



GUJARAT Hy-spin LTD

Tele : 02825 - 297170

Email : gujarathyspinpvtltd@gmail.com

Gundala Road Gundala GONDAL - 360311 P B No 22 Dist Rajkot Gujarat - India

Subject to GONDAL Jurisdiction

L17110GJ2011PLC0698

Ref: GHSL/CS/BSE/AR 2020-21

Date: 02.09.2021

To,
Corporate Governance Department
BSE Limited (SME Platform)
P. J. Towers, Dalal Street,
Mumbai - 400001.

Script ID: GUJHYSPIN, Script Code: 540938

Sub: Notice of the 11th Annual General Meeting along with Annual Report of the Company for the financial year 2020-21

Dear Sir,

In terms of Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, we are enclosing herewith the Annual Report along with Notice of 11th Annual General Meeting of the company for the financial year 2020-21, which is being sent to the shareholders by electronic mode.

The 11th Annual General Meeting of the Company will be held on Thursday, 30th September 2021 at 11.00 AM at Register Office of the Company P.O. Box No.22, Gundala Road, Gondal, Dist – Rajkot – 360311. Gujarat.

Kindly take the same on your records.
Thanking you.

Yours Faithfully,

For, GUJARAT HY-SPIN LIMITED

M. Maganbhai Parvadiya

Mr. Maganbhai Parvadiya
Chairman & Whole-time Director
DIN: 03190749



Encl: a/a



GUJARAT Hy-spin LTD.

GUJARAT HY-SPIN LIMITED

**ANNUAL REPORT
2020-21**

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ANNUAL GENERAL MEETING

**DAY: THURSDAY
DATE: 30th SEPTEMBER, 2021
TIME: 11.00 A.M.**

**VENUE: P.O.BOX NO. 22, GUNDALA ROAD,
GONDAL DIST - RAJKOT -360311. GUJARAT.**

COMPANY INFORMATION

BOARD OF DIRECTORS

1. Mr. Maganlal Parvadiya DIN: 03190749
Chairman & Whole-time Director
2. Mr. Chandulal Parwadia DIN: 03197876
Whole-time Director
3. Mrs. Bindiya Ketankumar Parvadiya DIN: 08210285
Non-Executive Director
4. Mr. Anil Kumar DIN: 08405909
Independent Director
5. Mr. Niteshkumar Kantariya DIN: 08405905
Independent Director

- **CHIEF FINANCIAL OFFICER**

MR. PARAS MAGANBHAI PARVADIYA

- **COMPANY SECRETARY & COMPLIANCE OFFICER**

**CS NARESH VASUDEVBHAI KANZARIYA
ACS 60683**

- **STATUTORY AUDITOR**

**M/s. Finava & Associates
Chartered Accountants
34, 2nd Floor, Star Shopping Center,
Dr. Yagnik Road, Rajkot. - 360001.
Tel: 0281 2462988 / 2463488
Firm Registration No.: 117362W
Membership No.: 044511**

- **BANKERS**

STATE BANK OF INDIA

- **SECRETARIAL AUDITOR**

**M/s. S. V. Nadiyapara & Co.
Practicing Company Secretary
317, Business Edifice, Bhutkhana Chowk,
Canal Road, Rajkot. - 360001.
ACS 42126 CP No. 15645**

- **REGISTER OFFICE OF COMPANY
CIN, EMAIL ID & WEBSITE**

**GUJARAT HY-SPIN LIMITED
P.O. Box No. 22, Gundala Road, Gondal.
Dist - Rajkot -360311. Gujarat.**

**CIN : L17110GJ2011PLC063898
Tel.: 02825-297170**

**e-mail: info@gujarathyspin.com
web: www.gujarathyspin.com**

- **REGISTRAR & SHARE TRANSFER AGENT**

**BIGSHARE SERVICES PRIVATE LIMITED
E/2, Ansa Industrial Estate,
Saki Vihar Road, Saki Naka,
Andheri (East), Mumbai - 400072
Tel: 022 40430200**

- **LISTING**

**SCRIPT CODE: 540938
SCRIPT ID: GUJHYSPIN**

ISIN: INE578V01013

**BSE LIMITED - SME PLATFORM
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400001.**

DIRECTOR'S REPORT
For the Financial Year ended on 31st March, 2021

**TO THE MEMBERS OF
GUJARAT HY-SPIN LIMITED**

Dear Shareholders,

The Directors have pleasure in presenting the 11th Annual Report along with the Audited Financial Statements for the year ended March 31, 2021.

FINANCIAL HIGHLIGHTS

The Company's Financial Performance, for the year ended March 31, 2021 is summarized below:

Particulars	2020-21 (Amt. In Rs.)	2019-20 (Amt In Rs.)
Revenue from Operations	49,77,45,389	47,42,53,377
Other Income	3,82,23,642	3,14,43,210
Total Income	53,59,69,031	50,56,96,587
Cost of Materials Consumed	35,12,61,497	34,90,18,697
Employees Benefits Expense	1,68,86,522	1,51,24,502
Finance Cost	3,06,57,410	3,13,41,664
Depreciation & Amortization Exp.	2,40,09,508	2,74,19,261
Other Expenses	9,66,74,165	8,78,60,042
Profit/ (Loss) Before Tax	28,50,511	18,10,137
Current Tax	14,47,943	12,46,600
Deferred Tax	292000	(17,02,000)
Profit/ (Loss) After Tax (PAT)	11,10,568	22,65,537
Earnings per Share		
Basic & Diluted	0.07	0.14

FINANCIAL PERFORMANCE

During the Financial year 2020-21, the Company has earned revenue from operations of Rs 49.77 Crore as compared to previous year revenue from operation of Rs. 47.42 crore. The company has earned Net Profit of Rs. 11.11 Lacs as compared previous year Net Profit of Rs.22.66 Lacs.

COVID-19 PENDING

The Operational Performance of the Company has sustained well during the financial year and the Company has been able to attain the Pre-Covid Sales Volume. The Company has considered the possible impacts of COVID-19 in preparation of these financial statements including but not limited to assessment of going concern assumption, recoverable values of financial assets and expects to recover the carrying amount of these assets. The Company has also considered the economic conditions and the potential effect to the industry. The impact of COVID-19 on the financial statements may differ from that estimated as at the date of approval of these financial statements.

DECLARATION OF DIVIDEND AND TRANSFER OF AMOUNT TO RESERVES

Considering the pandemic outbreak and its adverse impact on business operations in the near term, the Board has decided not to recommend any final dividend for the Financial Year 2020-21. Moreover, no amount is being transferred to reserves during the financial year 2020-21.

CHANGE IN THE NATURE OF BUSINESS

There are no changes in the nature of business of the Company during the year under Report. The Company is engaged in the business of manufacturing and processing of yarn.

SUBSIDIARIES, JOINT VENTURE OR ASSOCIATE COMPANIES

As on 31st March, 2021, the Company does not have any Subsidiary, Associate or Joint Venture.

CAPITAL STRUCTURE

The Authorised and Paid up Equity share Capital of the Company as on 31st March, 2021 was Rs. 16,75,00,000/- (Rupees Sixteen Crore Seventy-Five lacs only) divided into 1,67,50,000 (One Crore Sixty-Seven Lacs Fifty Thousand) Equity Shares of Rs 10/- (Rupees Ten only) each. During the year, the Company has not issued any share with differential voting rights nor granted stock options or sweat equity or any convertible instrument.

EXTRACT OF THE ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Section 92 of the Companies Act, 2013 is included in this Report as “**Annexure A**” and forms an Integral part of the Report. Further, Annual Return will be uploaded on company’s website www.gujarathyspin.com.

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMPs)

The details of Directors and KMPs as on March 31, 2021 are as follows:

Sr. No.	Name of Directors / KMPs	Designation	Appointment Date
1	Mr. Maganlal Parvadiya	Chairman & Whole-time Director	01/02/2011
2	Mr. Chandulal Parvadia	Whole-time Director	01/02/2011
3	Mrs. Bindiya Ketankumar Parvadiya	Director	01/09/2018
4	Mr. Anil Kumar	Independent Director	08/04/2019
5	Mr. Niteshkumar Kantariya	Independent Director	08/04/2019
6	Mr. Paras Parvadiya	Chief Financial Officer	01/08/2016
7	CS Naresh Kanzariya	Company Secretary & Compliance officer	10/08/2020

➤ Director liable to retire by rotation

As per the provisions of Section 152 of the Companies Act, 2013, not less than two-third of the total number of Directors, other than Independent Directors shall be liable to retire by rotation. One-third of these Directors are required to retire every year and if eligible, these Directors qualify for re-appointment. At the ensuing AGM, Mr. Chandulal Parvadia (DIN: 03197876) Whole-time Director, retires by rotation and being eligible, offers himself for re-appointment.

A detailed profile of Mr. Chandulal Parvadia, Whole-time Director along with additional information required under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings is provided separately by way of an Annexure to the Notice of the AGM.

➤ Independent Directors

The following are the Independent Directors of the Company as on 31.03.2021:

1. Mr. Anil Kumar (DIN: 08405909)
2. Mr. Niteshkumar Kantariya (DIN: 08405905)

In terms of the definition of 'Independence' of Directors as prescribed under Clause 16 (1)(b) of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 entered with Stock Exchange and Section 149(6) of the Companies Act, 2013. Company has obtained declaration from independent directors as per above Regulations.

COMMITTEES

The Company has duly constituted the following mandatory Committees in terms of the provisions of the Companies Act, 2013 & SEBI (LODR) Regulations 2015 read with rules framed there under viz.

a) Audit Committee

b) Nomination and Remuneration Committee

➤ **Audit Committee**

The Audit Committee comprises of 2 Non-Executive Independent Directors and 1 Executive Director. The Composition of committee is in conformity with the listing regulations. As of March 31, 2021 the Audit committee of the Board of Directors of the Company comprises of 3 (Three) members namely:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Anil Kumar	Chairman,	Independent Director
Mr. Niteshkumar Kantariya	Member	Independent Director
Mr. Maganlal Parvadiya	Member	Executive Director

During the year, the Committee met four times i.e. 14/05/2020, 29/07/2020, 11/11/2020, and 05/03/2021 and all the members are attended meetings. The Chief financial officer and Statutory Auditor are the regular invitees to the Committee meetings. The Board accepted the recommendations of the Audit Committee whenever made by the Committee during the year.

➤ **Nomination and Remuneration Committee**

The Nomination and Remuneration Committee comprises of 3 Non-Executive Independent Directors. The Composition of committee is in conformity with the listing regulations. As of March 31, 2021 the Audit committee of the Board of Directors of the Company comprises of 3 (Three) members namely:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Anil Kumar	Chairman,	Independent Director
Mr. Niteshkumar Kantariya	Member	Independent Director
Mrs. Bindiya Ketankumar Parvadiya	Member	Non Executive

During the year, the Committee met four times i.e. 02/05/2020, 01/08/2020, 04/12/2020, and 25/03/2021 and all the members are attended meetings.

BOARD EVALUATION

Pursuant to the section 134 (3) (p) of Companies Act, 2013 read with Rule 8 (4) of Companies Accounts Rules, 2014 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the Directors individually, as well as the Board Committees.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3) (c) of the Companies Act, 2013, it is hereby confirmed that:

- a)** In the preparation of the annual accounts for the year ended on 31st March 2021, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b)** The Directors 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 31st March, 2021 and of the profit of the Company for the year ended on that date;
- c)** The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d)** The Directors have prepared the annual accounts on a 'going concern' basis;
- e)** 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
- f)** The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on various issues, including strategy related matters pertaining to the business of the Company. The tentative calendar of Board Meetings is circulated to the Directors in advance to facilitate them and to ensure their active participation at the Meetings of the Company.

The Board meetings are held at least once in every quarter. The Board meetings are generally held at Registered Office of the Company. Agenda papers containing all necessary information / documents are made available to the Board in advance to enable the Board to take informed decisions and to discharge its functions effectively.

During the year 2020-21, the Board met four times i.e. 28/04/2020, 30/07/2020, 12/11/2020, and 01/02/2021 requisite quorum were present at the said meetings.

The Board has established procedures to enable the Board to periodically review compliance reports of all laws applicable to the Company, prepared by the Company, as well as steps taken by the Company to rectify instances of non-compliance.

INDEPENDENT DIRECTORS' MEETING

The Independent Directors met on 12th March 2021, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of non-independent directors and the Board as a whole; the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report for the year under review as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of this Annual Report.

AUDITORS

(A) Statutory Auditor

M/s. Finava & Associates, Chartered Accountants, (FRN: 117362W), were appointed as a Statutory Auditors of the Company to hold office till the conclusion of Annual General Meeting to be held in the year 2025. As required under the provisions of Section 139 of the Companies Act, 2013, the Company has obtained written confirmation from M/s. Finava & Associates that their appointment for the financial year 2020-21 would be in conformity with the limits specified in the said Section.

Ministry of Corporate Affairs vide the Companies (Amendment) Act, 2017 notified on May 7, 2018 amended Section 139 of the Act which had done away with the requirement of seeking ratification of Members for appointment of Auditors at every AGM. Accordingly, no Resolution is being proposed for ratification of appointment of Statutory Auditors at the ensuing AGM.

The Report given by M/s. Finava & Associates, Chartered Accountants, on the financial statements of the Company for the financial year 2020-21 is a part of the Annual Report. There has been no qualification, reservation or adverse remark or disclaimer in their Report.

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and/or Board under Section 143(12) of the Act and Rules framed there under.

(B) Secretarial Auditors

Pursuant to Section 204 of the Companies Act 2013, The Board has appointed M/s. S. V. Nadiyapara & Co. Practicing Company Secretary, Rajkot to conduct Secretarial Audit for the financial year 2020-21. The Company provided all assistance and facilities to the Secretarial Auditor for conducting their audit. The Secretarial Audit Report for the financial year ended March 31, 2021 is annexed herewith marked as “**Annexure B**” to this Report. The Secretarial Audit Report submitted by them in the prescribed form MR-3.

Some observations by Secretarial Auditor under report for FY2020-21 are as under:

1. Company fails to appoint Internal Auditor as per provision of Section 138 of the Companies Act, 2013.

Reply by Board: Pursuant to Section 138 of the Companies Act, 2013, The Company has not appointed an Internal Auditor due to not meet any qualified professional as per the eligibilities mentioned under the Companies Act, 2013 to act as Internal Auditor. Further Company is in process to find qualified person and will appoint a professional to act as Internal Auditor in this year.

2. The Company has not deposited of professional tax of amounting Rs.2,48,998/- for the period up to September, 2020 with appropriate authorities.

Reply by Board: The delay in payment of professional tax has been occurred due to weak financial position of the Company. Management also strives to make payment of statutory dues in a timely manner.

(C) Cost Audit

Our Company does not fall under such class of company which required to Cost Audit. As per the Cost Audit Orders, Cost Audit is not applicable to the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under report, the Company has not granted any loan or provided any guarantee or made any investment as specified in Section 186 (2) of the Companies Act,

2013. Hence no approval from the shareholders in this regard was required.

CORPORATE GOVERNANCE

As per Regulation 15 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Para C of Schedule V relating to Corporate Governance Report, shall not apply to company listed on SME Exchange. The Company being a company listed on BSE SME Platform, preparation of corporate governance is not applicable. Although relevant information is provided in the Board's Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is not coming under the criteria as mentioned in Section 135 of the Companies Act, 2013 which specifies the requirement of forming the Corporate Social Responsibility Committee.

RATIO OF REMUNERATION OF EACH DIRECTOR TO THE MEDIAN REMUNERATION OF THE EMPLOYEES OF THE COMPANY FOR THE F.Y.2020-21

During the year under report no remuneration has been paid by the Company to the directors, therefore information required pursuant to section 197 (12) read with Rule 5 (1) (i) of the Companies (Appointment and Remuneration) Rules 2014 in respect of ratio of remuneration of each director to the median remuneration of the employee of the Company for the financial year 2020-21 not required to disclose.

COMPANY'S POLICY ON DIRECTORS APPOINTMENT, NOMINATION, REMUNERATION AND FORMAL EVALUATION

Pursuant to provisions of Section 178 (1) of the Companies Act, 2013, the Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection, nomination, appointment and remuneration of Directors suitably containing the criteria determining qualifications, positive attributes and independence of a Director.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

The Company had entered into transactions with related party (Sister Concern) in the previous years on continues basis in the ordinary course of business. Therefore, information on transactions with related parties pursuant to section 134(3) (h) of the act read with Rule 8 (2) of Companies (Accounts) Rules, 2014 are not required to provide in Form AOC-2. Your directors draw attention of members to Note 33 to the financial statement which sets out related party disclosures as per AS-18 for the year under review.

RISK MANAGEMENT POLICY

Risk management is a very important part of business. The main aim of risk management is to identify, monitor and take precautionary measures in respect of the events that may pose risk for the business. Company's risk management is embedded in the business processes and thereby reduces the risk to its possible extent.

The Board periodically reviews the operations of the Company and identifies the risk / potential risk, if any to the Company and implement the necessary course of action(s) which the Board deems fit in the best interest of the Company. Further almost all the business operations are being carried out directly under the supervision and control of the Director leaving no scope of any fraud or irregularities.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires per-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board of Directors and the designated employees have confirmed compliance with the Code.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has adopted a vigil mechanism under Section 177(9) of the Companies Act, 2013 read with Companies (Meetings of Board and Its Powers) Rule, 2014 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a Whistle Blower Policy to provide a mechanism to its directors, employees and other stakeholders to raise concerns violation of legal or regulatory requirements, misrepresentation of any financial statement and to report actual or suspected fraud or violation of the Code of Conduct of the Company.

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

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo as per Section 134 (3) (m) of the Companies Act, 2013 and the Rule 8(3) of the Companies (Accounts) Rules, 2014 as under:

A) Conservation of energy:

The Company regularly reviews measures to be taken for energy conservation, consumption and its effective utilization. Additionally, due to consideration is given for

selection of energy efficient plant & machinery while undertaking manufacturing capacity expansion, modernization & up gradation.

(B) Technology absorption:

(i) The efforts made towards technology absorption are:

- Identification and sourcing of new and alternate materials for ensuring quality improvement and cost competitiveness
- Modernization and technological up gradation of plant & equipments.
- Optimisation of raw material utilisation, process engineering and reduction of wastage.

(ii) The benefits derived like cost reduction, product development:

- Enhanced productivity and overall operational efficiency.
- Improved cost competitiveness.

(C) Foreign exchange earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows as follows:

- i) Earnings by way of Exports : NIL
- ii) Outgo by way of Imports : NIL

GENERAL

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

(a) The Company has neither issued shares with differential rights as to dividend, voting or otherwise nor has granted stock options or sweat equity under any scheme. Further, none of the Directors of the Company holds investments convertible in to equity shares of the Company as on 31st March, 2021.

(b) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status of the Company and its operations in future.

(c) The Company has zero tolerance towards sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at work place and has also constituted an Internal Complaints Committee in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made there under. During the year under review, there were no cases filed or reported pursuant to the provisions of the said Act.

ACKNOWLEDGEMENT

The Board desires to place on record its grateful appreciation for the excellent assistance and co-operation received from the Central and State Government and continued support extended to the Company by the bankers, investors, suppliers, esteemed customers and other business associates. Your Directors also wish to place on record their deep sense of appreciation to all the employees of the Company for their unstinted commitment and continued contribution in the performance of the Company.

**For and on behalf of the Board of Directors
Gujarat Hy-Spin Limited,
Sd/-**

**Date: 2nd September, 2021
Place: Gondal**

**Maganbhai Parvadiya
Chairman & Whole-time Director
(DIN: 03190749)**



Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the Financial Year Ended on 31st March, 2021

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

I. REGISTRATION AND OTHER DETAILS:

Sr. No.	Particulars	
I	Corporate Identification Number	L17110GJ2011PLC063898
II	Registration Date	01 st February, 2011
III	Name of the Company	Gujarat Hy-Spin Limited
IV	Category / Sub-Category of the Company	Company Limited by Share & Indian Non Government Company
V	Address of the Registered office and contact details	P. O. BOX No. 22, Gundala Road, Gondal-360311 Dist: Rajkot. Gujarat Ph. 02825 – 297170 E-mail: gujarathyspinpvtltd@gmail.com
VI	Whether listed company	Yes (BSE SME Platform)
VII	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East) Mumbai - 400059. Maharashtra Tel: +91 22 6263 8200 www.bigshareonline.com

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:-

Sl. No.	Name and Description of main products /services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacturing of cotton yarn and other cotton mixed fabrics	13121	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sr. NO.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ASSOCIATE	% of shares held	Applicable Section
NOT APPLICABLE					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Statement Showing Shareholding Pattern

SR NO	Category of Shareholder	No. of Shares held at the beginning of the year: 31/03/2020				No. of Shares held at the end of the year :31/03/2021				% Change
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
(A) Shareholding of Promoter and Promoter Group										
1	Indian									
a)	INDIVIDUAL / HUF	4780660	0	4780660	28.54	4780660	0	4780660	28.54	0.00
b)	Central / State government(s)	0	0	0	0.00	0	0	0	0.00	0.00
c)	BODIES CORPORATE	0	0	0	0.00	0	0	0	0.00	0.00
d)	FINANCIAL INSTITUTIONS / BANKS	0	0	0	0.00	0	0	0	0.00	0.00
e)	ANY OTHERS (Specify)									

1	GROUP COMPANIES	0	0	0	0.00	0	0	0	0.00	0.00
2	TRUSTS	0	0	0	0.00	0	0	0	0.00	0.00
3	DIRECTORS RELATIVES	6093915	0	6093915	36.38	6093915	0	6093915	36.38	0.00
	SUB TOTAL :	10874575	0	10874575	64.92	10874575	0	10874575	64.92	0.00
(A) Shareholding of Promoter and Promoter Group										
2	Foreign									
a)	BODIES CORPORATE	0	0	0	0.00	0	0	0	0.00	0.00
b)	INDIVIDUAL	0	0	0	0.00	0	0	0	0.00	0.00
c)	INSTITUTIONS	0	0	0	0.00	0	0	0	0.00	0.00
d)	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
e)	ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL :	0	0	0	0.00	0	0	0	0.00	0.00
(A) Shareholding of Promoter and Promoter Group										
3	Non-institutions									
a)	ANY OTHERS (Specify)									
1	DIRECTORS RELATIVES	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL :	0	0	0	0.00	0	0	0	0.00	0.00
	Total Public Shareholding	10874575	0	10874575	64.92	10874575	0	10874575	64.92	0.00
(B) Public shareholding										
4	Institutions									
a)	Central / State government(s)	0	0	0	0.00	0	0	0	0.00	0.00
b)	FINANCIAL INSTITUTIONS / BANKS	0	0	0	0.00	0	0	0	0.00	0.00
c)	MUTUAL FUNDS / UTI	0	0	0	0.00	0	0	0	0.00	0.00
d)	VENTURE CAPITAL FUNDS	0	0	0	0.00	0	0	0	0.00	0.00
e)	INSURANCE COMPANIES	0	0	0	0.00	0	0	0	0.00	0.00
f)	FII'S	0	0	0	0.00	0	0	0	0.00	0.00
g)	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.00	0	0	0	0.00	0.00
h)	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00

i)	ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
j)	FOREIGN PORTFOLIO INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
k)	ALTERNATE INVESTMENT FUND	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL :	0	0	0	0.00	0	0	0	0.00	0.00
	(B) Public shareholding									
5	Non-institutions									
a)	BODIES CORPORATE	0	0	0	0.00	0	0	0	0.00	0.00
b)	INDIVIDUAL									
1	(CAPITAL UPTO TO Rs. 1 Lakh)	1660000	0	1660000	9.91	1430000	0	1430000	8.54	(1.37)
2	(CAPITAL GREATER THAN Rs. 1 Lakh)	2176790	1328635	3505425	20.93	2546790	1328635	3875425	23.14	2.21
c)	ANY OTHERS (Specify)									
1	HINDU UNDIVIDED FAMILY	570000	0	570000	3.40	550000	0	550000	3.28	(0.12)
2	TRUSTS	0	0	0	0.00	0	0	0	0.00	0.00
3	CLEARING MEMBER	120000	0	120000	0.72	0	0	0	0.00	(0.72)
4	NON RESIDENT INDIANS (NRI)	0	0	0	0.00	0	0	0	0.00	0.00
5	NON RESIDENT INDIANS (REPAT)	20000	0	20000	0.12	20000	0	20000	0.12	0.00
6	NON RESIDENT INDIANS (NON REPAT)	0	0	0	0.00	0	0	0	0.00	0.00
7	DIRECTORS RELATIVES	0	0	0	0.00	0	0	0	0.00	0.00
8	EMPLOYEE	0	0	0	0.00	0	0	0	0.00	0.00
9	OVERSEAS BODIES CORPORATES	0	0	0	0.00	0	0	0	0.00	0.00
10	UNCLAIMED SUSPENSE ACCOUNT	0	0	0	0.00	0	0	0	0.00	0.00
11	IEPF	0	0	0	0.00	0	0	0	0.00	0.00
d)	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
e)	NBFCs registered with RBI	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL :	4546790	1328635	5875425	35.08	4546790	1328635	5875425	35.08	0.00

	Total Public Shareholding	4546790	1328635	5875425	35.08	4546790	1328635	5875425	35.08	0.00
(C) Shares held by Custodians and against which Depository Receipts have been issued										
6										
f)	SHARES HELD BY CUSTODIANS	0	0	0	0.00	0	0	0	0.00	0.00
12	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
13	Public	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL :	0	0	0	0.00	0	0	0	0.00	0.00
	Total Public Shareholding	0	0	0	0.00	0	0	0	0.00	0.00
	GRAND TOTAL	15421365	1328635	16750000	100.00	15421365	1328635	16750000	100.00	0.00

NOTES :

1) NAME, NUMBER OF SHARES HELD & PERCENTAGE OF ENTITIES / PERSONS HOLDING MORE THAN 1% OF THE TOTAL SHARES OF THE COMPANY IS AS PER ANNEXURE

ii) Shareholding of Promoters and Promoter Group

Shareholding of Promoters & Promoter Group

Sr	Shareholder's Name	Shareholding at beginning of the year 31/03/2020			Shareholding at the end of the year 31/03/2021			
		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	% Change
1	PARVADIYA NIDHIBEN PARASBHAI	80000	0.48	0.00	80000	0.48	0.00	0
2	KAUSHIK LABHSHANKER DAVE	130500	0.78	0.00	130500	0.78	0.00	0
3	PARVADIA HANSABEN CHANDUBHAI	206380	1.23	0.00	206380	1.23	0.00	0
4	PARVADIYA NIRMALABEN MAGANBHAI	243260	1.45	0.00	243260	1.45	0.00	0
5	PARVADIYA BINDIYA KETANKUMAR	267200	1.60	0.00	267200	1.60	0.00	0
6	SANDHYADEVI KAUSHIK DAVE	300000	1.79	0.00	300000	1.79	0.00	0
7	PARVADIA VAJIBEN SHAMBHUBHAI	300000	1.79	0.00	300000	1.79	0.00	0

8	DIVYESH C PARVADIYA	576580	3.44	0.00	576580	3.44	0.00	0
9	KAMLESHBHAI B BOKARVADIA	800000	4.78	0.00	800000	4.78	0.00	0
10	PARAS MAGANBHAI PARVADIYA	885620	5.29	0.00	885620	5.29	0.00	0
11	PARVADIYA YOGESH MAGANBHAI	1079190	6.44	0.00	1079190	6.44	0.00	0
12	PARVADIYA KETANKUMAR MAGANBHAI	1225185	7.31	0.00	1225185	7.31	0.00	0
13	CHANDULAL SHAMBHUBHAI PARVADIA	1243470	7.42	0.00	1243470	7.42	0.00	0
14	MAGANLAL SHAMBHUBHAI PARVADIYA	3537190	21.12	0.00	3537190	21.12	0.00	0
TOTAL		10874575	64.92		10874575	64.92		0

iii) Change in Promoters and Promoter Group Shareholding (please specify, if there is no change)

Shareholding pattern of Promoters and Promoter Group

SR NO	Name	Shareholding		Date	Increase/Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares At the Beginning (31/03/2020) / end of the year (31/03/2021)	% total Shares of the Company				No of Shares	% total Shares of the Company
1	MAGANLAL SHAMBHUBHAI PARVADIYA	3537190	21.12	31-Mar-2020	-	-	3537190	21.12
		3537190	21.12	31-Mar-2021	-	-	3537190	21.12
2	CHANDULAL SHAMBHUBHAI PARVADIA	1243470	7.42	31-Mar-2020	-	-	1243470	7.42
		1243470	7.42	31-Mar-2021	-	-	1243470	7.42
3	PARVADIYA KETANKUMAR MAGANBHAI	1225185	7.31	31-Mar-2020	-	-	1225185	7.31
		1225185	7.31	31-Mar-2021	-	-	1225185	7.31

4	PARVADIYA YOGESH MAGANBHAI	1079190	6.44	31-Mar-2020	-	-	1079190	6.44
		1079190	6.44	31-Mar-2021	-	-	1079190	6.44
5	PARAS MAGANBHAI PARVADIYA	885620	5.29	31-Mar-2020	-	-	885620	5.29
		885620	5.29	31-Mar-2021	-	-	885620	5.29
6	KAMLESHBHAI B BOKARVADIA	800000	4.78	31-Mar-2020	-	-	800000	4.78
		800000	4.78	31-Mar-2021	-	-	800000	4.78
7	DIVYESH C PARVADIYA	576580	3.44	31-Mar-2020	-	-	576580	3.44
		576580	3.44	31-Mar-2021	-	-	576580	3.44
8	PARVADIA VAJIBEN SHAMBHUBHAI	300000	1.79	31-Mar-2020	-	-	300000	1.79
		300000	1.79	31-Mar-2021	-	-	300000	1.79
9	SANDHYADEVI KAUSHIK DAVE	300000	1.79	31-Mar-2020	-	-	300000	1.79
		300000	1.79	31-Mar-2021	-	-	300000	1.79
10	PARVADIYA BINDIYA KETANKUMAR	267200	1.60	31-Mar-2020	-	-	267200	1.60
		267200	1.60	31-Mar-2021	-	-	267200	1.60
11	PARVADIYA NIRMALABEN MAGANBHAI	243260	1.45	31-Mar-2020	-	-	243260	1.45
		243260	1.45	31-Mar-2021	-	-	243260	1.45
12	PARVADIA HANSABEN CHANDUBHAI	206380	1.23	31-Mar-2020	-	-	206380	1.23
		206380	1.23	31-Mar-2021	-	-	206380	1.23
13	KAUSHIK LABHSHANKER DAVE	130500	0.78	31-Mar-2020	-	-	130500	0.78
		130500	0.78	31-Mar-2021	-	-	130500	0.78
14	PARVADIYA NIDHIBEN PARASBHAI	80000	0.48	31-Mar-2020	-	-	80000	0.48
		80000	0.48	31-Mar-2021	-	-	80000	0.48

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

Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDR's and ADR's)								
SR NO	Name	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares At the Beginning (31/03/2020) / end of the year (31/03/2021)	% total Shares of the Company				No of Shares	% total Shares of the Company
1	BACHUBHAI HARIBHAI BOKARVADIYA	420000	2.51	31-Mar-2020	0		420000	2.51
			0.00	30-Nov-2020	-420000	Sell	0	0.00
			2.51	04-Dec-2020	420000	Buy	420000	2.51
		420000	2.51	31-Mar-2021	0		420000	2.51
2	KANTILAL BACHUBHAI BOKARVADIYA	400000	2.39	31-Mar-2020	0		400000	2.39
			0.00	30-Nov-2020	-400000	Sell	0	0.00
			2.39	04-Dec-2020	400000	Buy	400000	2.39
		400000	2.39	31-Mar-2021	0		400000	2.39
3	KASHMIRA KEDAR KOTHARI	390000	2.33	31-Mar-2020	0		390000	2.33
		390000	2.33	31-Mar-2021	0		390000	2.33
4	RAJESHREE BHAVIN SHAH	120000	0.72	31-Mar-2020	0		120000	0.72
			0.96	10-Apr-2020	40000	Buy	160000	0.96
			1.07	17-Apr-2020	20000	Buy	180000	1.07
			1.67	26-Jun-2020	100000	Buy	280000	1.67
			1.97	30-Jun-2020	50000	Buy	330000	1.97
			1.91	10-Jul-2020	-10000	Sell	320000	1.91
			2.03	17-Jul-2020	20000	Buy	340000	2.03
			0.00	31-Jul-2020	-340000	Sell	0	0.00
			2.09	28-Aug-2020	350000	Buy	350000	2.09
			2.03	30-Sep-2020	-10000	Sell	340000	2.03
	1.97	09-Oct-2020	-10000	Sell	330000	1.97		
	2.15	06-Nov-2020	30000	Buy	360000	2.15		
	1.91	13-Nov-2020	-40000	Sell	320000	1.91		
	0.00	30-Nov-2020	-320000	Sell	0	0.00		
	1.97	04-Dec-2020	330000	Buy	330000	1.97		
	2.03	12-Feb-2021	10000	Buy	340000	2.03		
	2.09	19-Feb-2021	10000	Buy	350000	2.09		

			2.15	05-Mar-2021	10000	Buy	360000	2.15
			2.09	19-Mar-2021	-10000	Sell	350000	2.09
			2.21	26-Mar-2021	20000	Buy	370000	2.21
		370000	2.21	31-Mar-2021	0		370000	2.21
5	DILIP KHODIDAS KOTHARI (HUF)	320000	1.91	31-Mar-2020	0		320000	1.91
		320000	1.91	31-Mar-2021	0		320000	1.91
6	BHAVIN R SHAH	150000	0.90	31-Mar-2020	0		150000	0.90
			0.96	03-Apr-2020	10000	Buy	160000	0.96
			0.84	24-Apr-2020	-20000	Sell	140000	0.84
			1.79	26-Jun-2020	160000	Buy	300000	1.79
			1.49	03-Jul-2020	-50000	Sell	250000	1.49
			1.79	17-Jul-2020	50000	Buy	300000	1.79
			0.00	31-Jul-2020	-300000	Sell	0	0.00
			1.79	28-Aug-2020	300000	Buy	300000	1.79
			1.73	04-Sep-2020	-10000	Sell	290000	1.73
			1.67	11-Sep-2020	-10000	Sell	280000	1.67
			1.61	18-Sep-2020	-10000	Sell	270000	1.61
			1.55	25-Sep-2020	-10000	Sell	260000	1.55
			1.43	30-Sep-2020	-20000	Sell	240000	1.43
			1.37	09-Oct-2020	-10000	Sell	230000	1.37
			1.43	16-Oct-2020	10000	Buy	240000	1.43
			1.61	30-Oct-2020	30000	Buy	270000	1.61
			1.25	06-Nov-2020	-60000	Sell	210000	1.25
			1.19	13-Nov-2020	-10000	Sell	200000	1.19
			1.25	20-Nov-2020	10000	Buy	210000	1.25
			0.00	30-Nov-2020	-210000	Sell	0	0.00
			1.19	04-Dec-2020	200000	Buy	200000	1.19
			1.07	11-Dec-2020	-20000	Sell	180000	1.07
			1.19	31-Dec-2020	20000	Buy	200000	1.19
			1.43	22-Jan-2021	40000	Buy	240000	1.43
			1.55	29-Jan-2021	20000	Buy	260000	1.55
			1.49	05-Feb-2021	-10000	Sell	250000	1.49
			1.55	05-Mar-2021	10000	Buy	260000	1.55
			1.61	26-Mar-2021	10000	Buy	270000	1.61
		270000	1.61	31-Mar-2021	0		270000	1.61
7	RAJESH KANJI SHAH	260000	1.55	31-Mar-2020	0		260000	1.55
			1.49	31-Jul-2020	-10000	Sell	250000	1.49
			1.55	06-Nov-2020	10000	Buy	260000	1.55
			1.49	26-Feb-2021	-10000	Sell	250000	1.49
		250000	1.49	31-Mar-2021	0		250000	1.49
8	BHAVNABEN JAYANTIBHAI GHETIYA	200000	1.19	31-Mar-2020	0		200000	1.19
			0.00	26-Jun-2020	-200000	Sell	0	0.00
			0.00	31-Mar-2021	0		0	0.00
9	JAYSHREE RAJESH SHAH	60000	0.36	31-Mar-2020	0		60000	0.36
			0.42	10-Apr-2020	10000	Buy	70000	0.42
			0.30	30-Jun-2020	-20000	Sell	50000	0.30
			0.42	10-Jul-2020	20000	Buy	70000	0.42

			0.36	07-Aug-2020	-10000	Sell	60000	0.36
			0.42	11-Sep-2020	10000	Buy	70000	0.42
			0.48	18-Sep-2020	10000	Buy	80000	0.48
			0.54	29-Sep-2020	10000	Buy	90000	0.54
			0.60	30-Oct-2020	10000	Buy	100000	0.60
			0.78	06-Nov-2020	30000	Buy	130000	0.78
			0.66	13-Nov-2020	-20000	Sell	110000	0.66
			0.72	20-Nov-2020	10000	Buy	120000	0.72
			0.90	11-Dec-2020	30000	Buy	150000	0.90
			1.01	18-Dec-2020	20000	Buy	170000	1.01
			1.13	25-Dec-2020	20000	Buy	190000	1.13
			1.01	31-Dec-2020	-20000	Sell	170000	1.01
			0.90	22-Jan-2021	-20000	Sell	150000	0.90
			0.96	29-Jan-2021	10000	Buy	160000	0.96
			1.01	05-Feb-2021	10000	Buy	170000	1.01
			1.07	19-Feb-2021	10000	Buy	180000	1.07
			1.01	19-Mar-2021	-10000	Sell	170000	1.01
		170000	1.01	31-Mar-2021	0		170000	1.01
10	DIVYA VIRCHAND MOTTA	160000	0.96	31-Mar-2020	0		160000	0.96
		160000	0.96	31-Mar-2021	0		160000	0.96
11	MARISHA HARDIK MOTTA	70000	0.42	31-Mar-2020	0		70000	0.42
			0.54	24-Apr-2020	20000	Buy	90000	0.54
			0.60	22-May-2020	10000	Buy	100000	0.60
			0.72	05-Jun-2020	20000	Buy	120000	0.72
			0.48	31-Jul-2020	-40000	Sell	80000	0.48
			0.60	04-Sep-2020	20000	Buy	100000	0.60
			0.78	11-Sep-2020	30000	Buy	130000	0.78
			0.54	18-Sep-2020	-40000	Sell	90000	0.54
			0.66	23-Sep-2020	20000	Buy	110000	0.66
			0.84	09-Oct-2020	30000	Buy	140000	0.84
		140000	0.84	31-Mar-2021	0		140000	0.84
12	PANKAJBHAI JIVANBHAI CHAVDA	98270	0.59	31-Mar-2020	0		98270	0.59
			0.00	30-Nov-2020	-98270	Sell	0	0.00
			0.59	04-Dec-2020	98270	Buy	98270	0.59
		98270	0.59	31-Mar-2021	0		98270	0.59

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

Sr. No	Name	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares At the Beginning (31/03/2020)/ end of the year (31/03/2021)	% total Shares of the Company				No of Shares	% total Shares of the Company
1	MAGANLAL SHAMBHUBHAI PARVADIYA	3537190	21.12	31-Mar-2020	-	-	3537190	21.12
		3537190	21.12	31-Mar-2021	-	-	3537190	21.12
2	CHANDULAL SHAMBHUBHAI PARVADIA	1243470	7.42	31-Mar-2020	-	-	1243470	7.42
		1243470	7.42	31-Mar-2021	-	-	1243470	7.42
3	PARVADIYA BINDIYA KETANKUMAR	267200	1.60	31-Mar-2020	-	-	267200	1.60
		267200	1.60	31-Mar-2021	-	-	267200	1.60
4	PARAS MAGANBHAI PARVADIYA, CFO	885620	5.29	31-Mar-2020	-	-	885620	5.29
		885620	5.29	31-Mar-2021	-	-	885620	5.29
5	NARESH VASUDEVBHAI KANZARIYA, CS	0	0.00	31-Mar-2020	-	-	0	0.00
		0	0.00	31-Mar-2021	-	-	0	0.00

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	136021120	30144670	-	166165790
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	136021120	30144670	-	166165790
Change in Indebtedness during the financial year				
Addition	8284225	-	-	8284225
Reduction	-	29428000	-	29428000
Net Change	8284225	29428000	-	37712225
Indebtedness at the end of the financial year				
i) Principal Amount	144305345	716670	-	145022015
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	144305345	716670	-	145022015

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No	Particulars of Remuneration	Name of MD/ WTD		
		Mr. Maganbhai Parvadiya (WTD)	Mr. Chandubhai Parvadiya (WTD)	Total Amount
1.	Gross salary	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-

2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	-	-	-

B. Remuneration to other directors:

Sl. No	Particulars of Remuneration	Name of Directors			Total Amount
		Mrs. Bindiya Parvadiya	Mr. Anil Kumar	Mr. Niteshkumar Kantariya	
	3. Independent Directors	-	-	-	-
	Fee for attending board / Committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
	4. Other Non-Executive Directors	-	-	-	-
	Fee for attending board / Committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-

C. Remuneration to key managerial personnel other than MD/ WTD / Manager:

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1.	Gross salary	124000	240000	364000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of Perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-

4.	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5.	Others, please specify	-	-	-
	Total	*124000	240000	364000

*CS Naresh Kanzariya appointed as Company Secretary on 10.08.2020

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

For and on behalf of the Board of Directors
Gujarat Hy-Spin Limited, Gujarat Hy-Spin Limited,

Date: 2nd September, 2021

Place: Gondal

Sd/-
Maganbhai Parvadiya
Chairman & Whole-time Director
(DIN: 03190749)

Form No. MR-3
SECRETARIAL AUDIT REPORT
For The Financial Year Ended 31st March 2021
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Gujarat Hy - Spin Limited
Gondal.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Gujarat Hy - Spin Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided, explanation furnished and documents produced by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, during the audit period covering the financial year ended on 31st March, 2021 ('Audit Period'), the Company has, complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- I. The Companies Act, 2013 (the Act) and the Rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- III. The Depositories Act, 1996 and the Regulations & Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 (FEMA) & the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

- e. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (w.e.f. December 1, 2015).
- f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not Applicable as the company has not issued any debt securities;**
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not Applicable as the Company has not delisted / proposed to delist its equity shares from any Stock Exchange during the Year under review;**
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not applicable as the Company has not bought back / proposed to buy-back any of its securities during the financial year under review.**

VI. The other laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on the sector/ industry, are:

1. Factories Act, 1948
2. The Minimum Wages Act 1948
3. Employees Provident Fund Act, 1952
4. Central Goods and Services Tax Act, 2017;
5. Integrated Goods and Services Tax Act, 2017
6. State Goods and Services Tax Act, 2017
7. The Minimum Wages Act 1948
8. Income Tax Act, 1961
9. Indian Contract Act, 1872;
10. Negotiable Instrument Act, 1881

We relied on the representation made by the Company and its Officers in respect of systems and mechanism formed / followed by the Company for the compliance of the above laws applicable specifically to the Company

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

- i) Secretarial Standards issued by the Institute of Company Secretaries of India,
- ii) The Listing Agreements entered into by the Company with the BSE Limited. (SME Platform)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

- *The Company has not appointed Internal Auditor as per provision of Section 138 of the Companies Act, 2013*
- *The Company has not deposited Professional tax of amounting Rs. 2,48,998/- for the period up to September, 2020 with appropriate authorities.*

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year, if any, under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance pursuant to clause no. 1.3.7 of Secretarial Standard 1 (“SS 1”), circulated separately or placed at the Meetings of the Board and the Committees, after due compliance with the SS 1 and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting
- Decisions at the Board Meetings, as represented by the management and recorded in minutes.
- That the company has not filed/filed some form late in time with additional fees to Registrar of Companies/Regional Director/Central Government under The Companies Act, 2013. The Management clarified that it is a procedural lapse only.

There is still scope to improve the systems and processes in the company and operations of the company to commensurate with the size and operations of the Company to monitor and ensure Compliance with applicable laws, rules, regulations and guidelines.

I, further report that the compliance by the Company of applicable financial laws, rules, regulations, guidelines, notifications, circulars, directives including but not limited to direct and indirect tax laws, Accounting Standards etc. has not been reviewed in my Audit, since the same is subject to review by designated professional/s during the course of statutory financial audit.

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

Place: Rajkot
Date: 24th August, 2021

For, S. V. Nadiyapara & Co.
Company Secretaries

Sd/-

Sandip Nadiyapara
Proprietor
(ACS 42126) (C.P. No.15645)
UDIN : A042126C000826635

ANNEXURE –A

To,
The Members,
Gujarat Hy - Spin Limited
Rajkot.

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on the secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis and in random manner to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Rajkot
Date: 24th August, 2021

For, S. V. Nadiyapara & Co.
Company Secretaries

Sd/-

Sandip Nadiyapara
Proprietor
(ACS 42126) (C.P. No.15645)

CERTIFICATE OF NON DISQUALIFICATION OF DIRECTORS
(Pursuant to Regulation 34 (3) and Schedule V Para C Clause (10) (i) of the
SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015

To,
The Members,
Gujarat Hy-Spin Limited
P.O.Box No. 22, Gundala Road,
Dist - Rajkot, Gondal - 360311 (Gujarat).

We have examined the relevant register, records, forms, returns and disclosures received from the Directors of Gujarat Hy-Spin Limited (L17110GJ2011PLC063898) having registered office at P.O. Box No. 22, Gundala Road, Dist - Rajkot Gondal - 360311 Gujarat and other necessary record produced before us by the Management of the Company, for the purpose of issuing this certificate in accordance with regulation 34 (3) read with Schedule V, Para –C, Sub Clause 10 (i) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirement) regulation 2015.

In our opinion and to the best of our information and according to the verification (Including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanation furnished to us by the Company & its officer, we hereby certify that none of the Directors on the Board of the company as stated herein below for the Financial year ended on **31st March 2021** have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Ministry of Corporate affairs or any such statutory authority.

Sr. No.	Name of the Director	Director Identification Number	Date of Appointment
01	MAGANLAL SHAMBHUBHAI PARVADIYA	03190749	01/02/2011
02	CHANDUBHAI SAMBHUBHAI PARVADIYA	03197876	01/02/2011
03	BINDIYA KETANKUMAR PARVADIYA	08210285	01/09/2018
04	ANIL KUMAR	08405909	08/04/2019
05	NITESHKUMAR MULJIBHAI KANTARIYA	08405905	08/04/2019

Ensuing the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the company not of the efficiency or effectiveness with which management has conducted the affairs of the Company.

For, S. V. Nadiyapara & Co.
Practising Company Secretaries

Sd/-

Sandip Nadiyapara
ACS No.: 42126 CP No.: 15645
UDIN: A042126C000826624

Place : Rajkot
Date : 24th August, 2021

MANAGEMENT DISCUSSION AND ANALYSIS

1. INDUSTRY STRUCTURE AND DEVELOPMENTS

Our company was incorporated in the year 2011 as “Gujarat Hy-spin Private Limited” and subsequently converted into public limited in the year 2017. In the year 2018 company came out with public offer by way of offer for sale and listed its securities on SME platform of BSE. Our Company, “Gujarat Hy-spin Limited” is engaged in manufacturing and processing of yarn.

Gujarat Hy-spin Limited is a leading player in the field of yarn manufacturing. Gujarat Hy-spin provides special types of threads in the garment industry. Our technical expertise, reliability, flexibility of production helps us to have an upper hand in this field.

We believe in manufacturing and delivering quality products and our manufacturing process is under supervision by qualified person. At Company, we desire to demonstrate its capability to provide various products conforming to needs of its customers. We aim satisfy the needs of customers including product requirements, the regulatory authorities and accreditation bodies and to achieve customer satisfaction by maintaining the best standards at all level from procurement to dispatch.

The global economy is recovering steadily from the COVID-19 pandemic, marked by the rollout of vaccination programs across nations, announcement of additional fiscal support in various economies and an improving capability to contain the re-emergence of further virus outbreaks. In this scenario, high uncertainty surrounds the global economic outlook, primarily related to the path of the pandemic. The contraction of activity in 2020 was unprecedented. In face of such uncertainty, we relied on our established tenets of communication, engagement, positive support and team working to tide over challenges.

2. OPPORTUNITIES AND THREATS

We believe our senior management team is able to leverage our market position and their collective experience and knowledge in the industry, to execute our business strategies and drive our future growth. In addition, we believe the strength and entrepreneurial vision of our Promoters and senior management has been instrumental in driving our growth and implementing our strategies. We believe our position as a yarn manufacturing Company represents a significant competitive advantage in attracting and retaining high-quality talent.

Our Company has adequate production capacity to meet an increase in demand. We believe our business model, together with our quality control measures, and efficient management systems optimize our cost structure and ensure quality products. The Company has been sourcing major portion of raw material from its promoter group entity Gujarat ginning and oil Industries thus may enjoy favorable terms in both price as well as supplies.

We believe that we are a quality focused company. We are committed to maintain quality for the satisfaction of our customer. We have established a quality control team which has the responsibility to ensure compliance with manufacturing practices.

3. FINANCIAL PERFORMANCE

It was an unprecedentedly challenging year. But our agile management of the business environment and focused approach to fulfillment needs helped us record strong growth.

The key highlights of financial performance are as under:

Revenue from operations: Revenue from operations stood at 4977.45 Lacs in FY 2021 against 4742.53 Lacs in FY 2020, registering growth of 4.72%. Other operating income is 382.23 Lacs.

Profit before Tax: Profit before tax for the FY 2021 was 28.50 compared to Rs.18.10 Lacs in the previous FY 2020.

Net Profit Margin: Profit after tax (PAT) for the year was Rs. 11.10 Lacs in FY 2021 as compared to the Profit after Tax (PAT) of Rs.22.65 Lacs in FY 2020.

4. RISK & CONCERNS

Uncertainty is always a part of the business environment. It has been over a year since COVID-19 pandemic hit us hard, and we are still dealing with disruptions in many geographies. We hope the situation to improve with vaccine coverage across the world. Our performance in the year is testimony of the strength of our risk management system that helped us sail through the turmoil successfully. The Company has a Risk Management Manual in place that defines the policies, strategies to decide on the risk taking ability of the organization. Company acknowledges risks, not limited to operational, financial or compliance that could affect the future performance and market positioning of your Company. The Company constantly reviews its exposure to various types of risk, whether it be regulatory, operational, environmental, financial.

The Company's well-established process of risk management includes identification of design gaps, analysis and assessment of various risks, formulation of risk mitigation strategies and implementation of the same to minimize the impact of such risks on the operations. The process ensures that new risks, which might arise, or the impact of existing risks which might have increased, are identified and a strategy is put in place for mitigating such risks.

Company embraces a risk management portfolio for forecasting and mitigating the impact of internal and external risk factors. The internal risks which are mainly associated with the operations of the Company and the external risks which are linked with the economic and market volatilities are stated below:

Internal Risks:

- **Working Capital Risk:** Company caters to the textile segments, which largely depends on the economy. Therefore, any setback in the economy directly impinges on the demand emerging from these industrial segments. The risk of economic downturn could lead to fund scarcity and delayed realization of receivables which in turn would affect the working capital requirements of Company. Company gives priority to the customers who have sound financial locus standing. Company closely monitors the working capital requirements by constant follow up on receivables and maintaining lean and symmetric inventories.

- **Operational Risk:** It related to people, processes, systems and external factors have a potential risk on your Company's performance. To reduce such risk, your Company has a risk-review policy in all areas of operations.
- **Technology Risk:** Company is agile on the technology frontier by constantly reviewing new technology in terms of production and process to avoid obsolescence. The Company has a background of constantly upgrading the technology to maintain its position at par with international players and remain ahead of its peers in the home-turf.

External Risks:

- **Competition Risk:** The risk involves entry barriers which are gradually being made more stringent by the customers to screen out several players. Company is addressing to the quality conscious customers to retain its market share.
- **Market Demand Risk:** The Government policies have a direct bearing on the demand from the various market segments. Company has a broad base clientele, flexible manufacturing set-up, therefore, it can somewhat off-set the cyclical or depressed demand of affected segment with the other segments. From time-to-time, the Company makes changes in its product-mix to suit the order and demand pattern.
- **Customer Risk:** To mitigate these risks, your Company maintains constant touch with its clientele to understand and deliver products and services aligned to its changing priorities. Your Company has built a reputation as a preferred supplier with most of its customers by creating a quality trust in a bid to protect itself from competition and entry of new players.
- **Pandemic Risk:** The COVID-19 pandemic risk was not anticipated by the Company. Control measures of social distancing, work from home, restriction on outsiders and hygiene requirements have been instituted as a protection measure during the crisis. Clearer risk aversion measures would be adopted after more details are available and in line with the health care measures recommended by the Ministry of Health, Govt. of India.

5. INTERNAL CONTROL SYSTEMS

The Company's internal control systems are commensurate with the nature of its business and the size and complexities of its operations. These systems are designed to ensure that all assets of the Company are safeguarded and protected against any loss and that all transactions are properly authorized, recorded and reported. The Company has an adequate system of internal control in place, which assures of:

- Authorization, recording, analyzing and reporting of transactions.
- Recording and adequate safeguarding of assets.
- Upkeep of accounting records and trustworthiness of financial information.
- Audit Committee of the Board which monitors and reviews all risks and control issues and financial matters.
- Computerized and integrated financial and accounting functions, information feedback system of process parameters and backtracking from finished products to raw material stage.
- Routine evaluation of all financial operating and information technology system.

6. CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and incidental factors.

**For and on behalf of the Board of Directors
Gujarat Hy-Spin Limited,**

**Date: 2nd September, 2021
Place: Gondal**

**Sd/-
Maganbhai Parvadiya
Chairman & Whole-time Director
(DIN: 03190749)**



INDEPENDENT AUDITOR'S REPORT

To,
**THE MEMBERS OF
GUJARAT HY-SPIN LIMITED.**

Report on the Financial Statements

We have audited the accompanying financial statements of **GUJARAT HY-SPIN LIMITED** ("the Company"), which comprise the balance sheet as at **March 31, 2021**, the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, and profit/loss, and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

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

Emphasis of Matter - Impact of COVID-19 on operations of the Company

We draw attention to Note 38 to the accompanying Statement, which describes the effects of uncertainties relating to the outbreak of COVID-19 pandemic and management's evaluation of its impact on the business operations of the Company and accompanying financial results as at reporting date, the extent of which is significantly dependent on future developments. Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

Management's responsibility for the financial statements

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

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such control.
- 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

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, we give in Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account;

- (d) In our opinion, the aforesaid financial statements comply with the 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, 2021 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting;
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with 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, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For FINAVA & ASSOCIATES
Chartered Accountants
FRN-117362W

Place: Gondal
Date: 21.06.2021
UDIN: 21044511AAAIR6854

(Manoj Finava)
Proprietor
M.No.044511

Annexure –A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Gujarat Hy-spin Limited of even date)

- (i) In respect of the Company's property, plant and equipment:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - (b) These fixed assets have been physically verified by the management at reasonable intervals.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, company has taken land on lease on which building has been constructed. Lease deeds of immovable properties are in the name of the company.
- (ii) As explain to us, management was perform the physical verification of inventories. But on account of the Covid-19 related lockdown and restrictions, we are not able to physically observe the stock verification, where carried out by the management. Consequently, we have performed alternate audit procedure to audit the existence of inventory as per the guidance provide in SA 501 "Audit Evidence Specific Considerations for selected items", which includes inspection of supporting documentation relating to purchase, sales, results of cyclical count performed by the management through the year and such other third party evidences where applicable, and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on these financial statements. Our report on the statement is not modified in respect of this matter.

As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification between the physical stock and the books of accounts.
- (iii) According to information and explanation given to us, the company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits during the year and does not have any unclaimed deposits as at March 31, 2021 and hence, the provisions of the clause 3 (v) of the Order is not applicable to the Company.
- (vi) The Central Government has prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act for products of the company. As explain to us such records have been so made & maintained, however such records were not produced to us for verification.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, cess and other material statutory dues applicable to it to the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, goods and service tax, cess and other material statutory dues were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable except Professional Tax details as under;

Name of Statute	Nature of the Dues	Amount in Rs.	Period to which amount relates	Due Date	Date of Payment
The Gujarat Professional Tax	Professional Tax	2,48,998/-	Up to September, 2020	Up to 15 th day of subsequent month	Not Yet Paid

- (b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income tax, sales-tax, goods and service tax and value added tax which have not been deposited on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks and dues to debenture holders. The Company has borrowed funds from the Banks and regularly repays its installments and interest thereon. The company has availed benefit of moratorium period due to Covid-19 on its loan taken from SBI as per the terms and conditions of SBI.
- (ix) During the year, the Company did not raise any money by way of initial public offer or further public offer (including debt instrument) and term loans during the year. Accordingly, paragraph 3(ix) to the information and opinion given to us, all of the money has been applied for the purpose for which it was raised. The company has not raised any term loan during the year.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not paid/ provided managerial remuneration. Accordingly reporting for section 197 of Companies Act, 2013 is not required.
- (xii) The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, Company has not made any private placement or preferential allotment during the year.
- (xv) 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 persons connected with him and hence provisions of section 192 of the Act is not applicable to the Company.

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

For FINAVA & ASSOCIATES
Chartered Accountants
FRN-117362W

Place: Gondal
Date: 21.06.2021
UDIN: 21044511AAAAIR6854

(Manoj Finava)
Proprietor
M.No.044511

Annexure – ‘B’ to the Independent Auditors’ Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (‘the Act’).

We have audited the internal financial controls over financial reporting of Gujarat Hy-spin Limited (‘the Company’) as of March 31, 2021 in conjunction with our audit of the 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, safeguarding of its assets, prevention and detection of frauds and errors, 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 control 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 auditors’ 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 authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 control over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For FINAVA & ASSOCIATES
Chartered Accountants
FRN-117362W

Place: Gondal
Date: 21.06.2021
UDIN: 21044511AAAAIR6854

(Manoj Finava)
Proprietor
M.No.044511

GUJARAT HY-SPIN LIMITED
BALANCE SHEET AS AT 31th MARCH 2021

(Amount in Rs.)

Particulars	Note	31-Mar-21	31-Mar-20
I EQUITY AND LIABILITIES			
1 Shareholders' fund			
(a) Share Capital	3	167500000	167500000
(b) Reserves & Surplus	4	23465399	22354831
Total Shareholder's Fund		190965399	189854831
2 Non - Current liabilities			
(a) Long-term borrowings	5	52991667	35500000
(b) Other Long term liabilities			
(c) Deferred Tax Liabilities (net)	6	2890200	2598200
(d) Long term provisions	7	304779	136446
Total Non - Current Liabilities		56186646	38234646
3 Current Liabilities			
(a) Short term Borrowings	8	92030348	130665790
(b) Trade payables	9		
(i) total outstanding dues of micro enterprises and small enterprise			0
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		24055226	23865731
(c) Other current liabilities	10	65161480	131007874
(d) Short Term Provisions	11	12730521	14041657
Total Current Liabilities		193977575	299581051
TOTAL EQUITY & LIABILITIES		441129620	527670528
II ASSETS			
1 Non-Current Assets			
(a) Fixed Assets			
(i) Tangible assets	12	151659832	175600060
(b) Non Current Investment	13	14005	14005
(c) Loans and advances			
(e) Other Non-Current Assets	14	8400084	8086870
Total - Non Current Assets		160073921	183700935
2 Current Assets			
(a) Inventories	15	102441537	133655638
(b) Trade receivables	16	153168085	165734460
(c) Cash and Cash equivalents	17	6643798	5322325
(d) Short term Loans and advances	18	18752862	8623507
(e) Other Current Assets	19	49417	30633663
Total - Current Assets		281055699	343969593
TOTAL ASSETS		441129620	527670528

Significant Accounting Policies 2.1

The accompanying Notes are an integral part of the Financial Statements.

As per our report of even date

For and on behalf of Board of Directors

For Finava & Associates

Chartered Accountants

Firm Reg. No. 117362W

(Manoj Finava)

Proprietor

M.No.044511

UDIN:21044511AAAAIR6854

Signed at Gondal on 21.06.2021

Maganlal Parvadiya

Chairman and Wholetime Director

DIN : 03190749

Chandulal Parvadiya

Wholetime Director

DIN : 03197876

Paras Parvadiya

Chief Financial Officer

PAN:APNPP8668K

GUJARAT HY-SPIN LIMITED**Statement of Profit & Loss for the year ended 31st March, 2021**

Particulars	Note	31-Mar-21	31-Mar-20
I INCOME			
Revenue from operations	20	497745389	474253377
Other income	21	38223642	31443210
TOTAL REVENUE		535969031	505696587
II EXPENSES			
Cost of materials consumed	22	351261497	349018697
Purchase of Stock in trade	0	0	0
Changes in inventories			
Work in Process	23	2535396	6653144
Finished goods	24	11094022	(13530860)
Employee benefits expense	25	16886522	15124502
Finance costs	26	30657410	31341664
Depreciation and amortization expense	12	24009508	27419261
Other expenses	27	96674165	87860042
TOTAL EXPENSES		533118520	503886450
III Profit before exceptional and extraordinary items and tax		2850511	1810137
Exceptional items		0	0
IV Profit before extraordinary items and tax		2850511	1810137
V Tax Expenses	28		
Current Tax		1447943	1246600
Deferred Tax		292000	(1702000)
Total Tax Expenses		1739943	(455400)
VI PROFIT/(LOSS) FOR THE YEAR (III-IV)		1110568	2265537
VI Earnings per equity share	29	0.07	0.14
Basic & Diluted			

Significant Accounting Policies 2.1
The accompanying Notes are an integral part of the Financial Statements.

As per our report of even date

For and on behalf of Board of Directors

For Finava & Associates

Chartered Accountants

Firm Reg. No. 117362W

(Manoj Finava)

Proprietor

M.No.044511

UDIN:21044511AAAAIR6854

Signed at Gondal on 21.06.2021

Maganlal Parvadiya
Chairman and Wholetime Director
DIN : 03190749

Chandulal Parvadiya
Wholetime Director
DIN : 03197876

Paras Parvadiya
Chief Financial Officer
PAN:APNPP8668K

GUJARAT HY-SPIN LIMITED
Cash Flow Statement for the year ended 31st March, 2021
(Amount in Rs.)

Particulars	31-Mar-21	31-Mar-20
A. Cash flow from operating activities		
Net profit before taxation	2850511	1810137
<u>Adjustment for:</u>		
Depreciation & Amortization	24009508	27419261
Loss on damage of machinery	0	0
Interest Income	(489177)	(592142)
Finance Cost	30657410	31341664
Operating Profit before working capital changes	57028252	59978920
<u>Movements in working capital:</u>		
Decrease/-Increase in Inventories	31214101	(12214515)
Decrease/-Increase in Trade Receivable	12566375	21299839
Decrease/-Increase in Loans and Advances	(10129355)	1272403
Decrease/-Increase in Other Current Assets	30584246	(30633663)
Increase/-Decrease in Trade Payables	189495	(20076371)
Increase/-Decrease in Other Current Liabilities	(65846394)	59907344
Increase/-Decrease in Provisions	(2221339)	4869796
Sub-Total Movement in Working Capital	(3642870)	24424834
Cash generated from operations	53385382	84403754
Direct taxes paid (net of refunds)	(537740)	(968766)
NET CASH FROM OPERATING ACTIVITIES	52847642	83434988
B. Cash flow from investing activities		
Purchase of fixed assets including Capital WIP & Capital Advances	(69280)	0
Proceeds from sale of fixed assets	0	0
(Increase)/Decrease in Fixed Deposit	(313214)	(466692)
Increase in interest receivable	489177	592142
NET CASH FLOW FROM INVESTING ACTIVITIES	106683	125450
C. Cash flow from financing activities		
Proceeds / Repayment of Long-term borrowings	17660000	(47356642)
Proceeds / Repayment of Short-term borrowings	(38635442)	(767690)
Finance Cost	(30657410)	(31341664)
Capital Subsidy received	0	0
NET CASH CLOW FROM FINANCING ACTIVITIES	(51632852)	(79465996)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	1321473	4094441
Cash and cash equivalents at the beginning of the year	5322325	1227884
Cash and cash equivalents at the end of the year	6643798	5322325
Components of cash and cash equivalents as at the end of the year		
Cash and cheques on hand	6643798	5214908
With bank		
- In current account	0	107417
TOTAL	6643798	5322325

Significant Accounting Policies

2.1

The notes referred to above forms an integral part of the Cash Flow Statement

As per our report of even date

For Finava & Associates

Chartered Accountants

Firm Reg. No. 117362W

For and on behalf of Board of Directors

(Manoj Finava)

Proprietor

M.No.044511

UDIN:21044511AAAAIR6854

Signed at Gondal on 21.06.2021

Maganlal Parvadiya

Chairman and Wholetime Director

DIN : 03190749

Chandulal Parvadiya

Wholetime Director

DIN : 03197876

Paras Parvadiya

Chief Financial Officer

PAN:APNPP8668K

GUJARAT HY-SPIN LIMITED

For the Year ended 31st March, 2021

Notes on Accounts & Significant Accounting Policies:

1 Corporate Information:

Gujarat Hy-Spin Limited (CIN:L17110GJ2011PLC063898) was incorporated as private limited company on 01 February, 2011 and converted to public limited company in February 2017. The Company is engaged in manufacturing of Cotton Yarn/ Other Yarns at its Gondal Plant (Gujarat). The Company is listed on **SME** platform of **BSE (BSE SME)**. The Company's trade symbol is **GUJHYSPIN**, Script ID is **540938** and **ISIN** is **INE578V01013**.

1.1 Authorization of financial statements

The Financial Statements were authorized for issue in accordance with a resolution of the directors on 21st June, 2021.

2 Basis of Preparation:

The financial statements have been prepared to comply in all material respects with the standards specified under Section 133 of the Companies Act, 2013 ("Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act. The financial statements have been prepared under historical cost convention on an accrual basis except in case of assets for which provision for impairment is made. The accounting policies have been consistently applied by the Company and except for the changes in accounting policy discussed below, are consistent with those used in the previous year.

2.1 Significant Accounting Policies:

(A) Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumption that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the financial statements and the results of operations during the reporting period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future result could differ from those estimates. The effects of change in accounting estimates are reflected in the financial statements in the period in which the results are known and if material, are disclosed in the financial statements.

(B) Inventories:

- a Raw Materials and stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials and stores and spares is determined on a First In First Out basis.
- b Work - in - progress is valued at estimated cost based on the stage of completion and finished goods are valued as lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a First In First Out basis. Net realizable value is the estimated selling price in the ordinary course of the business.

- c Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a First In First Out basis.

(C) Cash Flow Statement:

- a Cash Flows are presented using indirect method, whereby profit/(loss) before extra-ordinary items and tax is adjusted for the effects of transactions of non -cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the company is segregated based on the available information.
- b Cash comprises of cash on hand and demand deposits with banks. Cash equivalents are short term balances, highly liquid investment with maturity of 3 months or less that are readily convertible into cash.

(D) Depreciation &Amortisation:

- a Depreciation on tangible assets is provided on pro-rata basis using written down value method over the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act 2013 except for those referred to in (c).
- b The company estimates that the useful lives as given below best represent the useful lives of these assets based on internal assessment and supported by technical advice where necessary which may be different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Sr No	Assets Category	Useful Life (Years)
1	Building	30 Years
2	Computers	3 Years
3	Furniture & Fixtures	10 Years
4	Plant & Machinery	15 Years
5	Vehicle	8 Years

- c Depreciation on the following assets are provided considering the useful life with supporting of technical opinion of Patcon Consultancy, Chartered Engineer as below:

Spinning Plant and Machinery single shift - 32 years
 Spinning Plant and Machinery triple shift - 16 years

(E) Revenue Recognition:

- a Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Company collects sales tax and value added tax on behalf of the government and therefore, there are not economic benefits followings to the company. Hence, they are excluded from revenue.
- b Interest Income are recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.
- c Revenue in respect of other income is recognised when no significant uncertainty as to its determination or realisation exists.

(F) Fixed Assets:

- a Tangible Fixed Assets are stated at cost less accumulated depreciation / amortisation and impairment loss, if any, except freehold land which is carried at cost. The cost of Tangible Fixed Assets comprises its purchase price, borrowing cost and any cost directly attributable to the bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustment arising from exchange rate variations attributable to the assets. Subsequent expenditures related to an item of Fixed Assets are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Projects under which assets are not ready for their intended use are disclosed under Capital Work in Progress, comprising direct cost, related incidental expenses and attributable interest.
- b All other expenses on fixed assets, including repair and maintenance expenditure and replacement expenditure of parts, are charged to Statement of Profit and Loss for the period during the which such expenses are incurred
- c Gains or losses that arise on disposal or retirement of an asset are measured as the difference between net disposal proceeds and the carrying value of an asset and are recognised in the statement of profit and loss when the asset is derecognised
- d Exchange Loss/Gain in case of Imported of Plant & Machinery are capitalized to respective assets account.

(G) Foreign Currency Transactions:

a Initial Recognition:

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting current and the foreign currency at the date of the transactions.

b Conversion:

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transactions. Non-monetary items, which are measured at fair value or others similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

c Exchange Differences:

The company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as below:

All exchange differences arising of transactions / settlement of foreign currency monetary items are recognized as income or as expenses in the period in which they arise.

(H) Government Grants:

- a Government grants are recognised where there is reasonable assurance that the enterprise will comply with the conditions attached to them and it is reasonable that the ultimate collection will be made. Receivables of such grants are shown under Other Current Assets.
- b Government grants (net of deferred tax if any) in the nature of promoters contribution are credited to capital reserve and treated as a part the shareholder's funds.

- c When the grant or subsidy relates to revenue, it is recognised as income or set off against the related cost, which they are intended to compensate.

(I) Investment:

- a Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

- b Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.
- c On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(J) Employee Benefits:

- a Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contributions payable to the provident fund scheme as an expenditure, when an employee renders the related services.
- b The Company has defined benefit plans for its employees, viz., gratuity. The cost of providing benefits under this plans are determined on the basis of actuarial valuation at each year end. Actuarial valuation is carried out for the plan using the projected unit credit method. Actuarial gains and losses for defined benefit plans are recognised in full in the period in which they occurs in the statement of profit and loss.

(K) Borrowing Costs:

- a Borrowing cost includes interest and ancillary costs incurred in connection with the arrangement of borrowings and foreign exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest costs
- b Borrowing costs directly attributable to the construction of an asset that necessarily take a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they are incurred.

(L) Segment Reporting:

The company is engaged mainly in the manufacturing of Combed Cotton Yarn. These, in the context of Accounting Standard 17 on Segment Reporting, as specified in the Companies (Accounting Standard) Rules, 2006, are considered to constitute one single primary segment. Further, there is no reportable secondary segment i.e. geographical segment.

(N) Lease:

- a Assets taken on lease by the Company in its capacity as lessee, where the company has substantially all the risks and rewards of ownership are classified as finance lease. Such a lease is capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability of each year.
- b Lease arrangement where the risks and rewards incidental to ownership of an asset substantially vest with the lesser, are recognised as operating leases. Lease rentals under operating leases are recognised in the statement of profit and loss on a straight line basis over the lease term

(O) Earning Per Share:

Basic earnings per share is calculated by dividing the net profit/ loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes, if any) by weighted average number of equity shares outstanding during the year.

(P) Taxation:

Provision for tax comprises of current and deferred tax. Provision is made on the basis of reliefs and deductions available under relevant tax laws. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward for timing differences of items other than unabsorbed depreciation and accumulated losses only to the extent that there is a reasonable certainty that the assets can be realised in future.

However, if there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realise the assets. Deferred tax assets are reviewed as at each balance sheet date for their reliability.

(Q) Impairment of Assets:

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(R) Provision, Contingent Liabilities and Contingent Assets:

- a Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates reviewed at each reporting date and adjusted to reflect the current best estimate
- b Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are not recognised in the financial statements.

(S) Standard issued but not yet effective

Ministry of Corporate Affairs ("MCA") has not notified new standard or amendments to the existing standards, which would have been applicable from April 1, 2021.

Particulars		31-Mar-21	31-Mar-20	
3 SHARE CAPITAL				
(a) Authorized Share Capital				
Equity Shares of Rs. 10 each	No. of Equity Shares	16750000	16750000	
	Amount	167500000	167500000	
Issued, Subscribed & Paid up Share Capital	No. of Equity Shares	16750000	16750000	
Equity Shares of Rs. 10 each	Amount	167500000	167500000	
		167500000	167500000	
(b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period				
At the beginning of the period	No. of Equity Shares	16750000	16750000	
	Amount	167500000	167500000	
Issued during the period	No. of Equity Shares	0	0	
	Amount	0	0	
Outstanding at the end of the period	No. of Equity Shares	16750000	16750000	
	Amount	167500000	167500000	
(c) Terms/Rights attached to Equity Shares				
The company has only one class of equity shares having a per share value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.				
In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.				
(d) Details of shareholders holding more than 5% shares in the company				
	31-Mar-21		31-Mar-20	
	<u>No.</u>	<u>% of total holding</u>	<u>No.</u>	<u>% of total holding</u>
Maganlal S. Paravadiya	3537190	21.12%	3537190	21.12%
Chandulal S. Paravadiya	1243470	7.42%	1243470	7.42%
Ketanbhai M. Paravadiya	1225185	7.31%	1225185	7.31%
Yogesh M. Paravadiya	1079190	6.44%	1079190	6.44%
Paras M. Paravadiya	885620	5.29%	885620	5.29%
Kamleshbhai B. Bokarvadia	800000	4.78%	800000	4.78%
As per records of the company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.				
4 RESERVES & SURPLUS				
(a) Capital Reserve				
Opening Balance			20525561	20525561
Sub-Total			20525561	20525561
(b) Surplus / (Deficit) in Statement of Profit and Loss				
Opening Balance			1829270	(436267)
Add: Profit during the year			1110568	2265537
Sub-Total			2939838	1829270
TOTAL RESERVE & SURPLUS			23465399	22354831

	Particulars	31-Mar-21	31-Mar-20
5	<u>LONG TERM BORROWINGS</u>		
	<u>Term Loans from Bank (Non-Current Portion)</u>		
	Term Loan I	16500000	28900000
	Term Loan II	4900000	6600000
	CCECL Facility	1666667	0
	GECL Facility	29925000	0
		52991667	35500000
	The above amount includes		
	Secured borrowings	52991667	35500000
	Unsecured borrowings	0	0
	Total Borrowings	52991667	35500000
	<u>Term Loans from Bank</u>		
	Term Loans I,II & III from SBI are secured against hypothecation of plant and machinery and other fixed assets and factory building. It is also secured against personal guarantee of directors & firm of directors.		
	<u>Term Loan Repayable</u>		
	(a) Term Loan I is repayable in 89 monthly instalment of Rs. 31,00,000/- & 1 installment of Rs. 41,00,000 commencing from 01/07/2014.		
	(b) Term Loan II is repayable in 33 monthly instalment of Rs. 6,00,000/- and 56 monthly instalment of Rs.7,00,000/- 1 instalment of Rs. 10,00,000/- commencing from 01/07/2014.		
	(c) Term Loan III is repayable in 66 monthly instalment of Rs. 2,50,000/- commencing from 01/11/2015.		
	(d) CCECL Facility is repayable in 18 equal instalment commencing from 01/01/2021		
	(e) GEC Facility is repayable in 36 equal instalment commencing from 01/07/2021		
	(f) Rate of Interest applied in the all three term Loans accounts as on 31.03.2021 is 15.35% (8.10 % + MCLR i.e, 7.25%)		
	(g) Interest Rate on CCECL Facility @7.00% and GECL Facility @ 0.75%+7.40%(EBLR) = 8.15% i.e.8.15%		
	(h) The Company is regularly paying Term Loan Installemnts and Interest there on. The company has availed benefit of Moratorium period due to Covid-19 situation as per the RBI guidelines and terms and condition of SBI.		
6	<u>DEFERRED TAX LIABILITY (NET)</u>		
	<u>Deferred Tax Liability</u>		
	Capital Subsidy	9178600	9178600
	<u>Deferred Tax Assets</u>		
	Written Down Value of Assets	(6163300)	(6648400)
	Gratuity Provision	(43200)	68000
	Expenses u/s 43B	(81900)	0
	TOTAL	2890200	2598200
7	<u>Long Term Provisions</u>		
	Provision for Employee Benefit	304779	136446
	TOTAL	304779	136446

	Particulars	31-Mar-21	31-Mar-20
8	<u>SHORT TERM BORROWINGS</u>		
	<u>Secured borrowing from Bank</u>		
	Cash Credit	91313678	100521120
	<u>Loans from Promoters and Promoters Group</u>	716670	30144670
	TOTAL	92030348	130665790
	The above amount includes		
	Secured borrowings	91313678	100521120
	Unsecured borrowings	716670	30144670
	Total Borrowings	92030348	130665790
	<u>Cash Credit</u>		
	(a) Cash Credit is secured against hypothecation of whole current assets of the company including Inventory, Book Debts, Consumables and Stores & Spares etc and personal guarantee of directors & firm of directors.		
	(b) It is repayable on demand.		
	(c) Rate of Interest applied in the Cash Credit accounts as on 31.03.2021 is 15.35 % (8.10 % + MCLR i.e, 7.25%)		
	<u>Loans from Promoters, Promoters Group</u>		
	(a) Loans and advances from promoters and promoters groups are unsecured and Interest free.		
	(b) Loans are repayable on demand.		
9	<u>TRADE PAYABLES</u>		
	Dues to parties registered under MSMED Act, 2006	0	0
	Others	24055226	23865731
	TOTAL	24055226	23865731
	The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company. As per the information and explanation given to us that the Company has asked its Suppliers to furnish to it, details so as to facilitate the Company in classifying them as Micro, Small & Medium Enterprise (MSMEs) but, due to lack of availability of any such information from its Suppliers, the Company is unable to state the dues outstanding for more than 45 days as on the Balance Sheet date.		
10	<u>OTHER CURRENT LIABILITIES</u>		
	Statutory dues (Note 39)	1378953	399138
	Advances from Customers	21063	66383831
	Interest accrued but not due for payment on term loan	858703	1222504
	Current Maturities of long term borrowings	62902761	63002401
	TOTAL	65161480	131007874
11	<u>SHORT TERM PROVISIONS</u>		
	Provision for Employee Benefits	1722795	1100776
	Provision for Income Tax	1428926	518723
	Other Provisions	9578800	12422158
	TOTAL PROVISION	12730521	14041657

GUJARAT HY-SPIN LIMITED
Notes to the Financial Statements for the year ended 31st March, 2021

Note No.	Tangible Assets	Land	Building	Plant & Machinery	Furniture & Fixtures	Electrical Installation	Office Equipment	Vehicles	Computers & Software	TOTAL
12										
	At Cost									
	As at 31st March,2019		87972760	387578764	1704820	9329059	2199620	2967970	630251	492383244
	Additions									
	Disposals									
	As at 31st March,2020		87972760	387578764	1704820	9329059	2199620	2967970	630251	492383244
	Additions			69280						69280
	Disposals									0
	As at 30th March, 2021		87972760	387648044	1704820	9329059	2199620	2967970	630251	492452524
	Depreciation									
	As at 31st March,2019		36028592	240525106	1126810	7210461	1436999	2463090	572864	289363922
	Additions		4799528	21439708	145665	533576	312956	153354	34474	27419261
	Disposals									
	As at 31st March,2020		40828120	261964814	1272475	7744037	1749955	2616444	607338	316783183
	Additions		4478768	18727794	112025	410438	159216	109782	11485	24009508
	Disposals									
	As at 30th March, 2021		45306888	280692608	1384500	8154475	1909171	2726226	618823	340792691
	Net Block (WDV)									
	As at 31st March,2020		47144640	125613950	432345	1585022	449664	351526	22913	175600060
	As at 30th March, 2021		42665872	106955436	320320	1174584	290448	241744	11428	151659832

GUJARAT HY-SPIN LIMITED
Notes to the Financial Statements for the year ended on 31st March, 2021

	Particulars	31-Mar-21	31-Mar-20
13	<u>NON CURRENT INVESTMENT</u>		
	Other Investment	14005	14005
	TOTAL	14005	14005
14	<u>OTHER NON-CURRENT ASSETS</u>		
	Fixed Deposit held for more than 12 months (secured against bank guarantees issued by SBI)	8400084	8086870
	TOTAL	8400084	8086870
15	<u>INVENTORIES</u> (Cost or NRV whichever is lower)		
	Raw Material	58328322	75913005
	Work In Progress	6368471	8903867
	Finished Goods	26025300	39239615
	By-products	11719444	9599151
	TOTAL	102441537	133655638
16	<u>TRADE RECEIVABLES</u> (Unsecured, Considered Good) Outstanding for more than 6 months from the date they are due for payment		
	Others	153168085	165734460
	TOTAL	153168085	165734460
17	<u>CASH & CASH EQUIVELENT</u>		
	Cash Balance	6643798	5214908
	Balances with Bank		
	On Current Account	0	107417
	TOTAL	6643798	5322325
18	<u>SHORT TERM LOANS & ADVANCES</u> (Unsecured, Considered Good)		
	Security Deposit	200000	200000
	Advances to be received in cash or in kind	499105	89666
	Balances with Govt Authority	18053757	8333841
	TOTAL	18752862	8623507
19	<u>OTHER CURRENT ASSETS</u> (Unsecured, Considered Good)		
	Other assets	49417	30633663
	TOTAL	49417	30633663

	Particulars	31-Mar-21	31-Mar-20
20	REVENUE FROM OPERATIONS		
	Sale of Products		
	Manufactured goods	497745389	455137729
	Other Operating Income	0	19115648
	TOTAL REVENUE FROM OPERATION	497745389	474253377
21	OTHER INCOME		
	Interest	489177	592142
	Incentive Income (Govt. Subsidy)	37657855	30584245
	Other	76610	266823
	TOTAL	38223642	31443210
22	COST OF MATERIAL CONSUMED		
	<u>Opening Stock</u>		
	Raw Material	75913005	70576206
	<u>Purchases (net of return & Others)</u>		
	Purchase of Raw Material	333676814	354355496
	<u>Closing Stock</u>		
	Raw Material	58328322	75913005
	TOTAL	351261497	349018697
	Consumption of raw materials		
	Cotton Bales	351261497	349018697
	Total	351261497	349018697
23	CHANGES IN INVENTORIES OF FINISHED GOODS & BY PRODUCTS		
	<u>Finished goods & By-Products</u>		
	Opening Stock	48838766	35307906
	Closing Stock	37744744	48838766
	change in inventory of finished goods	11094022	(13530860)
24	CHANGES IN INVENTORIES OF WORK IN PROCESS		
	Opening Stock	8903867	15557011
	Closing Stock	6368471	8903867
	change in inventory of work in process	2535396	6653144
25	EMPLOYEE BENEFIT EXPENSES		
	Salary, Wages & Bonus	14733705	13889260
	Contribution to provident and other fund	51848	101171
	Gratuity Expenses (Note 38c)	171486	(261449)
	Staff Welfare Expenses	1929483	1395520
	TOTAL	16886522	15124502

	Particulars	31-Mar-21	31-Mar-20
26	<u>FINANCE COST</u>		
	Interest on Working Capital Loan	15857026	13010486
	Interest on Term Loan	13662254	17023386
	Other Interest	43704	121781
	Other Bank Charges	1094426	1186011
	TOTAL	30657410	31341664
27	<u>OTHER EXPENSES</u>		
	Communication cost	16220	9168
	Consumption of Stores, tools & Packing Material	11150819	6718992
	Freight & Forwarding Charges	4888149	362040
	Insurance Expenses	881784	897538
	Legal & consultancy Charges	2190127	1460326
	Office Admin Exp	43175	56642
	Other misc exp	1072788	570115
	Power & Fuel	72887441	77106615
	Rates and taxes	11900	7150
	Repairs & Maintenance		
	Machineries	3289719	447042
	Others	6000	0
	Travelling & Conveyance	46043	124414
	Total	96484165	87760042
	For Audit fee	150000	100000
	For Taxation Fee	40000	0
	Total	190000	100000
	Total Other Expenses	96674165	87860042
28	<u>Tax Expenses</u>		
	<u>Current Tax</u>		
	Provision for current year	1428926	954221
	Income Tax of Previous Year	19017	292379
		1447943	1246600
	Deferred Tax	292000	(1702000)
	TOTAL	1739943	(455400)
29	<u>EARNING PER SHARE</u>		
	Net profit as per P & L	1110568	2265537
	Weighted Avg. No. of Shares	16750000	16750000
	TOTAL AVERAGE	0.07	0.14

	Particulars	31-Mar-21	31-Mar-20
30	<u>GRATUITY</u>		
	Every employee who has completed five years or more service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.		
	The Following table summaries the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the balance sheet for the respective plans.		
	<u>Amount in Balance Sheet:-</u>		
	Defined Benefit Obligation (DBO)	310578	139092
	Fair Value of Plan Assets		
	Liability/ (Asset) recognised in the Balance Sheet	310578	139092
	<u>Amount Recognised in the statement of Profit & Loss:-</u>		
	Current Service Cost	280606	139002
	Interest Cost	9452	27231
	Net Actuarial Losses / (Gains)	(118572)	(427682)
	Total Expenses/ (income) included in "Employee Benefit Expenses"	171486	(261449)
	Change in Present Value of Benefit Obligation during the Period		
	Defined Benefit Obligation, Beginning of Period	139092	400541
	Current Service Cost	280606	139002
	Interest Cost	9452	27231
	Actuarial (Gains)/ Losses	(118572)	(427682)
	Actual Benefit Paid	0	0
	Defined Benefit Obligation, End of Period	310578	139092
	The Principal assumptions used in determining gratuity benefit obligations for the company's plan are as below:		
	Discount Rate	6.80%	6.80%
	The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand of the employment market.	7.50%	7.50%
	TOTAL	310578	139092

31	<u>VALUE OF STORES RAWMATERIALS AND PACKING MATERIAL CONSUMED</u>		
(i)	Total value of Raw Material consumed during the year		
	Indigenous	351261497	349018697
(ii)	Spares, tools & Packing Material Consumed		
	Indigenous	11150819	6718992

Note No.	Particulars	31-Mar-21	31-Mar-20
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32 RELATED PARTY DISCLOSURE

A. Related Parties under AS - 18 with whom transaction have taken place during the year

Names of related parties and related party relationship

Key Managerial Personal

Designation

Maganlal Parvadiya	Chairman & Wholetime Director
Chandulal Parvadiya	Wholetime Director
Paras Parvadiya	Chief Financial Officer (KMP)
Naresh Vasudevbbhai Kanzariya	Company Secretary (Appointed w.e.f. 10/08/2020)
Niteshkumar Muljibhai Kantariya	Director
Anil Kumar	Director
Bindiya Ketankumar Parvadiya	Director

Relative of Key Managerial Personal

Niramalaben Parvadiya	Divyesh Parvadiya
Hansaben Parvadiya	Yogesh Parvadia
Ketan Parvadiya	

Entities in which Managing Director & Key managerial Person have significant influence

Paras Cotton

Note : Related party relationship is as identified by the Company and relied upon by the auditors.

33 RELATED PARTY TRANSACTION

Name of Person/ Entities	Nature	2020-21	2019-20
Chandubhai S. Parvadia	Loan Repaid	16,00,000	6,50,000
Bindiya K. Parvadia	Loan Repaid	13,00,000	
Chandubhai S. Parvadia (HUF)	Loan Repaid	40,00,000	
Divyesh C. Parvadia	Loan Repaid	-	
Ketanbhai M. Parvadia	Loan Repaid	55,50,000	
Maganbhai S. Parvadia	Loan Received	1,08,000	
Maganbhai S. Parvadia	Loan Repaid	63,50,000	3,50,000
Maganbhai S. Parvadia (HUF)	Loan Repaid	45,00,000	
Nidhiben P. Parvadia	Loan Repaid	20,00,000	
Parasbhai Maganbhai Parvadiya	Loan Received	-	16,17,314
Parasbhai Maganbhai Parvadiya	Loan Repaid	16,02,000	
Vajiben S. Parvadia	Loan Repaid	25,75,000	
Yogesh M. Parvadia	Loan Repaid	59,000	
Paras Cotton	Trade Receivable Received	209,33,000	91,69,511

GUJARAT HY-SPIN LIMITED

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

Note No.	Particulars	31-Mar-21	31-Mar-20
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Balance Outstanding at the end of the year

Name of Person/ Entities	Nature	2020-21	2019-20
Chandubhai S. Parvadia	Loan	31,203	16,31,203
Bindiya K. Parvadia	Loan	71,350	13,71,350
Chandubhai S. Parvadia (HUF)	Loan	-	40,00,000
Divyesh C. Parvadia	Loan	70,000	70,000
Ketanbhai M. Parvadia	Loan	48,600	55,98,600
Maganbhai S. Parvadia	Loan	20,203	62,62,203
Maganbhai S. Parvadia (HUF)	Loan	-	45,00,000
Nidhiben P. Parvadia	Loan	-	20,00,000
Parasbhai Maganbhai Parvadiya	Loan	1,00,314	17,02,314
Vajiben S. Parvadia	Loan	3,75,000	29,50,000
Yogesh M. Parvadia	Loan	-	59,000
Paras Cotton	Trade Receivable	763,17,162	972,50,162

34	<u>Consumption</u>	<u>31-03-2021</u>	<u>%</u>	<u>31-03-2020</u>	<u>%</u>
		<u>Amount Rs.</u>		<u>Amount Rs.</u>	
	Imported	-	0.00%	-	0.00%
	Indigenous	3512,61,497	100.00%	3490,18,697	100.00%
	Total	3512,61,497	100.00%	3490,18,697	100.00%

35 Contingent Liabilities not acknowledged as debt

Bank has sanctioned bank guarantee upto Rs. 200.00 lakhs (Pre. Year 219.29) which is issued in favour of PGVCL, Central Government for duty receivable under EPCG and Letter of Credit issued to Machinery Supplier.

As at **31 March, 2021** company has an export obligations of Rs. 5074.13 lakhs (Pre. Year 5074.13 Lakhs) against advance authorization license issued under EPCG Scheme which needs to be fulfilled within 6 years of date of authorisation. This amount pertains to import made at concessional rate of import duty against advance license.

36 Gujarat Textiles Policy

After introduction of GST with effect from 01.07.2017, benefit of VAT is subsumed into SGST collected from Customer. During the year company has put the claim of SGST subsidy for the period 01.04.2020 to 31.12.2020 and recognised in Statement of Profit and Loss. The Company has not assessed the Incentive for the Period 01.01.2021 to 31.03.2021, as lockdown and restriction imposed by Government due to Covid-19 Situation.

37 Other Notes

The management has initiated various steps such as recovery from debtors, cost rationalization, release of government subsidy, refund of balance with government authority and business plant the company is Company is confident of its ability to continue as a going concern. These financials statements have, accordingly been prepared on going concern basis.

GUJARAT HY-SPIN LIMITED

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

Note No.	Particulars	31-Mar-21	31-Mar-20
38	<u>Note on Covid-19</u> In March 2020, the World Health Organization declared the COVID-19 outbreak a global pandemic. As a response, the Government of India had taken measures to contain the outbreak which included travel bans, quarantines and imposing a nation-wide lockdown from March 22, 2020 onwards. The outbreak of Covid-19 pandemic has impacted and continues to impact overall economic activity globally including India. The company is in the business of manufacturing of Cotton Yarn which is connected with hosiery and garment activities that are in a way fundamental to the Indian economy. The impact of Covid-19 remain uncertain and may be different from what the management has estimated as of the date of approval of these financial results and efforts are being made minimize the impact and company will continue to closely monitor any development, future economic and business outlook and its impact on the company's future financial statements.		
39	<u>Other Notes</u> Previous year figures are regrouped, re arranged & re casted wherever necessary.		

For and on behalf of Board of Directors

As per our report of even date

For Finava & Associates

Chartered Accountants

Firm Reg. No. 117362W

Chandulal Parvadiya

Wholetime Director

DIN : 03197876

Maganlal Parvadiya

Chairman and Wholetime Director

DIN : 03190749

(Manoj Finava)

Proprietor

M.No.044511

UDIN:21044511AAAAIR6854

Signed at Gondal on 21.06.2021

Paras Parvadiya

Chief Financial Officer

PAN:APNPP8668K

NOTICE OF 11th ANNUAL GENERAL MEETING

NOTICE is hereby given that the **11th Annual General Meeting (AGM)** of the Members of **Gujarat Hy-Spin Limited** will be held on **Thursday, the 30th September, 2021 on 11:00 a.m.** at the Registered Office of the Company P. O. Box No. 22, Gundala Road, Gondal-360311, Dist. – Rajkot, Gujarat, India to transact the following business:-

ORDINARY BUSINESS:

1. To consider and adopt the Standalone Audited Financial Statements of the Company for the year ended 31st March, 2021 together with the Reports of the Board of Directors and Auditors thereon and if thought fit, to pass, the following resolutions as **Ordinary Resolutions:**

“RESOLVED THAT the Audited Standalone financial statements of the Company for the financial year ended March 31, 2021, along with the reports of the Board of Directors and Auditors thereon, be and are hereby considered and adopted.”

2. To appoint Mr. Chandulal Parvadiya (DIN:03197876) as Whole-time Director, who retire by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions if any, of the Companies Act, 2013, Mr. Chandulal Parvadiya (DIN:03197876) who retires by rotation at this meeting and being eligible has offered himself for re-appointment be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.

**By Order of the Board
For, GUJARAT HY-SPIN LIMITED**

Sd/-

**Mr. Maganbhai Parvadiya
Chairman & Whole-time Director
DIN: 03190749**

Date: 2nd September, 2021

Place: Rajkot

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

A Member entitled to attend and vote at the Annual General Meeting (“the meeting”) is entitled to appoint a proxy to attend and vote on poll and the proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company

carrying voting rights. A member holding more than ten percent of the total share capital may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.

2. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.
3. Corporate Members intending to send their authorized representatives to attend the meeting, pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board resolution together with respective Specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the meeting.
4. Details as required in Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 ('Listing Regulations') in respect of the Directors seeking re-appointment at the AGM is attached as Annexure forming part of this Notice.
5. Pursuant to Section 91 of the Companies Act, 2013 and Rule 10 of the Companies (Management and Administration) Rules, 2014 read with Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed from Friday, 24th September, 2021 to Thursday, 30th September, 2021 (both days inclusive).
6. The notice of AGM and Annual Report are being sent in electronic mode to Members whose e-mail address is registered with the depository participant(s). Members who have not registered their e-mail address are requested to register the same with their respective depository participant(s).
7. Shareholders who have not registered their e-mail addresses so far, are requested to register their e-mail address in prescribed form attached with Notice for receiving all communication including Annual Report, Notices, circulars etc. from the Company electronically.
8. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.gujarathyspin.com websites of the Bombay Stock Exchange at www.bseindia.com
9. Member's voting rights shall be in proportion to his/her share of paid up share capital of the company. In case of Joint holders attending the meeting together, only whose name appearing first, will be entitled to vote.
10. Statutory Registers and documents referred to in the Notice and Explanatory Statement are open for inspection by the members at the Registered Office of the Company on all working days (Monday to Friday) between 11:00 a.m. to 5:00 p.m. up to the date of the Annual General Meeting and will also be available for inspection at the Meeting.

11. Members desirous of making a nomination in respect of their shareholding, under Section 72 of the Companies Act, 2013, are requested to send their request to the Secretarial Department in the prescribed form.
12. Members/proxies are requested to bring their Attendance slip, sent herewith, duly filled in, for attending the meeting. The results shall be declared at or after the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Website of the Company www.gujarathyspin.com and also on the website of RTA, Bigshare Services Private Limited immediately after the result is declared by the Chairman and communicated to BSE Limited.

“ANNEXURE TO THE NOTICE”

Details of the Director retiring by rotation at the ensuing Annual General Meeting as per Regulation 36(3) SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015.

Name	Mr. Chandulal Parvadiya
DIN	03197876
Age	61 years
Nature	Re-appointment of Whole-time Director
Date of Birth	01/06/1960
Expertise in Specific functional Area	Experience of more than 20 years in the field of Textile Industries.
Directorship held in other Public Limited Company	NA
Shareholding in company as on 31.03.2021	1243470 (Equity Shares)
Relationship with other Directors/Key Managerial Personnel	Not related to any Director / Key Managerial Personnel
List of other companies in which Directorship are held (other than Section 8 Company)	NA
Chairmanship or membership in other companies	NA

Form No. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

GUJARAT HY-SPIN LIMITED

P. O. Box No. 22, Gundala Road, Gondal-360311, Dist. – Rajkot, Gujarat, India

CIN: L17110GJ2011PLC063898

Name of the member (s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID:

I/We, being the member (s) of shares of the Gujarat Hy-Spin Limited, hereby appoint

1. Name:..... Address:.....

E-mail Id: Signature: or failing him/her

2. Name:..... Address:.....

E-mail Id: Signature:,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Thursday, 30th September 2021 at Register Office and at any adjournment thereof, in respect of such resolutions set out in the Notice convening the meeting, as are indicated below:

Sr. No.	Resolution	Vote (Optional see Note 2)*	
		For	Against
1	Adoption of financial statement of the Company for the financial year ended 31st March, 2021 and the reports of the Board of Directors' and Auditors' thereon.		
2	To appoint Mr. Chandulal Parvadiya (DIN: 03197876) as Whole-time Director, who retires by rotation and being eligible, offers him for re-appointment.		

Signed this _____ day of _____ 2021

Affix Revenue
Stamp

Signature of shareholder

Signature of 1st Proxy holder(s) Signature of Proxy 2nd holder(s)

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

2. *It is optional to indicate your preference. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

ATTENDANCE SLIP

GUJARAT HY-SPIN LIMITED
P. O. Box No. 22, Gundala Road, Gondal-360311,
Dist. – Rajkot, Gujarat, India
CIN: L17110GJ2011PLC063898

ANNUAL GENERAL MEETING

Please fill this attendance slip and hand it over at the entrance of the venue of the meeting

*DP Id No. _____

*Client Id No. _____

Regd. Folio No. _____

Name: _____

Address: _____

No. of Shares held: _____

I hereby record my presence at the Annual General Meeting of Gujarat Hy-Spin Limited on Thursday, 30th September 2021 At Registered Office P. O. Box No. 22, Gundala Road, Gondal-360311 Dist.- Rajkot, Gujarat, India.

Signature of the Member / Proxy

*Applicable to members holding shares in electronic form

FORM FOR UPDATION/REGISTRATION OF E-MAIL ADDRESS

To,
Gujarat Hy-Spin Limited,
P. O. Box No. - 12,
Gundala Road, Gondal-360311
Dist.- Rajkot. Gujarat.

Sending of Notices, Annual Reports and Accounts & other documents through Electronic Mode

Dear Sirs,

I hereby update/register my e-mail address provided below for receiving the Notices, Annual Reports and Accounts and other documents from the Company through electronic mode:-

E-mail Address:

Name of the Sole /First Holder:

DP ID/Client ID/ Registered Folio No.:

Contact Nos.:

Mobile:

Landline:

.....

Signature of the Sole/First Holder

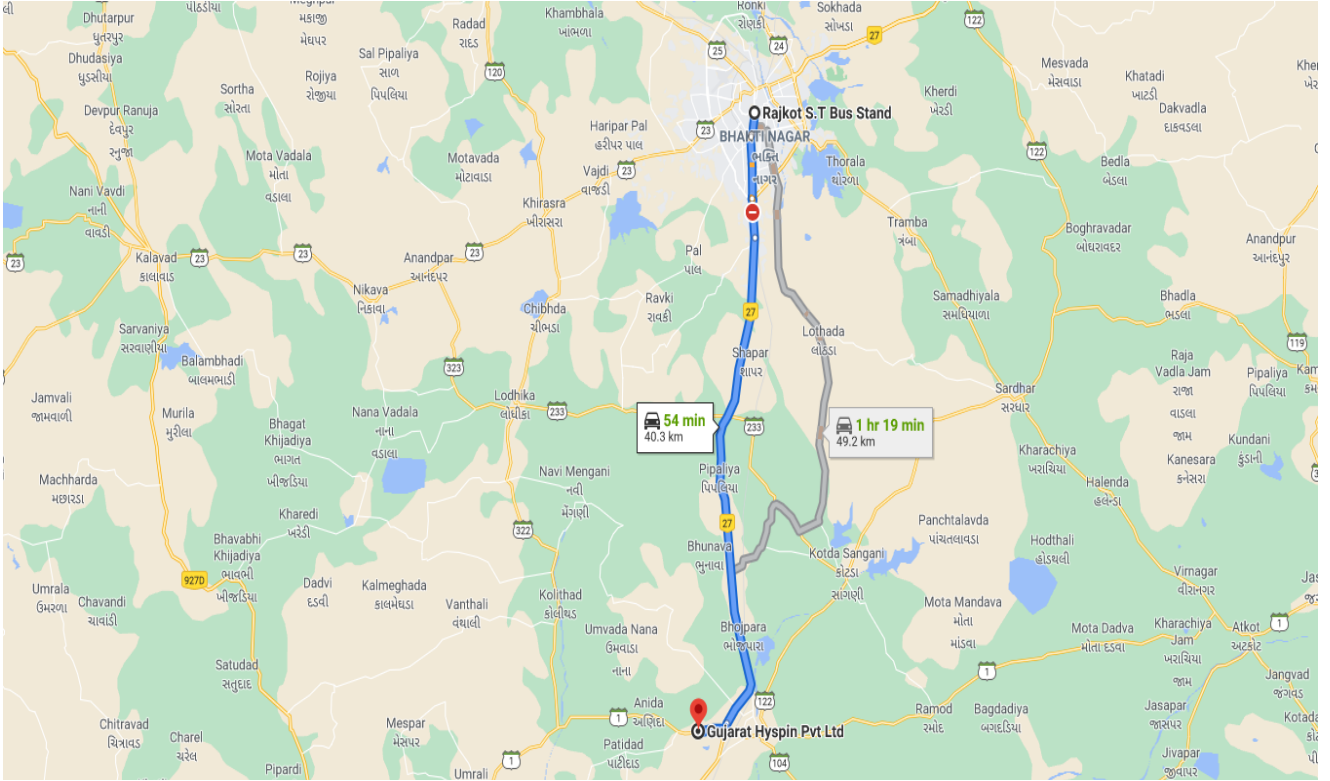
Date:

Notes:

(1) The Notices, Annual Reports and Accounts and other documents are sent in electronic mode to those Shareholders who have registered their e-mail addresses with the Company or with the Depositories.

Route Map

Gujarat Hy-Spin Limited
Registered Office: P. O. Box No. 22, Gundala Road,
Gondal-360311 Dist - Rajkot, Gujarat



GUJARAT HY-SPIN LIMITED

P.O. Box No. 22, Gundala Road, Gondal.

Dist - Rajkot -360311. Gujarat.

CIN : L17110GJ2011PLC063898

Tel.: 02825-297170

e-mail: info@gujarathyspin.com