>23718095.85</b>	<b>2572808037.56</b>
Commission On Sales		127357.00
Fabric Sales A/C		256979023.45
Fabrics Sales Return	592391.29	
Grey Fabrics Sales		1364443891.76
Grey Fabrics Sales Return	1455376.95	
Quality Claim (Sales)	21207844.03	
Rate Difference & Quality Claim (Sales)	240483.58	
Scrap & Wastage Sale		109050.00
Weaving Job-Work Sales A/c.		536899.09
Yarn Sales		950611816.26
Yarn Sales Return	222000.00	
<b>Cost of Material Consumed</b>	<b>2480832570.58</b>	<b>75885820.94</b>
Cash Discount on Purchase		1279400.93
Cash Discount (Purchase)		150624.00
Grey Fabrics Purchase	346914246.09	



Grey Fabrics Purchase RETURN		470117.25
Job-Work Purchase	90680941.35	
Job Work Purchase Return		335684.30
Purchase A/c.	2043237383.14	
Quality Claim (Purchase)		43653103.60
Rate Difference & Quality Claim (Pur)		28443274.46
Yarn Purchase Return		1553616.40
Indirect Incomes		59696488.01
Bad Debts Written Off Received Back A/c.		972427.00
Excess Provision of Previous Year Written Back		536885.00
GST Refund		55670217.00
Interest Income		504713.51
Interest on Fixed Deposit		2967.00
Prior Period Income		970008.00
Rebate A/c.		2699.74
Sundry Creditors W/off		1031318.00
Vatav Kasar		5232.76
Indirect Expenses		62529.81
Penalty		32044.00
Rounding Off		485.81
Tea Coupon		30000.00
Administrative Expenses	572586.16	
Commission Exps. A/c.	555360.16	
Roc Exps	3658.00	
Staff Welfare Expenses	13568.00	
Depreciation	67525427.00	
DEPRECIATION	67525427.00	
Employee Remuneration & Benefits	21513232.00	25501.00
Admin Staff Salary	1795392.00	
Plant Staff Salary	7275258.00	
Plant Staff Salary (Un-Skilled)	388663.00	
Plant Worker Salary	11308436.00	
Plant Worker Salary (Un-Skilled)	623356.00	
Administrative Charges for PF	3500.00	
Employee Deposit Link Insurance Scheme (EDLI)	2853.00	
Office Staff / Admin Salary Exp	115774.00	
Other Deduction From Salary		25501.00
Financial Cost	23803621.42	
Facility Fees	24000.00	
Interest Exp on GECL Working Capital	5671221.00	
Interest on Car Loan	198989.57	
Interest On SBI Term Loan A/c- P&L	16446903.46	
Loan Processing Fees	100000.00	
Penal Interest Charged on GECL Loan A/c	1163603.39	
TERM LOAN REVIEW CHARGE	198904.00	
Fixed Deposits	2604939.67	
Fixed Deposit with SBI (Bank Gaurantee)	1755939.67	
FD Against SB LC A/C. 40810094354	779000.00	
Gujarat Pollution Control Board -Deposit	50000.00	
Vat Deposit	20000.00	
Manufacturing Expenses	78323398.84	
CATCH CODE YARN	82500.00	
Drawing & Knotting Charges	2024619.00	
Electricity Charges A/c. (Plant)	49806129.00	
Grey Inspection Charges	1024817.04	
Loading & Unloading Expenses	1535300.00	
Plant Sundry Material Exp	62532.00	
Rate Difference and Quality Claim A/c	20455131.00	
Reed Repairing	71000.00	
Stitching Expenses	49032.00	
Store & Spares - Indirect Exp.	3212338.80	
Non Current Assets	3344343.00	
Deferred Tax Liability/Assets.	3344343.00	
Other Direct Expenses	4871903.64	
Freight & Transport (194c)	3054793.00	
Insurance Exp.- P&L	1316053.64	
Purchase Freight	501057.00	





Other Expenses	8168950.03	
Repair and Maintenance	529002.50	
Travelling Expenses	367740.00	
Audit Fees	118000.00	
Bank Charges	16576.32	
BANK CHARGES - GUARANTEE COMMISSION - P&L	114533.00	
Canteen Exp.	578847.00	
Car Hire Exp.	502300.00	
Computer & Repairing A/c.	64830.08	
Consultancy & Professional Fees - P&L	187801.04	
Factory Licenses Fee A/c.	28086.00	
General Expenses	9000.00	
Gift Exp	34000.00	
GST Audit Fees	25000.00	
Housekeeping Expenses	1247615.00	
Insurance Exp. for Volvo Car A/c.	79110.00	
Interest Exp. - P&L	39866.00	
INTEREST ON DELAYED PAMENT OF TDS/TCS	7954.00	
Interest on Late Payment of GST	249363.00	
Internet Broadband Exp	190.70	
Internet Leased Line Exp	50000.00	
Late Fee For GST	200.00	
Lease Rent (Maintenance)Expenses	554260.00	
Legal & Professional Fees - P & L	1181166.00	
MEDICAL EXPENSES	30954.00	
Misc. Conveyance Exps.	37935.00	
Misc. Exp.A/c.	2007.30	
Mobile Expenses A/c.	53246.48	
Office Expenses	17179.00	
Petrol Expenses	501035.00	
Plant Expenses	51224.00	
Postage & Courier	1166.00	
Power & Fuel (Tractor Expenses)	60937.52	
Printing & Stationery Exps. (18%)	187773.45	
Prior Period Exp	108912.00	
Sales & Service Charges	5000.00	
Security Charges	651343.00	
Services Charges	137165.00	
Sundry Debtors w/off	5897971.00	
Software Updation Exp	10800.00	
Vehicle Repairing	267531.64	
Water Expenses	59300.00	
Other Indirect Expenses	14285.00	
Vat Exps.	14285.00	
PENALTY	97934.00	
Cgst Penalty	48968.00	
SGst Penalty	48966.00	
Sales Mfg Product Exp		
Secured Loan	424864124.03	
SBI G.E.C.L. A/c. 39619064307-Phase-I	58202129.00	
SBI G.E.C.L. A/c. 40601418767-Phase-II	35219973.00	
SBI (Term Loan) Wind Mill A/c 40846802607	69797889.00	
State Bank Of India (Car Loan)	2299719.57	
State Bank of India (Term Loan) Phase-I	89811868.96	
State Bank Of India (Term Loan) Phase-II	169532544.50	
Short Terms Loans & Advances	49566430.00	
Inverted IGST Claim Receivable	595404.00	
State Gst Refund Receivable A/c. (Phase-1)	17766045.00	
State Interest Subsidy Receivable A/c. (Phase-II)	2603992.00	
Tuff Capital Subsidy Receivable A/c. (Phase-I)	5695510.00	
Tuff Capital Subsidy Receivable A/c. (Phase-II)	22905479.00	
Unsecured Loan	62000000.00	
Bharat Bhushan Agarwal	40500000.00	
NTPL Exports Private Ltd. (Loan)	21500000.00	
Grand Total	4241323362.28	4241323362.28



Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
<b>Note 11</b> If, in the opinion of the Board, any of the assets other than Property, Plant and Equipment, Intangible Assets and non-current investments do not have a value on realization in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion, shall be stated	Rs.	Rs.

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
<b>Note 10</b> Loans or Advances in the nature of loans are granted to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are repayable on demand or without specifying the terms of repayment  <b>Amount :</b> Promoters Directors KMP's Related Parties  <b>Percentage to Total Loans and Advances in the nature of loans</b> Promoters Directors KMP's Related Parties	Rs.	Rs.

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
<b>Note 8</b> <b>Details of Benami Property held</b> Where any proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder, the company shall disclose the following:  Details of such property, including year of acquisition, Amount thereof, Details of Beneficiaries, If property is in the books, then reference to the item in the Balance Sheet, If property is not in the books, then the fact shall be stated with reasons, Where there are proceedings against the company under this law as an abettor of the transaction or as the transferor then the details shall be provided, Nature of proceedings, status of same and company's view on same	Rs.	Rs.

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
<b>Note 7</b> <b>Borrowings on Security of current assets</b> Where the Company has borrowings from banks or financial institutions on the basis of security of current assets, it shall disclose the following:- (a) whether quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts. (b) if not, summary of reconciliation and reasons of material discrepancies, if any to be adequately disclosed.	Rs.	Rs.

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
<b>Note 6</b> <b>Wilful Defaulter</b> Where a company is a declared wilful defaulter by any bank or financial institution or other lender, following details shall be given: (a) Date of declaration as wilful defaulter, (b) Details of defaults (amount and nature of defaults)	Rs.	Rs.

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
<b>Note 5</b> <b>Relationship with Struck off Companies</b> Where the company has any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, the Company shall disclose the following details:  Name / Nature of Transactions / Relationship	Rs.  Balance Outstanding	Rs.  Balance Outstanding





Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
<b>Note 3</b> <b>Registration of charges or satisfaction with Registrar of Companies</b> Where any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period, details and reasons thereof shall be disclosed.	Rs.	Rs.

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
<b>Note 4</b> <b>Compliance with number of layers of companies</b> Where the company has not complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017, the name and CIN of the companies beyond the specified layers and the relationship/extent of holding of the company in such downstream companies shall be disclosed.  Name : CIN Relationship Shareholding in such subsidiary	Rs.	Rs.

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
<b>Note 2</b> <b>Compliance with approved Scheme(s) of Arrangements</b> Where any Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013, the Company shall disclose that the effect of such Scheme of Arrangements have been accounted for in the books of account of the Company in accordance with the Scheme' and in accordance with accounting standards' and deviation in this regard shall be explained.	Rs.	Rs.

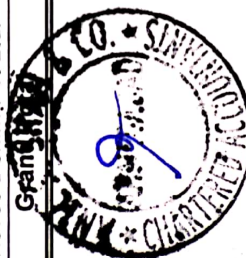
Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
<b>Note 1</b> <b>Utilisation of Borrowed funds and share premium</b>  (A) Where company has advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;  (I) date and amount of fund advanced or loaned or invested in Intermediaries with complete details of each Intermediary.  (II) date and amount of fund further advanced or loaned or invested by such Intermediaries to other intermediaries or Ultimate Beneficiaries along with complete details of the ultimate beneficiaries. (III) date and amount of guarantee, security or the like provided to or on behalf of the Ultimate Beneficiaries (IV) declaration that relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with for such transactions and the transactions are not violative of the Prevention of Money-Laundering act, 2002 (15 of 2003).  (B) Where a company has received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, the company shall disclose  (I) date and amount of fund received from Funding parties with complete details of each Funding party.  (II) date and amount of fund further advanced or loaned or invested other intermediaries or Ultimate Beneficiaries along with complete details of the other intermediaries or ultimate beneficiaries. (III) date and amount of guarantee, security or the like provided to or on behalf of the Ultimate Beneficiaries	Rs.	Rs.





**SHANTI SPINTEX PVT LTD.**  
**TRADE RECEIVABLE -AGEWISE - FOR FINANCIAL YEAR 2021-2022**

Party Name	Sum of Pending	Sum of (< 180 days )	Sum of 180 to 366 days	Sum of 366 to 730 days	Sum of 730 to 1095 days	Sum of 1095 to 1460 days	Sum of (> 1460 days )
Abhishek & Co. (SALE)	48,088,845.00	48,088,845.00	-	-	-	-	-
Bindal Spintex LLP	22,767,654.00	22,767,654.00	-	-	-	-	-
C D Denim Clothing Co.	602,939.00	-	-	110,455.00	482,369.00	10,115.00	-
Deshraj Textfab Pvt.Ltd.	23,884.00	-	-	23,884.00	-	-	-
KS Solutions (Sale)	12,401,697.00	12,401,697.00	-	-	-	-	-
Mahak Synthetics Mills Pvt.Ltd.	15,162,491.00	-	-	15,162,491.00	-	-	-
Nandan Denim Limited - PIPELEJ (SALE)	259,701,521.42	257,250,086.42	2,391,785.00	-	59,650.00	-	-
Nandan Terry Pvt.Ltd.(Sale)	1,834,938.00	1,743,730.00	91,208.00	-	-	-	-
Orchid Corporation	108,529,061.00	108,529,061.00	-	-	-	-	-
Pratham Creations	145,625.00	-	-	145,625.00	-	-	-
Raymond UCO Denim Pvt Ltd.	159,907.00	159,907.00	-	-	-	-	-
Shivam Traders	16,189.00	-	-	16,189.00	-	-	-
Shree Ram Fabrics	42,465,287.00	42,465,287.00	-	-	-	-	-
Shree Swastik Techweave	956.00	956.00	-	-	-	-	-
Sitaram Spinners Pvt Ltd.(AH) (Sale)	1,519,699.00	1,519,699.00	-	-	-	-	-
Tropical Exim International Pvt Ltd.	2,747,819.00	2,747,819.00	-	-	-	-	-
Ventex Textiles	481,350.00	-3,555.00	484,905.00	-	-	-	-
Vishal Fabrics Ltd.	6,626.00	-	-	6,626.00	-	-	-
Vishal Fabrics LTD.- Narol - Sale	57,934.00	-	-	57,934.00	-	-	-
Visves Denim Pvt Ltd.	396,211.00	396,211.00	-	-	-	-	-
<b>Grand Total</b>	<b>517,110,633.42</b>	<b>498,067,397.42</b>	<b>2,967,898.00</b>	<b>15,523,204.00</b>	<b>542,019.00</b>	<b>10,115.00</b>	<b>-</b>



**SHANTI SPINTEX PVT LTD.**  
**TRADE PAYABLE -AGEWISE - FOR FINANCIAL YEAR 2021-2022**

Party Name	Sum of Pending Bills	Sum of (< 365 days)	Sum of 365 to 730 days	Sum of 730 to 1095 days	Sum of 1095 to 1460 days	Sum of 1460 to 1825 days	Sum of (> 1825 days)
ABHISHEK SILK MILLS	3,205,312.00	3,205,312.00	-	-	-	-	-
Acme Yarns Pvt. Ltd.(Purchase)	12,692,430.00	12,630,160.00	62,270.00	-	-	-	-
Alkesh Cotton Co.	1,537,782.00	1,537,782.00	-	-	-	-	-
Anil S. Shah & Co.	570,419.00	118,000.00	118,000.00	-	118,000.00	75,854.00	140,565.00
Arrow Corporation	81,979.00	81,979.00	-	-	-	-	-
ARTH AIR TECHNOLOGIES PVT LTD	11,859.00	11,859.00	-	-	-	-	-
Arvi Traders	1,900.00	1,900.00	-	-	-	-	-
ASSOCIATED CHEMICAL	3,724,653.00	3,724,653.00	-	-	-	-	-
Avee Electro Engineers	86,657.00	86,657.00	-	-	-	-	-
Bhavika Engineers	4,390.00	4,390.00	-	-	-	-	-
CARTRIDGE CARE SERVICES PVT LTD	1,052.00	4,390.00	-	-	-	-	-
CARTRIDGE HUB	2,360.00	-	845.00	207.00	-	-	-
CHIRIPAL INDUSTRIES LTD.(SPINNING DIVISION)	17,990,431.00	2,360.00	-	-	-	-	-
DECCAN ENTERPRISE	108,281,498.00	17,990,431.00	-	-	-	-	-
Dholi Integrated Spinning Park Ltd.(Maintenance A/c.)	479,694.00	108,281,498.00	-	-	-	-	-
DHOLI SPINTEX PVT LTD (PURCHASE)	5,634,340.00	479,694.00	-	-	-	-	-
DHYAN ELECTRONICS AND REPAIRING	12,390.00	5,634,340.00	-	-	-	-	-
EXAL CORPORATION	149,253.00	12,390.00	-	-	-	-	-
FAKHRUDDIN ENTERPRISE	4,798.00	149,253.00	-	-	-	-	-
GEMINI POLYPLAST INDUSTRIES	10,974.00	4,798.00	-	-	-	-	-
GORAKH TRADERS	75,520.00	10,974.00	-	-	-	-	-
HARSH ENGINEERS	24,662.00	75,520.00	-	-	-	-	-
HEMLON SYNTHETICS PVT LTD	4,053,531.00	24,662.00	-	-	-	-	-
HEMTECH INDUSTRIES	1,856,479.00	4,053,531.00	-	-	-	-	-
JALABHAI KAMABHAI BHARVAD	24,255.00	1,856,479.00	-	-	-	-	-
JASMINA DYE-CHEM	5,997.00	24,255.00	-	-	-	-	-
K.S. Solutions (Purchase)	14,533.00	5,997.00	-	-	-	-	-
KMC INDIA	16,174.00	14,533.00	-	-	-	-	-
KRISHNA CREATIONS	10,530.00	16,174.00	-	-	-	-	-
M H ENTERPRISE	181,292.00	10,530.00	-	-	-	-	-
Mahak Synthetics Mills Pvt.Ltd (Pur)	8,127,003.00	181,292.00	-	-	-	-	-
MAHIMA SYNTAX PVT LTD	7,767,238.00	209,263.00	7,917,740.00	-	-	-	-
MANAGALBHAI AND BROTHERS	3,235.00	7,767,238.00	-	-	-	-	-
MANOHAR CAPITAL MARKETS LTD.	4,817,717.00	3,235.00	-	-	-	-	-
MILAN TRADERS	16,520.00	4,817,717.00	16,520.00	-	-	-	-
MONALISA TEXTILE	57,117,790.00	-	-	-	-	-	-
NANDAN DENIM LIMITED - KHEDA (PURCHASE)	9,416,246.00	57,117,790.00	-	-	-	-	-
NANDAN DENIM LIMITED (PURCHASE)	55,365,704.00	9,416,246.00	-	-	-	-	-
NANDAN TERRY PRIVATE LIMITED	539,797.17	55,365,704.00	-	-	-	-	-
NISHA PRINTERS	2,832.00	539,797.17	-	-	-	-	-
NOVA TEXTILE PVT LTD (PURCHASE)	460,398.00	2,832.00	-	-	-	-	-
NRV YARNS PVT.LTD	4,336.00	460,398.00	-	-	-	-	-
OM CORPORATION	32,067.00	4,336.00	-	-	-	-	-
OMKAR PETROLIUM	11,629.00	32,067.00	-	-	-	-	-
PADMAVATI TEXTILE	86,625.00	11,629.00	-	-	-	-	-
Prakash Electric Control Works	2,466.00	86,625.00	-	-	-	-	-
R & B DENIMS LTD (Yam)	3,030,855.00	2,466.00	-	-	-	-	-
RADHESHYAM SPINNING MILL PVT.LTD.	2,890.00	3,030,855.00	-	-	-	-	-
RAJ ENTERPRISE	3,186.00	2,890.00	-	-	-	-	-
Ravi Enterprises	7,080.00	3,186.00	-	-	-	-	-
RENT ORIENT TOURS & TRAVELS	663.00	7,080.00	-	-	-	-	-
RENT ENTERPRISE	48,215.00	663.00	-	-	-	-	-
S. CHARTER	3,087.00	48,215.00	-	-	-	-	-
		3,087.00	-	-	-	-	-









## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31.03.2022**

### **NOTE NO: 1: COMPANY INFORMATION**

The company was incorporated as private limited company on 23/08/2010 under the Companies Act, 1956, in the state of Gujarat at Bidaj.

The company was engaged in trading of textile products, and has successfully implemented, at Block No. 297, admeasuring 8660 Sq. Mtrs on lease hold land from M/s. Dholi Integrated Spinning Park Ltd. Weaving Project phase -1 and phase -2 , at Dholi Integrated Spinning Park, Village Dholi, TA : Dholka, Dist.: Ahmedabad.

### **NOTE NO: 2: SIGNIFICANT ACCOUNTING POLICIES**

#### **2.1 Basis of preparation of Financial Statements:-**

These financial statements have been prepared under historical cost convention from books of accounts maintained on an accrual basis in conformity with accounting principles generally accepted in India and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India and referred to Sec 129 & 133 of the Companies Act, 2013, of India. The accounting policies applied by the company are consistent with those used in previous year.

#### **2.2 Disclosure of Accounting Policies:-**

The Accounting Principles and policies recognized as appropriate for measurement and reporting of the financial performance and the financial position on mercantile system and recognize items of income and expenditure on accrual basis. The statement on Significant Accounting policy excludes disclosures regarding Accounting Standards in respect of which there are no material transactions during year.

#### **2.3 Fixed Assets and Capital Work in Progress :-**

a) Fixed assets are stated at cost of acquisition or construction. All cost relating to the acquisition and installation of fixed assets (Net of CENVAT/VAT credits where ever applicable) are capitalized and include borrowing costs directly attributable to construction or acquisition of fixed assets, up to the date of asset is put to use and adjustment arising out of exchange rate variation relating to liabilities attributable to those fixed assets.

b) Advances paid towards the acquisition of fixed assets outstanding at each balance sheet date and cost of fixed assets not ready for their intended use before such date are disclosed under capital work-in progress. Work-in progress excludes expenditure pending for capitalization.

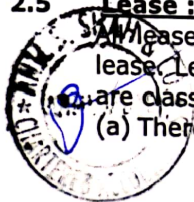
#### **2.4 Depreciation :-**

Depreciation has been provided based on life assigned to each asset in accordance with Schedule II of the Companies Act, 2013 however in respect of life of plant and machinery consider as 10years as per chartered engineered certificate of Mr. S.K Patel in respect of Building, change in method of depreciation from SLM to WDV w.e.f., F.Y. 2018-19.

#### **2.5 Lease :-**

Leases are classified into operating and finance lease at the inception of the lease. Lease that transfer substantially all risks and rewards from lesser to lessee are classified as finance lease and other being classified as operating lease.

(a) There are no finance lease transaction entered into by the company





**(b) Operating Lease**

Lease arrangement where the risks and rewards incidental to ownership of an assets substantially vest with the lesser, are recognized as operating lease. Operating lease payments are recognized on the straight line basis over the lease term. The lease hold land has been amortised over 99 years as per terms of Lease Agreement.

**2.6 Valuation of Inventories:-**

The inventories been valued at Cost or Net realizable value whichever is lower.

**2.7 Contingencies and Events occurring after Balance sheet date:-**

Material Events occurring after Balance sheet date are taken into cognizance. There have been no material changes or events since the date of balance sheet affecting financial statements as on the Balance sheet date. Further, the dates of Balance sheet, no events or circumstances have occurred, through properly excluded from the accounts, are of such importance that they should be disclosed through any medium.

**2.8 Revenue recognition:-**

Revenue is recognized to the extent that it is probable that economic benefits will flow to the company and the revenue can be reliably measured. Commission/Adat Income has been recognized on accrual basis.

**2.9 Accounting for Investments:-**

Investment, that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments.

**2.10 Preliminary Expenditure:-**

Preliminary Expenditure is to be apportioned in five equal installments, commencing from the year in which operation has commenced.

**2.11 Preoperative Expenses:-**

As regards in direct expenditure on project implementation/ construction, are treated as preoperative expenditure pending allocation to fixed assets in progress and is shown as "Preoperative Expenses" under "Other Non Current Assets". The same is transferred to fixed assets on progressive basis and is capitalized along with fixed assets on commencement of commercial activities on pro-rata basis to respective assets.

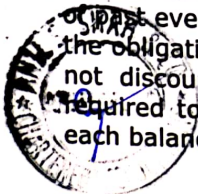
**2.12 Taxes on Income:-**

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax is recognized, on timing differences, being the Difference between taxable incomes and accounting income that originates in one period and are capable of reversal in one or more subsequent periods, if any.

Minimum Alternate Tax (MAT) Credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during specified period. In the year in which the MAT credit becomes eligible, to be recognized as an asset. In accordance with recommendation contained in the guidance note issued by ICAI, said asset is created by way of credit/reversal of provisions to Profit and Loss A/c and shown as MAT Credit Entitlements in Loans and Advances. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

**2.13 Provisions:-**

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an out flow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determine based on best estimate required to settle the obligations at the balance sheet date these are review at each balance sheet date and adjusted to reflect the best estimates.



**2.14 Contingent Liabilities:-**

Contingent Liabilities are determined on the basis of available information and explanations given to us and are disclosed by way of note to the accounts, if any.

**2.15 GLOBAL HEALTH PANDEMIC ON COVID-19**

The outbreak of Corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.

The Government of India ordered a nationwide lockdown for certain period of time during the year to prevent community spread of COVID-19 in India resulting in significant reduction in economic activities.

In assessing the recoverability of Company's assets such as Investments, Loans, assets, trade receivable etc. the Company has considered internal and external information. The Company has performed sensitivity analysis on the assumptions used basis the internal and external information/indicators of future economic conditions, the Company expects to recover the carrying amount of the assets.

