SHREEDHAR

SHREEDHAR SPINNERS PRIVATE LIMITED

A/404 Gokul Arcade Subhash Road Vile Parle East Mumbai 400057 India
Tel No. 91-22-26847777 Email: export.spinners@shreedhar.com
GSTIN:27ABFCS0669E1ZA CIN: U17299MH2020PTC351591

BOARD REPORT

To
The Members of
SHREEDHAR SPINNERS PRIVATE LIMITED

Your Directors have pleasure in presenting the 2nd Annual Report of your Company together with the Audited Statement of Accounts and the Auditor's Report of your Company for the financial year ended March 31, 2022.

1. **FINANCIAL HIGHLIGHTS**

   The Company's performance during the year ended 31st March, 2022 is summarized below:

   Standalone Financial Statements

Particulars		Current Year (Amount in INR)	Previous Year (Amount in INR)
Total Income		-	-
Total Expenses		95,31,706	8,25,513
Preoperative Expenses		**(95,31,706)**	**(8,25,513)**
Profit / (Loss) Before Tax		-	-
Tax		-	-
Current Tax		-	-
Deferred Tax & Excess/ Short Provisions		-	-
Profit /(Loss) after Tax		-	-
Earnings per share (Rs.) :	Basic	-	-
	Diluted	-	-

2. **STATE OF COMPANY'S AFFAIRS**

   The revenue generating activities of the Company are yet to start. Your Directors are putting all possible efforts to start the operations at the earliest efficiently and effectively in all fronts so as to achieve better results in the upcoming financial year.

3. **TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013**

   The Company has not transferred any amount to the reserves during the year.

4. **SHARE CAPITAL**

   The Company has following capital structure as on March 31, 2022:

Type of share capital	No. of Shares	Share Capital (in INR)
Authorised Share Capital	1,50,00,000	15,00,00,000
Issued, Subscribed and Paid-Up Share Capital	1,50,00,000	15,00,00,000

   During the year under review, the Company had issued and allotted 1,49,00,000 equity shares of INR 10 each aggregating to INR 14,90,00,000/-.

5. **DIVIDEND**

   In order to conserve the resources of the company, the Directors do not recommend any dividend for the Financial Year 2021-22.

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6. **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

No material changes and commitments affecting the financial position of the Company has occurred between the end of the financial year to which this financial statement relates and the date of this report.

7. **DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES**

During the year under review, our Company does not have any subsidiary/ joint venture. However during the year under review, the Company have become a Subsidiary Company of Shreedhar Cotsyn Private Limited.

8. **REVISION OF FINANCIAL STATEMENT**

There was no revision of the financial statements for the year under review.

9. **ISSUE OF DEBENTURES/BORROWINGS**

The details of borrowings of the Company are disclosed in the Annual Audited Financial Statements of the Company for the financial year ended on 31st March, 2022.

10. **CHANGE IN THE NATURE OF BUSINESS**

There is no change in the nature of the business of the Company during the year under review.

11. **ANNUAL RETURN**

As the Company doesn't have its own website, the requirement to upload Annual Return of the Company on its website as on 31st March, 2022 in Form MGT – 7 in accordance with Section 92(3) of the Act read with Companies (Management and Administration) Rules, 2014, is not applicable to the Company.

12. **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Mr. Rajendra Prasad Satyanarayan Agarwal (DIN: 00148620), Director of the Company ceased to be a Director of the Company w.e.f. 02nd April, 2022 pursuant to his untimely and sad demise. He was designated as Director on the Board of the Company since 19th December, 2020.

The Board of Directors places on record its appreciation for the valuable services-rendered by Mr. Rajendra Prasad Satyanarayan Agarwal during his tenure as a Director of the Company.

The Company had three Directors as on 31st March, 2022 as follows:

1. Mr. Dharmendra Mohandas Goyal
2. Mr. Vishal Rajendra Prasad Agarwal
3. Mr. Rajendra Prasad Satyanarayan Agarwal

Pursuant to the provisions of Section 203 of the Companies Act, 2013 read with the rules framed thereunder, the Company appointed Mrs. Shradha Agarwal as Whole Time Company Secretary w.e.f. 15th April, 2022.

The Board of the Company is duly constituted.

13. **DECLARATIONS/ DISCLOSURES OF INTEREST BY DIRECTORS**

The Company has received declarations from all the Directors pursuant to the provisions of Section 164(2) of the Companies Act, 2013 and disclosure of interest pursuant to the provisions of Section 184(1) of the Companies Act, 2013 confirming their interest in the other entities.

14. **MEETINGS OF THE BOARD OF DIRECTORS**

The Board of Directors of the Company met Seven times during the year under review. The following Meetings of the Board of Directors were held during the Financial Year 2021-22:

SN	Date of Meeting	No. of Directors eligible to attend the meeting	No. of Directors Present
1	22-04-2021	3	3
2	28-06-2021	3	3
3	31-08-2021	3	3
4	30-10-2021	3	3
5	09-12-2021	3	3
6	11-01-2022	3	3
7	05-02-2022	3	3

15. **PRESENCE/ATTENDANCE OF DIRECTORS IN THE MEETINGS**

Details of attendance of Directors of Board Meeting during the year under review is as follows:

SN	Name of Director	Board Meeting			Committee Meeting			AGM Attendance
		No. of Meeting held	No. of Meeting Attended	%				
1	Mr. Dharmendra Mohandas Goyal	7	7	100	-	-	-	Yes
2	Mr. Vishal Rajendra Prasad Agarwal	7	7	100	-	-	-	Yes
3	Rajendra Prasad Satyanarayan Agarwal	7	7	100	-	-	-	No

16. **GENERAL MEETING**

The general meetings of the shareholders of the Company were held on the following dates, during the period under review.

Sr. No.	Type of Meetings	Date of Meeting
1.	Annual General Meeting	30-11-2021

17. **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirements of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanations relating to material departures;

b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the Company for that year;

c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors had prepared the annual accounts on a going concern basis; and

e) the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

18. **APPOINTMENT OF INDEPENDENT DIRECTORS IN THE BOARD AND DECLARATION UNDER SECTION 149(6)**

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to our Company.

19. **STATUTORY AUDITOR AND AUDITORS' REPORT**

Pursuant to provision of Section 139 of the Companies Act, 2013 read with The Companies (Audit and Auditors) Rules, 2014, as amended, M/s. Sarda & Pareek LLP, Chartered Accountants, (FRN:109262W) the statutory Auditors of the Company, shall hold office up to the conclusion of Annual General Meeting to be held in the year 2026.

The Ministry of Corporate Affairs vide its Notification dated 7th May 2018, has dispensed with the requirement of ratification of Auditor's appointment by the shareholders, every year. Hence, the resolution relating to ratification of Auditor's appointment is not included in the Notice of the ensuing Annual General Meeting.

M/s. Sarda & Pareek LLP, Chartered Accountants has confirmed their eligibility and consent to continue as Statutory Auditors of the Company for FY 2022-23.

M/s. Sarda & Pareek LLP, Chartered Accountants has conducted audit for the financial year ended on 31^{st} March, 2022 and has submitted their report thereon. There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

The Report of the Statutory Auditors along with notes to Schedules is enclosed to this report.

20. **DETAILS OF FRAUD REPORTED BY AUDITORS**

As per Auditors Report, no fraud under section 143(12) of Companies Act, 2013 read with Rule13 (1) of the Companies (Audit and Auditors) Rule, 2014 is reported by the Statutory Auditors of the Company.

21. **SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT**

The Secretarial Audit is not applicable on the Company as it is not covered under the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of managerial Personnel) Rules, 2014.

22. **COST AUDIT AND COST RECORDS**
Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit and maintenance of cost records are not applicable on the Company.

23. **STATEMENT PURSUANT TO COMPLIANCE WITH SECRETARIAL STANDARDS**
The Directors have devised proper system to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

24. **CORPORATE SOCIAL RESPONSIBILITY (CSR)**
The Company does not meet the criteria specified under Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 so there is no requirement to constitution of Corporate Social Responsibility Committee as well as no disclosure is required to be made under Section 134(o) of the Companies Act, 2013.

25. **COMPOSITION OF AUDIT COMMITTEE**
The provision of Section 177 relating to Audit Committee is not applicable to the Company.

26. **VIGIL MECHANISM/ WHISTLE BLOWER POLICY**
During the year under review, the provisions of Section 177(9) of the Act with respect to vigil mechanism becomes applicable to the Company. Accordingly the Company has framed a vigil mechanism and adopted a Whistle Blower Policy which is duly approved by the Board of Directors of the Company. Mr. Dharmendra Goyal, Director is appointed to play the central role to overview the process and effective implementation of Vigil Mechanism in the Company.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of its business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of any nature whatsoever, or fear of any unfair treatment. The vigil mechanism provides a channel to employees and Directors to report to the management, concerns about the unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or any Policy of the Company.

27. **COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION**
The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

28. **DEPOSITS**
The Company has not accepted or renewed any amount falling within the preview of provisions of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

29. **LOANS, GUARANTEES AND INVESTMENTS**

Full particulars of Loans & Advances, Guarantees, Investments, and Securities provided during the financial Year under review along with the purpose for which such loans, guarantees and securities are proposed to be utilized by the recipients thereof, has been furnished in the Financial Statements as on 31st March, 2022.

30. **RELATED PARTY TRANSACTIONS**

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions and conflicting with the interest of the Company.

Attention of the members is drawn to the disclosure of the transactions with related parties set out in Note 29 of the Annual Audited Financial Statements, forming part of the Annual Report. The form AOC- 2 delineating transactions with related party is enclosed as Annexure – A to this report.

31. **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO**

a. **Conservation of energy-**

Sr. No.	PARTICULARS	REMARKS
1	The steps taken or impact on conservation of energy	The Company is taking adequate steps to conserve the energy at all the levels and also implementing various measures for reduction in consumption of energy.
2	The steps taken by the company for utilizing alternate sources of energy	The Company continues to explore measures which will help in conservation and saving of energy including monitoring of consumption.
3	The capital investment on energy conservation equipment's	During the year under review, there are no capital investment made on energy consumption equipment

b. **Technology Absorption:**

Sr. No.	PARTICULARS	REMARKS
i)	Efforts made towards technology absorption	NA
ii)	Benefits derived like product improvement, cost reduction, product development or import substitution	NA
iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year): a. Details of technology imported: b. Year of Import: c. Whether the technology been fully absorbed: d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof.	During the year under review, the Company has not imported any technology.
iv)	Expenditure incurred on Research and Development.	During the year under review, the Company has not spent towards research and development

c. **Foreign Exchange Earnings and Outgo:**

i. The Foreign Exchange earned in terms of actual inflows during the year: Nil
ii. The Foreign Exchange outgo during the year in terms of actual outflows: INR 1,04,55,098

32. **RISK MANAGEMENT**

Risks are events, situations or circumstances which may lead to negative consequences on the Company's business. Risk management is a structured approach to manage uncertainty. A formal enterprise-wide approach to Risk Management is being adopted by the Company and key risks will now be managed within a unitary framework. As a formal roll-out, all business divisions and corporate functions will embrace Risk Management Policy and Guidelines, and make use of these in their decision making. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews.

The risk management process in our multi-site business, multi-site operations, over the period of time will become embedded into the Company's business systems and processes, such that our responses to risks remain current and dynamic.

The Company has devised a proper risk management system commensurate with the size of its operations and complexities involved in the business.

33. **INTERNAL FINANCIAL CONTROLS**

The Companies Act, 2013 re-emphasizes the need for an effective Internal Financial Control system in the Company. The system should be designed and operated effectively. Rule 8(5) (viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of Internal Financial Controls with reference to the financial statements to be disclosed in the Board's Report. To ensure effective Internal Financial Controls the Company has laid down the following measures:

1. The internal financial control systems are commensurate with the size and nature of its operations.
2. All legal and Statutory compliances are ensured on a monthly basis. Non-compliance, if any, is seriously taken by the management and corrective actions are taken immediately. Any amendment is regularly updated by internal as well as external agencies in the system.
3. Approval of all transactions is ensured through a preapproved Delegation of Authority Schedule which is reviewed periodically by the management.
4. The Company follows a robust internal audit process. Transaction audits are conducted regularly to ensure accuracy of financial reporting, safeguard and protection of all the assets. Fixed Asset verification of assets is done on annual basis. The audit reports for the above audits are compiled and submitted to Board of Directors for review and necessary action.

34. **BOARD EVALUATION**

The provision of section 134(3)(p) relating to board evaluation is not applicable on the company, hence no disclosure in this regard is made in this report.

35. **SEXUAL HARASSMENT POLICY AND COMMITTEE**

The Company has a policy on prevention, prohibition and redressal of sexual harassment at workplace and has also established an Internal Complaints Committee, as stipulated by The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules thereunder to deal with the complaints relating to sexual harassment of women employees of your company. No Internal Complaints Committee meeting was held during the year.

During the year under review, no complaint were received by the Internal Complaint Committee of the Company constituted under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013 ("Act").

36. **GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

a) Issue of equity shares with differential rights as to dividend, voting or otherwise as per the provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014.
b) Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOP referred to in this Report as per the provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014.
c) Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its holding or subsidiaries.
d) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
e) Your Company did not have any funds specified under Section 125 of Act lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF) during the year under review.

37. **APPLICATION OR PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016**

The Company has no applications or proceedings pending under the Insolvency and Bankruptcy Code, 2016

38. **DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONETIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF**

The Company has not made any settlement with any Bank or Financial Institution during the year.

39. **ACKNOWLEDGEMENT**

Your Directors wish to express their grateful appreciation to the continued co-operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed service of the Executives, staff and Workers of the Company.

Date: 12th July, 2022 | **For and on Behalf of the Board of Directors of**

Place: Mumbai | **SHREEDHAR SPINNERS PRIVATE LIMITED**

SHREEDHAR SPINNERS PVT. LTD. MUMBAI

Dharmendra Goyal	**Vishal Agarwal**
Director	**Director**
DIN: 00163777	**DIN: 00376242**

ANNEXURE - A
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 arm's length transactions under third proviso thereto

1. **Details of contracts or arrangements or transactions not at arm's length basis: Nil**
   The Company has not entered into any contract or arrangement or transactions with its related parties which is not at arm's length during the financial year.

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

Sr. No.	Name of Related Party	Nature of Relationship	Nature of Transactions	Amount (in Rs. Lakh)
1.	Shreedhar Cotsyn Private Limited	Holding Company	Interest on Loan	21.24
2.	Shreedhar Cotsyn Private Limited	Holding Company	Loan Received	149.02

Date: 12th July, 2022
Place: Mumbai

For and on Behalf of the Board of Directors of
SHREEDHAR SPINNERS PRIVATE LIMITED

SHREEDHAR SPINNERS PVT. LTD. MUMBAI

Dharmendra Goyal
Director
DIN: 00163777

Vishal Agarwal
Director
DIN: 00376242

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✉ spca@sardapareek.com
Branches at INDORE, BHARUCH

INDEPENDENT AUDITOR'S REPORT

To the Members of **Shreedhar Spinners Private Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Shreedhar Spinners Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and profit for the year ended on that date.

Basis for Opinion

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

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's 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 such 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.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors 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 judgement and maintain professional scepticism throughout the audit. We also:

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CHARTERED ACCOUNTANTS

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

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

We communicate with those charged to governance regarding, among other matters, the planned scope and timing of the audit and significant audit finding, 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 to governance, we determine those matters that were most significant in the audit of standalone financial statements for the current period and therefore the key audit matters. We describe these matters in the auditor's report unless the law or regulation

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FRN :

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 reanaby be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1.As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure 1"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c. The Balance Sheet, the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

f. In our opinion, section 197 read with Schedule V to the Act for managerial remuneration is not applicable to Private Limited Company

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

1. The Company does not have any pending litigations which would impact its financial position;

2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

4. The management has represented that, to the best of its knowledge and belief as disclosed in note no:33, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company

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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:

a. 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
b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

5.

- The management has represented, that, to the best of its knowledge and belief as disclosed in note no: 33, 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
  a. 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
  b. provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries

6. 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 under sub-clause (d) (i) and (d) (ii) contain any material misstatement

7. No Dividend was declared / paid during the year under audit.

For **SARDA & PAREEK LLP**
Chartered Accountants
FRN no. 109262W/W100673

Gaurav Sarda

SARDA & PAREEK LLP MUMBAI FRN: 109262W / W100673 CHARTERED ACCOUNTANTS

Gaurav Sarda
Partner
Membership No. 110208
Mumbai, July ,12, 2022.
UDIN: 22110208AMTQJE5922

ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT

Annexure referred to in Independent Auditors' Report of even date to the members of Shreedhar Spinners Private Limited on the standalone financial statements for the year ended March 31,2022.

1. **Fixed Assets**

a. Maintenance of Records

The Company has been maintaining proper records showing full particulars, including quantitative details and situation of Capital Work in Progress.;
The Company does not have any intangible assets;

b. Physical verification
There is a regular programme of physical verification of all fixed assets, annually which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In our opinion and as per the information given by the Management, the discrepancies observed were not material and have been appropriately accounted in the books. Since the Company is in process of setting up a new plant, there is no Physical Verification applicable.

c. Title Deeds
The Title deeds of all the Immovable properties disclosed in the Financial Statements are held in the name of the Company.

d. Revaluation
During the year, the company has not revalued its PPE or Intangible assets. Hence reporting under clause 3(i)(d) is not applicable.

e. Benami Transactions
During the year, no 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 rules made thereunder hence no disclosure is required to this extent under clause 3(i)(e) is not applicable.

2. **Inventory**

a. Physical Verification
There is no Inventory in the Financial Year 2021-22

b. Details to the Bank
The Company has not been sanctioned working capital limits in excess of Rs. 5.00 Crores based on the Security of the Current Assets, hence reporting under clause 3(ii)(b) is not applicable.

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3. **Investment Made, Loans or Advances Given.**

In our opinion and according to the information and explanations given to us, the Company has not made investments, provided loans, any loan, secured or unsecured, provided security or guarantee during the year, to any companies, firms and limited Liability Partnerships or other parties.
In view of the above, reporting under clause 3(iii) (a), (b), (c), (d), (e) and (f) is not applicable.

4. **Loans, Investments, Guarantees or Securities falling under Section 185 and 186 of the Companies Act.**

In our opinion and according to the information and explanations given to us, the Company has not provided any loans, investments, guarantees and security to parties covered under section 185 or 186 of the Companies Act, 2013.
In view of the above reporting under clause 3 (iv) is not applicable.

5. **Deposits Accepted**

In our opinion and according to the information and explanations given to us, during the year, the company has not accepted deposits or amounts which are deemed to be deposits from the public in terms of the provisions of section 73 to 76 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014, as amended and other relevant provisions of the Act and no deposits are outstanding at the year end.
In view of the above reporting under clause 3(v) is not applicable.

6. **Maintenance of Cost Records**

The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 for any of the activities of the company and accordingly the reporting under clause 3(vi) is not applicable.

7. **Depositing Statutory Dues**

The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including income-tax, goods and service tax, duty of custom, cess and other statutory dues applicable to it

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8. Disclosure in Tax Assessments

According to the information and explanations given to us and on the basis of our examination of the books of account, there are no transactions surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961 which are not recorded in books of accounts.

9. Default in Repayment of Loan or Other Borrowings

In our opinion and according to the information and explanations given to us, the Company has no outstanding dues or has not defaulted in repayment of the loans or other borrowings or in the payment of interest thereon to any lender.
In view of the above, reporting under clause 3 (ix) (b), (c), (d), (e) and (f) is not applicable.

10. Moneys Raised

a. During the year the company has not raised money through initial public offer or further public offer (including debt instruments).

b. According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or (fully, partially or optionally convertible) debentures during the year and therefore provisions of section 42 of the Act are not applicable to the Company.
In view of the above reporting under clause 3(x)(a) and (b) is not applicable.

11. Fraud Reported or Noticed

a. As represented to us by the management and based on our examination of the books and records of the Company in accordance with the generally accepted auditing practices in India, we have neither come across any material fraud on or by the Company noticed or reported during the year nor we have been informed of any such case by the management that causes the financial statements to be materially misstated.

b. In view of the above reporting under clause (xi) (b) of the order is not applicable.

c. There were no whistle-blower complaints received during the year.

12. Nidhi Company

In our opinion and according to the information and explanations given to us, the Company is not a nidhi company and therefore the reporting under clause 3(xii) is not applicable.

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13. Transaction with Related Parties

In our opinion and according to the information and explanations given to us the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable Indian accounting standards.

14. Internal Audit

In our opinion and based on the conditions stated under section 138 of Companies Act, 2013, reporting under clause 3(xiv) (a) and (b) is not applicable.

15. Non-Cash Transactions

In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of Section 192 of the Companies Act, 2013 and reporting under clause (xv) is not applicable.

16. Applicability of Section 45-IA of Reserve Bank of India Act, 1934

a. In our opinion and according to the information and explanations given to us, the Company is not required to register under Section 45 – IA of the Reserve Bank of India Act, 1934.

b. In our opinion and according to the information and explanations given to us, the company has not conducted any Non-Banking Financial or Housing Finance activities as per the Reserve Bank of India, 1934

c. In our opinion and according to the information and explanations given to us, the company is not a Core Investment Company (CIC) as defined in the regulation made by the Reserve Bank of India.

d. In our opinion and according to the information and explanations given to us, the group does not have a Core Investment Company (CIC) as defined in the regulation made by the Reserve Bank of India.

Hence, Clause 3 (xvi) of the Order is not applicable to the Company

17. Cash Losses Incurred

The Company has not incurred any cash loss during the financial year ended March 31,2022 and in the immediately preceding financial year.

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18. **Any Resignation of Statutory Auditors**

During the year, there has been no resignation of the statutory auditors.

19. **Existence of any Material Uncertainty**

On the basis of the analysis of the financial and other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management 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 the audit report that 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 the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20. **Corporate Social Responsibility**

In our opinion and according to the information and explanations given to us, the clauses of the section 135 of the Companies Act, 2013 is not applicable. Hence reporting under clause (xx) (b) is not applicable.

21. **Qualifications in CARO Report**

The company does not have any subsidiary, joint venture or associates and hence consolidated financial statements are not prepared.
In view of the above, reporting under clause (xxi) is not applicable.

For **SARDA & PAREEK LLP**
Chartered Accountants
FRN no. 109262W/W100673

SARDA & PAREEK LLP MUMBAI FRN : 109262W / W100673 CHARTERED ACCOUNTANTS

Gaurav Sarda
Partner
Membership No. 110208
Mumbai, July ,12, 2022.
UDIN: 22110208AMTQJE5922

Shreedhar Spinners Private Limited
Balance Sheet as at March 31,2022
CIN-U17299MH2020PTC351591

PARTICULARS	Note No	31 March 2022 Amount (In Lakhs)	31 March 2021 Amount (In Lakhs)
I-Equity and liabilities			
1) Shareholders Fund			
(a) Share Capital	2	1,500.00	10.00
(b) Share Application Money Received	3	-	425.00
		1,500.00	**435.00**
2) Non-Current Liabilities			
(a) Long-term Borrowings	4	673.42	101.14
		673.42	**101.14**
3) Current Liabilities			
(a) Trade payables	5		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		357.76	-
(b) Other Current liabilities	6	4.71	0.19
		362.47	**0.19**
TOTAL-(I)		**2,535.89**	**536.33**
II-Assets			
1) Non-current Assets			
(a) Capital Work in Progress (CWIP)	7	2,120.25	-
(b) Capital Advances	8	237.69	518.00
(c) Long-term Loans and Advances	9	2.03	-
		2,359.97	**518.00**
2) Current Assets			
(a) Cash and Cash Equivalents	10	45.07	10.08
(b) Other Current Assets	11	130.84	8.26
		175.91	**18.33**
TOTAL-(II)		**2,535.89**	**536.33**
Summary of Significant Accounting Policies	1		
The accompanying notes form an integral part of the Financial Statements	2-36		
As per our report of even date			

In terms of our report attached.
For SARDA & PAREEK LLP
Chartered Accountants
FRN No. . 109262W / W100673

Gaurav Sarda
Partner
Membership No: 110208
Place: Mumbai
Date:12th July,2022

For and on behalf of the Board

Dharmendra Goyal
Director
DIN: 00163777

Vishal Agarwal
Director
DIN:00376242

Shreedhar Spinners Private Limited
Statement of profit and loss for the year ended March 31,2022
CIN-U17299MH2020PTC351591

PARTICULARS	Note No	31 March 2022 Amount (In Lakhs)	31 March 2021 Amount (In Lakhs)
I- Income			
(a) Revenue from operations		-	-
Total (I)		-	-
II- Expenses			
(a) Direct Expense	12	16.30	-
(b) Financial costs	13	59.28	1.23
(c) Other Expenses	14	19.74	7.02
(d) Pre-Operative Expenses	15	-95.32	-8.26
Total (II)		-	-
III- Profit before tax (I-II)		-	-
IV- Tax Expense		-	-
(a) Current tax		-	-
Total (iv)		-	-
V- Profit/(Loss) After Tax		-	-
Earning per equity share:			
Basic & Diluted			
Face Value per Ordinary Shares - Rupees		10	10
Summary of Significant Accounting Policies	1		
The accompanying notes form an integral part of the Financial Statements	2-36		
As per our report of even date			

In terms of our report attached.

For SARDA & PAREEK LLP
Chartered Accountants
FRN No. . 109262W / W100673

Gaurav Sarda
Partner
Membership No: 110208
Place: Mumbai
Date:12th July,2022

For and on behalf of the Board

Dharmendra Goyal
Director
DIN: 00163777

Vishal Agarwal
Director
DIN:00376242

Shreedhar Spinners Private Limited

Notes to the Standalone Financial Statements

CIN No:U17299MH2020PTC351591

1. **Corporate Information:**

The Shreedhar Spinners Private Limited (the 'Company') is a private limited company incorporated in India under the Indian Companies Act, 2013. The registered office of the Company is located at A404, GOKUL ARCADE, SUBHASH ROAD, VILE PARLE EAST MUMBAI Mumbai City MH 400057.

2. **Significant Accounting Policies**

2.1. **Statement of Compliance**

The Standalone financial statements have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013 (as amended from time to time).

2.2. **Basis of Preparation and Presentation**

The Standalone financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition or the amount of proceeds received in exchange for the obligation, or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

2.3. **Use of Estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise

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3. Other Significant Accounting Policies

3.1. Cash and Cash Equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value

3.2. Property Plant and Equipments

3.2.1. Tangible Assets

- Property Plant and Equipments are stated at acquisition cost less accumulated depreciation / amortization and cumulative impairment.
- The cost of Property Plant and Equipments comprises its purchase price net of any trade discounts and rebates, any import duties, GST and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying Property Plant and Equipments upto the date the asset is ready for its intended use.
- Subsequent expenditure on Property Plant and Equipments after its purchase/completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance
- The revalued assets are carried at the revalued amounts less accumulated depreciation and impairment losses, if any. Increase in the net book value on such revaluation is credited to "Revaluation reserve account" except to the extent such increase is related to and not greater than a decrease arising from a revaluation/impairment that was previously recognised in the Statement of Profit and Loss, in which case such amount is credited to the Statement of Profit and Loss. Decrease in book value on revaluation is charged to the Statement of Profit and Loss except where such decrease relates to a previously recognised increase that was credited to the Revaluation reserve, in which case the decrease is charged to the Revaluation reserve to the extent the reserve has not been subsequently reversed/utilised.

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- Property Plant and Equipments retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately

3.2.2. Construction Period Expenses on Projects

- Revenue expenses exclusively attributable to projects incurred during construction period are capitalized. However, such expenses in respect of capital facilities being executed along with the production/operations simultaneously are charged to revenue.
- Financing cost incurred during the construction period on loans specifically borrowed and utilized for projects is capitalized on a quarterly basis up to the date of capitalization.
- Financing cost, if any, incurred on General Borrowings used for projects is capitalized at the weighted average cost. The amount of such borrowings is determined on a quarterly basis after setting off the amount of internal accruals.

3.2.3. Intangible Assets

- Technical know-how / license fee relating to production process and process design are recognized as Intangible Assets and amortized on a straight line basis over a period of ten years or life of the underlying plant/ facility, whichever is earlier.
- Expenditure incurred on Research & Development, other than on capital account, is charged to revenue.
- Costs incurred on computer software purchased/developed resulting in future economic benefits, are capitalised as Intangible Asset and amortised over a period of three years beginning from the quarter in which such software is capitalised. However, where such computer software is still in development stage, costs incurred during the development stage of such software are accounted as "Intangible Assets Under Development".

3.2.4. **Impairment of Assets:**

- The carrying value of assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

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- The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.
- When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised

3.2.5. **Depreciation/Amortization**

- Cost of tangible Property Plant and Equipment's (net of residual value) is depreciated on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013
- Depreciation/ amortization is charged pro-rata on the basis of assets, from/up to the date of capitalization/ sale, disposal/ or earmarked for disposal. Residual value is considered at 5% of cost of assets.
- The Company depreciates components of the main asset that are significant in value and have different useful lives as compared to the main asset separately.
- Expenditure on the items, ownership of which is not with the Company are charged off to revenue in the year of incurrence of such expenditure
- The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any

3.3. INVESTMENTS

- Long term investments are valued at cost and provision for diminution in value, thereof is made, wherever such diminution is other than temporary.
- Current investments are valued at lower of cost or fair market value.

3.4. INVENTORIES

3.4.1. Raw Materials & Stock-in-Process

- Raw materials including crude oil are valued at cost determined on weighted average basis or net realizable value, whichever is lower.

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- Stock in Process is valued at raw material cost plus conversion costs as applicable or net realizable value, whichever is lower.
- Goods in Transit are valued at cost or net realizable value, whichever is lower.

3.4.2. **Finished Products and Stock-in-Trade**

- Finished products and stock in trade, are valued at cost determined on 'First in First Out' basis or net realizable value, whichever is lower.
- Imported products in transit are valued at cost or net realisable value whichever is lower.

3.5. **Taxes on Income:**

- **Current tax** is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.
- **Minimum Alternate Tax (MAT)** paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.
- Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there is unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off . Deferred tax assets are reviewed at each balance sheet date for their realisability.

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Current and Deferred Tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

3.6. **Research and Development Expenses**

- Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technological feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Property Plant and Equipments utilised for research and development are capitalised and depreciated in accordance with the policies stated for tangible/intangible Property Plant and Equipments.

3.7. **FOREIGN CURRENCY TRANSLATION**

3.7.1. **Initial recognition**

- Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.
- Transactions in foreign currencies entered into by the **Company's integral foreign operations** are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.
- Net investment in **non-integral foreign operations is accounted** for at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.
- Transactions of **non-integral foreign operations are transla**ted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transactions

3.7.2. **Measurement at the balance sheet date**

- Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.
- Foreign currency monetary items (other than derivative contracts) of the Company's **integral foreign operations outstanding** at the balance sheet date are restated at the

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year-end rates. Non-monetary items of the Company's integral foreign operations are carried at historical cost.

- Foreign currency monetary items (other than derivative contracts) of the Company's net investment in **non-integral foreign operations outstanding at** the balance sheet date are restated at the year-end rates.
- All assets and liabilities of **non-integral foreign operations are** translated at the year-end rate.

3.7.3. Treatment of exchange differences

- Exchange differences arising on settlement/restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.
- Exchange differences arising on settlement/restatement of short-term foreign currency monetary assets and liabilities of the Company's integral foreign operations are recognised as income or expense in the Statement of Profit and Loss.
- The exchange differences on restatement of long-term receivables from **non-integral foreign operations** that are considered as net investment in such operations is accounted as per policy for long-term foreign currency monetary items stated in para below until disposal/recovery of such net investment, in which case the accumulated balance in "Foreign currency translation reserve" is recognised as income/expense in the same period in which the gain or loss on disposal/recovery is recognised.
- The exchange differences relating to **non-integral foreign operations** are accumulated in a "Foreign currency translation reserve" until disposal of the operation, in which case the accumulated balance in "Foreign currency translation reserve" is recognised as income/expense in the same period in which the gain or loss on disposal is recognised.
- The exchange differences arising on settlement/restatement of long-term foreign currency monetary items are **capitalised as part of the depreciable Property Plant and Equipments** to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable Property Plant and Equipments, the exchange difference is amortised over the maturity period/upto the date of settlement of such monetary items, whichever is earlier and charged to the Statement of Profit and Loss. The unamortised exchange difference is carried under Reserves and Surplus as "Foreign currency monetary item translation difference account" net of the tax effect thereon, where applicable.

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3.8. Revenue Recognition

- Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
- Revenue from sale of goods is recognized when sufficient risks and rewards are transferred to customers, which is generally on dispatch of goods.

3.9. Borrowing Cost

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

3.10. Segment Reporting

- The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Executive Management in deciding how to allocate resources and in assessing performance.
- The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.
- Inter-segment revenue is accounted for on the basis of transactions which are primarily determined based on market/fair value factors.
- Revenue, expenses, assets and liabilities which relate to the Company as a whole and not allocable to segments on a reasonable basis have been included under "unallocable revenue/expenses/assets/liabilities".

3.11. Provisions, Contingent Liabilities and Contingent Assets

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- A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present values and are determined based on the best estimate required to settle the obligations at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.
- Contingent liabilities are not recognised in the financial statements and are disclosed in the Notes.
- A Contingent asset is neither recognised nor disclosed in the financial statements.

3.12. Earnings Per Share

- Basic earnings per share is computed by dividing the profit/loss after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/loss after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The number of equity shares and potentially dilutive equity shares are adjusted for share splits/reverse share splits and bonus shares, as appropriate.

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Note 2 : Share Capital

	31st March 2022		31st March 2021	
	Number of shares	Amount (In INR)	Number of shares	Amount (In INR)
Authorised Share Capital				
Equity shares of Rs. 10 each with voting rights	1,50,00,000	15,00,00,000	50,00,000	5,00,00,000
Issued Share Capital				
Equity shares of Rs. 10 each with voting rights	1,50,00,000	15,00,00,000	1,00,000	10,00,000
Subsibed and fully paid up				
Equity shares of Rs. 10 each with voting rights	1,50,00,000	15,00,00,000	1,00,000	10,00,000
Total		**15,00,00,000**		**10,00,000**

Refer Notes (i) to (vi) below

Notes:
(i) Rights of Equity Shareholders

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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

Equity shares with voting rights	Opening Balance	Fresh issue	Bonus / Buy	Closing Balance
- Number of shares	1,00,000	1,49,00,000	-	1,50,00,000
- Amount (in Rupees)	10,00,000	14,90,00,000	-	15,00,00,000

(iii) Disclosure for the aggregate number allotted as fully paid up without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date:

Equity Shares :	2022	2021
Fully paid up pursuant to contract(s) without payment being received in cash	-	-
Fully paid up by way of bonus shares	-	-
Shares bought back	-	-

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

Class of shares / Name of shareholder	AS AT MARCH 31, 2022		AS AT MARCH 31, 2021	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity Shares with Voting Rights:				
Dharmendra Goyal			50000	50%
Vishal Agarwal			50000	50%
Shreedhar Cotsyn Private Limited	145000000	96.67%		

(v) Information regarding issue of shares in the last five years :
- The company has not issued any shares without payment being received in cash.
- The company has not issued any bonus shares.
- The company has not undertaken any buy-back of shares.

(vi) Shares held by promoters at the end of the year

Promoter name	AS AT MARCH 31, 2022			AS AT MARCH 31, 2021		
	No. of shares as March 31, 2022	% of Total Shares	% Change during the year	No. of shares as March 31, 2022	% of Total Shares	% Change during the year
Dharmendra Goyal	50,000	0.33%	0	50,000	50%	0
Vishal Agarwal	1,00,000	0.67%	100	50,000	50%	0
Shreedhar Cotsyn Private Limited	145000000	96.67%	100			

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	31 March 2022 Amount (In Lakhs)	31 March 2021 Amount (In Lakhs)
Note 3 : Share Application Money Received		
Shreedhar Cotsyn Private Limited	-	425.00
	-	**425.00**
Note 4 : Long Term Borrowings		
a) Secured Loan from Bank	524.40	
b) Unsecured Loan from Related parties	149.02	101.14
	673.42	**101.14**

a)_1 SBI Term Loan Account

1) First charge by way of Registered Mortage on all piece and parecel of land located at Plot No.T-15 at Amravati. 2) Exclusive charge by way of hypothecation on entire plant and machinery of the company.

b)_1 Loan from Related Party are at rate of interest of 10.5% PA and repayable on demand.

	31 March 2022	31 March 2021
Note 5 : Trade Payables		
Micro, Small and Medium Enterprises-MSME		
Other than MSME	357.76	-
	357.76	**-**

The Company has not received any intimation from supplier regarding their status under the MSME act 2006, and hence,disclosure if any,relating to amount unpaid as at the year end together with interest paid /Provided as per the requirement under the said act have not been given

Refer Note No.25 for ageing of Trade Payables

	31 March 2022	31 March 2021
Note 6 : Other Current Liabilities		
Duties & Taxes	4.71	0.19
	4.71	**0.19**
Note 7 : Capital Work in Progress		
CWIP	2,120.25	-
	2,120.25	**-**

Refer Note No.23 for ageing of CWIP

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Note 8 : Capital Advance

For Capital Goods	237.69	518.00
	237.69	**518.00**

Note 9 : Long Term Loans and Advances

Security Deposit	2.03	-
	2.03	**-**

Note 10 : Cash & Cash Equivalents

Cash in hand	0.04	-
Balance with banks	45.04	**10.08**
	45.07	**10.08**

Note 11 : Other Current Assets

Pre-Operative Expenses	95.32	8.26
Indirect Tax-GST	34.66	-
Direct Tax-Income Tax	0.87	-
	130.84	**8.26**

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	31 March 2022 Amount (In Lakhs)	31 March 2022 Amount (In Lakhs)
Note 12 : Direct Expense		
Maintenance and Staff Cost	16.30	-
	16.30	**-**
Note 13 : Finance Costs		
Bank Charges & Other Expenses	59.28	0.00
Interest on Loan - Others	-	1.23
	59.28	**1.23**
Note 14 : Other Expenses		
Audit Fees	0.10	0.10
Membership Fees	0.20	0.11
Incorporation Expenses and Other Miscellaneous Expen:	19.45	6.82
	19.74	**7.02**
Note 15 : Pre-Operative Expenses		
Maintenance and Staff Cost	16.30	-
Membership Fees	0.20	0.11
Incorporation Expenses	19.45	6.82
Bank Charges	59.28	0.00
Interest Expenses on Loan	-	1.23
Audit Fees	0.10	0.10
	95.32	**8.26**

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Additional Notes to the Standalone Financial Statements

(CY: Current Year ; PY: Previous Year)

16. Contingent Liability:

Contingent Liabilities for the year not provided for is NIL.

17. Commitments:

Sr No.	Name	Amount in Lakhs. (CY)	Amount in Lakhs. (PY)
a	Estimated amounts of Contract remaining to be executed on capital Account and not provided for (net of advances)	4070	-
b	Outstanding Letter of Credit	2471	-
c	Margin Money deposited against the above	-	-

18. Utilisation of Funds

The company has obtained funds from issues of Equity Shares, and borrowings from banks. Such amount has been utilised for the specific purpose as stated in the Sanction letter as at the balance sheet date.

19. Registration of charges or satisfaction with Registrar of Companies

There is no charge or satisfaction yet to be registered with Registrar of Companies beyond the statutory period

20. The Company has not given any loan or corporate guarantee, made any investments or provided any security.

21. Title deeds of Immovable Property

The Title deeds of all the immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are in the name of the Company.

22. The Company has not revalued its Property, Plant and Equipment during the year.

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Additional Notes to the Standalone Financial Statements

23. Capital-Work-in Progress (CWIP)

- Ageing Schedule of the CWIP is as follows:

Amount in Lakhs

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,120.25	0	0	0	2,120.25
Projects temporarily suspended	0	0	0	0	0
Total	2,120.25	0	0	0	2120.25

24. Details of Benami Property held

There are no proceedings 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.

25. Ageing of Trade Payables

Trade payables ageing schedule is as follows:

Amounts in Lakhs

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	
Due to:					
Undisputed					0
- MSME					0
- Others	357.76				357.762
Disputed					0
- MSME					0
- Others					0

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26. MSME Disclosures

There are no dues to Micro, Small and Medium Enterprises to the extent information available.

27. There are no transactions executed by the company with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

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28. Ratios

Details of Statutory Ratios is as follows:

Type of Ratios	Numerator	Denominator	2021-22	Remark
Current Ratios	Current Assets	Current Liabilities	1.15	
Debt Equity Ratio	Borrowing (current + non current) + Lease liability (current and non current)	Total Equity	0.45	
Debt Service Coverage Ratio	Earnings available for debt service includes Profit for the year from continuing operations + Depreciation and amortisation expense + Finance costs - Other income+non cash items such as Unrealised Forex loss, provision for doubtful debts, advances written off, marked to market loss and impairment of intangibles and intangibles under development	Debt Service -includes Interest & Lease Payments + Principal Repayments	-	There are no Transaction in Current year
Return on Equity (%)	Profit for the year	Average Total Equity	-	There are no Transaction in Current year

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Additional Notes to the Standalone Financial Statements

Inventory Turnover	Cost of material consumed, Purchase of Stock in trade and Changes in Inventories	Average Inventories	-	There are no Transaction in Current year
Debtors Turnover	Sale of Products and Services	Average Trade Receivables	-	There are no Transaction in Current year
Trade Payables Turnover	Cost of material consumed, Purchase of Stock in trade and Changes in Inventories	Average Trade Payables	-	There are no Transaction in Current year
Net capital turnover ratio	Sale of Products and Services	Average Working Capital where Working capital is Current Assets less Current Liabilities	-	There are no Transaction in Current year
Net Profit Margin (%)	Profit for the year	Sale of Products and Services	-	There are no Transaction in Current year
Return on Capital employed (%	Earning before interest and taxes	Tangible Net worth+Total Debt+Deferred Tax Liability	-	There are no Transaction in Current year
Return on investment (%)	Profit for the year	Average Total Equity	-	There are no Transaction in Current year

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Additional Notes to the Standalone Financial Statements

31. **Proposed Dividend**

During the year, no dividend is proposed and declared towards the Equity Shareholders.

32. **Tax Assessment Pending**

The Income Tax Assessment has been completed till AY 2021-22 and there are no outstanding liability identified by the IT Department

The GST liability has been paid and no assessment proceedings have been initiated till date.

33. **Note on Ultimate Beneficiaries**

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

34. **Significant Events after the Reporting Period**

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

35. **Approval of Standalone Financial Statements**

The Standalone financial statements were approved for issue by the Board of Directors on 12th July, 2022

36. Previous year's comparative figures have been regrouped wherever necessary. Figures in brackets indicate deductions.

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