

Date: 7th September, 2022

To,
BSE Limited
Phiroze Jeejeebhoy Tower,
Dalal Street,
Mumbai - 400 001

Dear Sir / Madam,

Subject: Submission of Annual Report for Financial Year 2021-22
Ref: Security Id: SHANGAR / Code: 540259

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the 27th Annual General Meeting of the Company to be held on Thursday, 29th September, 2022 at 3:00 P.M. at the Registered Office of the Company.

Kindly take the same on your record and oblige us.

Thanking You.

For, **Shangar Decor Limited**

Shah Samir

Samirbhai Shah
Managing Director
DIN: 00787630



wedding decor - theme decor - exhibitions - religious & corporate events

CIN No. : L36998GJ1995PLC028139

4, Sharad Flats, Opp. Dharnidhar Derasar, B/h. Sales India, Paldi Ahmedabad-380007

Ph. No. 079-26634458 • 26622675

✉ shangardecorltd@hotmail.com, info@shangardecor.com 🌐 www.shangardecor.com

SHANGAR DECOR LIMITED

27TH ANNUAL REPORT

2021-22

INDEX

Sr. No.	Particulars	Page No.
1.	Company Information	4
2.	Notice of Annual General Meeting	5
3.	Board's Report	16
4.	Annexure 1 – Secretarial Audit Report	27
5.	Annexure 2 – Management Discussion and Analysis Report	31
6.	Independent Auditor's Report	33
7.	Financial Statements for the Financial Year 2021-22	
7a.	Balance Sheet	48
7b.	Statement of Profit and Loss	49
7c.	Cash Flow Statement	50
7d.	Notes to Financial Statement	51
8.	Attendance Slip	64
9.	Proxy Form	65
10.	Ballot Paper	66

Company Information

<u>Board of Directors</u>	1. Mr. Samirbhai Shah	Managing Director
	2. Mr. Saumil Shah	Non-Executive Director
	3. Ms. Prasanna Pandya	Independent Director
	4. Mr. Moulin Shah	Non-Executive Director
<u>Audit Committee</u>	1. Ms. Prasanna Pandya	Chairman
	2. Mr. Saumil Shah	Member
	3. Mr. Samirbhai Shah	Member
<u>Nomination and Remuneration Committee</u>	1. Ms. Prasanna Pandya	Chairman
	2. Mr. Moulin Shah	Member
	3. Mr. Saumil Shah	Member
<u>Stakeholders' Relationship Committee</u>	1. Mr. Moulin Shah	Chairman
	2. Mr. Saumil Shah	Member
	3. Ms. Prasanna Pandya	Member
<u>Key Managerial Personnel</u>	Mr. Samirbhai Shah	Managing Director
	Mr. Saumil Shah	Chief Financial Officer
	Ms. Gitika Mishra	Company Secretary
<u>Statutory Auditor</u>	M/s. S. D. Mehta & Co. Chartered Accountants, Ahmedabad	
<u>Secretarial Auditor</u>	M/s. Gaurav Bachani & Associates Company Secretaries, Ahmedabad	
<u>Share Transfer Agent</u>	Purva Shareregistry (India) Private Limited Unit no. 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East) Mumbai - 400 011	
<u>Registered Office</u>	4, Sharad Flats, Opp. Dharnidhar Temple, Paldi, Ahmedabad - 380 007	

NOTICE OF THE 27TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 27th Annual General Meeting of the Shareholders of **Shangar Decor Limited** will be held on Thursday, 29th September, 2022 at 4 Sharad Flats Opp-Dharnidhar temple, Ahmedabad - 380 007 at 3:00 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statement of the Company for the Financial Year ended on 31st March, 2022 and statement of Profit and Loss account together with the notes forming part thereof and Cash Flow Statement for the Financial Year ended on that date, and the reports of the Board of Directors ("The Board") and Auditor thereon.
2. To appoint a director in place of Moulin Shah (DIN: 08948652), who retires by rotation and being eligible, offers himself for re-appointment.

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

Registered Office:

44, Sharad Flats, Opp. Dharnidhar Temple,
Ahmedabad – 380 007

**By the Order of the Board of
Shangar Décor Limited**

Date: 7th September, 2022

Place: Ahmedabad

Sd/-

**Saumil Shah
Director
DIN: 01601299**

Sd/-

**Samir Shah
Managing Director
DIN: 00787630**

Notes:

1. PURSUANT TO SECTION 105 OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER A SHAREHOLDER ENTITLED TO ATTEND AND VOTE AT THE TWENTY SEVENTH ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIM/HER AND THE PROXY NEED NOT BE A SHAREHOLDER OF THE COMPANY. A person can act as a proxy on behalf of maximum of 50 shareholders and holding in aggregate not more than 10% of the total share capital of the Company. A shareholder holding more than 10% of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other shareholder. Proxies submitted on behalf of limited Companies, Societies, etc., must be supported by an appropriate resolution / authority, as applicable.
2. Every shareholder entitled to vote at a meeting of the Company, or on any resolution to be moved thereat, shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than three days' notice in writing of the intention to inspect is given to the Company.
3. A proxy form is enclosed herewith. In case a shareholder wants to appoint a proxy, a duly completed and stamped proxy form must reach the Registered Office of the Company not later than 48 hours before the time of the aforesaid meeting.
4. Corporate shareholders/Institutional Investors intending to send their authorized representatives to attend the meeting are requested to send a duly certified copy of the Board Resolution authorizing the representatives to attend and vote at the Fortieth Annual General Meeting.
5. Shareholders who have not registered their email addresses so far are requested to register their email address in respect of their electronic holding with the Depository through their concerned Depository Participants and shareholders are further requested to register their email addresses with the Share Transfer and Registrar Agent of Company i.e. Purva Shareregistry (India) Private Limited, Unit no. 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel (East), Mumbai – 400 011 Shareholders/ Proxies attending the meeting are requested to bring the duly completed attendance slip (which has been enclosed herewith) to the Fortieth Annual General Meeting.
6. Shareholders / Proxies attending the meeting are requested to bring the duly completed attendance slip (which has been enclosed herewith) to the Twenty Seventh Annual General Meeting.
7. All documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours.
8. As per SEBI Circular dated 12th May, 2020, Physical Copy of the Annual Report for the 27th AGM inter-alia is not required to be sent; therefore Annual Report is being sent only through electronic mode to those Members as on 24th June, 2022, whose email addresses are registered with the Company / Depositories. Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update the same by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at shangardecorltd@hotmail.com or Purva Shareregistry (India) Private Limited at support@purvashare.com. Members may note that the Notice and Annual Report 2021-22 will also be available on website of the Stock Exchange, i.e., BSE Limited at www.bseindia.com.
9. Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rules 20 and 21 of Companies (Management and Administration (Rules), 2014 as amended from time to time and pursuant to Regulation 44 of SEBI (LODR), 2015 the Company is pleased to provide the shareholders of the Company facility to exercise their right to vote by electronic means for the resolution set forth in this notice through remote E- voting services provided by National Securities Depository Limited (NSDL). The detail instructions for E -Voting are annexed to this Notice separately.

10. Shareholders are also informed that voting shall be by both the means i.e. polling paper and E – voting. Shareholders who could not vote through remote E-Voting can exercise their voting rights at the Twenty Seventh Annual General Meeting. The Company will make arrangements of polling papers in this regard at the Meeting’s Venue. The shareholders attending the meeting who have not cast their vote by remote E-Voting shall be able to exercise their right to vote at the meeting.
11. However, the shareholders who have cast their vote by remote E-Voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again. In case the shareholders have cast their vote, through E - Voting and Polling Papers, then voting through E-voting shall prevail and voting done by Polling Papers shall be treated as invalid.
12. The Company has set 22nd September, 2022 as the “Cut-off Date” for taking record of the shareholders of the Company who will be eligible for casting their vote on the resolution to be passed in the ensuing 27th Annual General Meeting, for both E- Voting and Voting by Physical Mode through polling papers.
13. The Board of Directors of the Company has appointed M/s. Gaurav Bachani & Associates, Company Secretaries, Ahmedabad as the Scrutinizer, for conducting the E- Voting and Poll paper voting process for the Twenty Seventh Annual General Meeting in a fair and transparent manner.
14. The Resolution will be taken as passed effectively on the date of announcement of the result by the Chairman of the Company, if the result of the E-voting & Paper Poll Votes indicates that the requisite majority of the Shareholders had assented to the Resolution.
15. The scrutinizer shall, immediately after the conclusion of voting at the Twenty Seventh Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make, within a period not exceeding 48 hours from the conclusion of Annual General Meeting, a consolidated scrutinizer’s report of the total votes cast in favor or against, if any, to the Chairman or a person Authorised by him in writing who shall countersign the same and declare the result of the voting forthwith. After declaration, the result of the E-voting and Paper Poll Votes will be posted on the website of BSE Limited, where the shares of the Company are listed.
16. In case of joint-holding, the Voting Poll Paper Form must be completed and signed (as per the specimen signature registered with the Company) by the first named Shareholder and in his/her absence, by the next named Shareholder.
17. Unsigned or incomplete and improperly or incorrectly ticked Voting Poll Papers shall be rejected.
18. A person who acquires shares and becomes shareholder of the Company after the dispatch of the Notice and remains a Shareholder as on 22nd September, 2022 (the “Cut-off” date) can exercise remote E-Voting by obtaining the Login Id and Password by sending an email to www.evotingindia.com by mentioning their Folio No./ DP ID/ and Client ID No. However, if such shareholder is already registered with CDSL for remote E-Voting then the existing user ID and password can be used for casting their vote.
19. The SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members are therefore requested to submit their PAN to their depository participant(s).
20. The route map showing directions to reach the venue of the Twenty Seventh Annual General Meeting is annexed.
21. Details of Directors retiring by rotation / seeking appointment / re-appointment at this Meeting are provided in the “Annexure” to the Notice as per Regulation 36(3) of SEBI (LODR), 2015 and Secretarial Standard on General Meetings (“SS-2”) issued by Institute of Company Secretaries of India.
22. In terms of the provisions of Section 152 of the Act, Mr. Moulin Shah, Director of the Company, who retires by rotation at this Annual General Meeting. Nomination and Remuneration Committee and the Board of Directors of the Company re-commend his re-appointment.

23. Mr. Moulin Shah is interested in the Ordinary Resolutions set out at Item No. 2 of the Notice with regard to his re-appointment. Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out under Item No. 2 of the Notice
24. The Register of Members and Share Transfer Books will remain closed from 22nd September, 2022 to 29th September, 2022 (both days inclusive) for the purpose of Annual General Meeting (AGM).
25. Members holding shares in the dematerialized mode are requested to intimate all changes with respect to their bank details, ECS mandate, nomination, power of attorney, change of address, change in name, etc, to their Depository Participant (DP). These changes will be automatically reflected in the Company's records, which will help the Company to provide efficient and better service to the Members. Members holding shares in physical form are requested to intimate the changes to the Registrar & Share Transfer Agents of the Company (RTA) at its following address :
Purva Sharegistry (India) Private Limited, Unit no. 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel (East), Mumbai – 400 011.
26. Rules For Attending Annual General Meeting:
- Face Mask Essential
 - Shareholders to use Aarogya Setu app and have to show status of Aarogya Setu to Staff
 - Maintain social distancing in AGM, follow markers and signs for this
 - Shareholders Should go through Thermal Screening
 - Chairs marked 'Not For Use' should not be occupied
27. General information on E- Voting: -
- i. Date wise info: 26th September, 2022 9.00 AM till 28th September, 2022 5.00 PM.
 - ii. The Voting rights of the shareholders will be in proportion of their shares as on 22nd September, 2022 to the paid up share capital of the Company.
 - iii. The scrutinizer shall count the votes cast at the Meeting and thereafter unblock the votes cast through remote E-Voting in the presence of at least two witnesses not in the employment of the Company and make a consolidated scrutinizer's report of the votes cast in favour or against, in not later than three days of the conclusion of the meeting. And shall forthwith forward the same to the Chairman who shall countersign the same.
- The Voting results of the Twenty Seventh Annual General Meeting so declared shall be immediately placed on the website of Stock Exchange i.e. BSE Limited

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on 26th September, 2022 at 9:00 A.M. and ends on 28th September, 2022 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 22nd September, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 22nd September, 2022.

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





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

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nSDL.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nSDL.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</p> <p>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nSDL.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div data-bbox="711 1570 1209 1860" style="text-align: center;"><p>NSDL Mobile App is available on</p><p> App Store  Google Play</p><div style="display: flex; justify-content: space-around;"></div></div>

Individual Shareholders holding securities in demat mode with CDSL	<p>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.</p> <p>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</p> <p>If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

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

B) Login Method for e-Voting shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

Your User ID details are given below :

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

Password details for shareholders other than Individual shareholders are given below:

If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

How to retrieve your 'initial password'?

If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:

Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.

Now, you will have to click on “Login” button.

After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system

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

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail csgauravbachani@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories/ company for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) by email to shangardecorltd@hotmail.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) to shangardecorltd@hotmail.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

ANNEXURE TO NOTICE

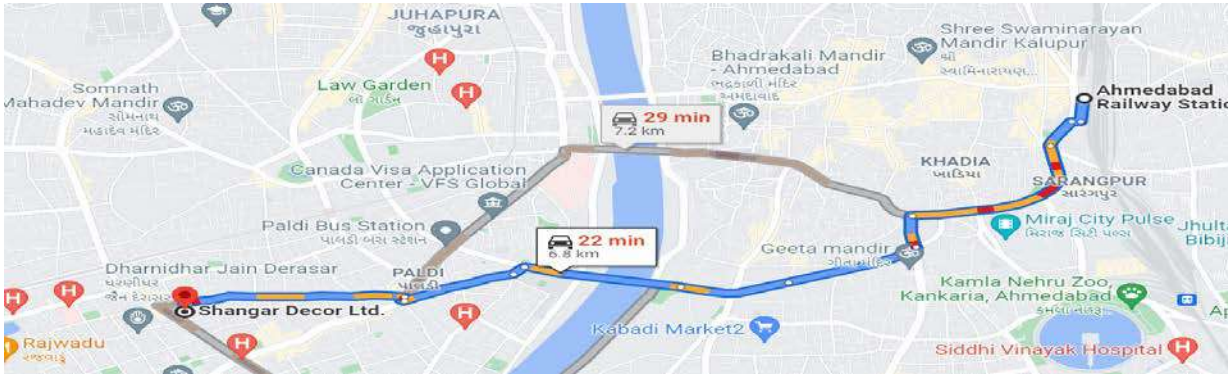
Relevant details as stipulated under Regulation 36(3) of SEBI (LODR), 2015 and Secretarial Standard on General Meetings (“SS-2”) issued by Institute of Company Secretaries of India, in respect of directors seeking appointment / reappointment as director under Item No. 2 is as under:

Name of the Director	Mr. Moulin Shah
Date of Birth	24/06/1985
Date of first Appointment on the Board	22/08/2020
Qualifications	Graduate
Experience/Brief Resume/ Nature of expertise in specific functional areas;	Industry Experience of more than 10 years
Terms and Conditions of Appointment along with remuneration sought to be paid	Nil
Remuneration last drawn by such person, if any	Nil
No. of Shares held in the Company as on 31 st March, 2022	25,200
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company/ Disclosure of relationships between directors inter-se;	Mr. Samir Shah
Number of Meetings of the Board attended during the year	10
Directorship / Designated Partner in other Companies / LLPs	N.A.
Chairman/Member of the Committees of Board of other Companies/ Names of listed entities in which the person also holds the directorship and the membership of the Committees of the board	Nil

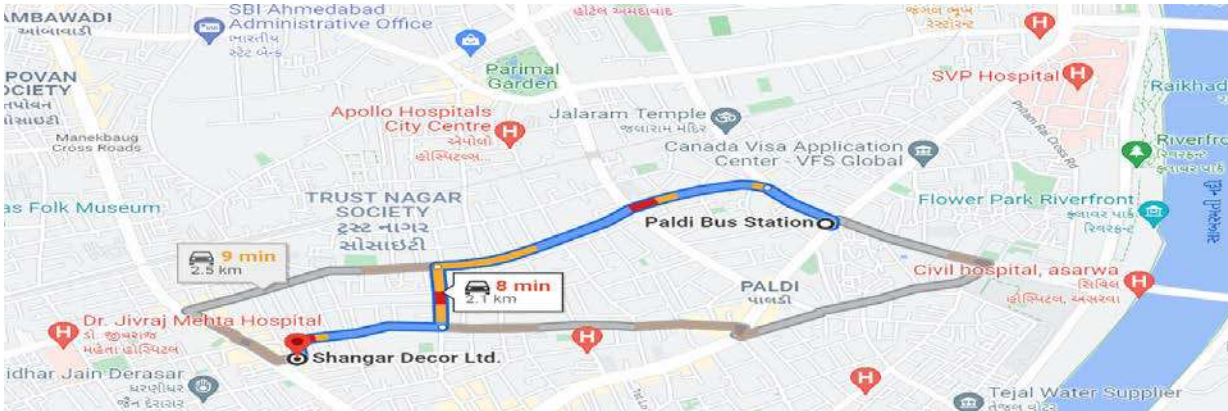
**Route Map to the venue of the
27th Annual General Meeting as per Secretarial Standard-2**

**Prominent Land Mark of the Venue:
44, Sharad Flats, Opp. Dharnidhar Temple, Ahmedabad – 380 007**

A. FROM AHMEDABAD RAILWAY STATION



B. FROM PALDI BUS STATION



C. FROM AHMEDABAD AIRPORT



BOARD'S REPORT

To,
The Members

Your Directors present the 27th Annual Report on the Business and Operations of the Company along with the Audited Annual Financial Statements for the Financial Year ended on 31st March, 2022.

1. **FINANCIAL RESULT**

The financial performance of the Company for the Financial Year ended on 31st March, 2022 and for the previous Financial Year ended on 31st March, 2021 is given below:

	(Rs.in Lakhs)	
Particulars	2021-2022	2020-2021
Revenue from Operations	619.57	344.39
Other Income	0.31	0.17
Total Income	619.89	344.56
Total Expenses	611.52	313.32
Profit / (Loss) Before Tax	8.36	31.24
Current Tax	3.18	6.21
Deferred Tax	-	-
Profit / (Loss) for the Period	5.18	25.03

2. **OPERATIONS:**

Total income for Financial Year 2021-22 is Rs. 619.89 Lakhs compared to the total income of Rs. 313.32 Lakhs of Previous Year. The Profit after tax of the Company for the Financial Year 2021-22 stood at Rs. 5.18 Lakhs as compared to loss after tax for Previous Year of Rs. 25.03 Lakhs.

3. **CHANGE IN NATURE OF BUSINESS, IF ANY:**

There were no changes in the nature of business of the Company during the year under review.

4. **ANNUAL RETURN:**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return on March 31, 2022 is available on the Company's website at www.shangardecor.com .

5. **MEETING OF THE BOARD OF DIRECTORS:**

The Directors of the Company met at regular intervals at least once in a quarter with the gap between two meetings not exceeding 120 days to take a view of the Company's policies and strategies apart from the Board Matters.

During the year under the review, the Board of Directors met 10 (Ten) times viz. 10th April, 2021, 14th April, 2021, 13th May, 2021, 11th August, 2021, 28th August, 2021, 7th September, 2021, 25th October, 2021, 26th October, 2021, 14th February, 2022 and 10th March, 2022.

6. DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134 (3) (c) and Section 134(5) of the Companies Act, 2013, to the best of their knowledge and belief the Board of Directors hereby submit that:

- a. In the preparation of the Annual Accounts, for the year ended on 31st March, 2022 the applicable accounting standards have been followed and there are no material departure from the same,
- b. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of Financial Year and of the profit of the Company for the Financial Year ended on 31st March, 2022,
- c. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities,
- d. The directors had prepared the Annual Accounts on a going concern basis,
- e. The directors had 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 had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

7. CORPORATE SOCIAL RESPONSIBILITY (CSR):

The provisions of section 135 of the Companies Act, 2013 is not applicable to your Company as the Company does not fall under the criteria limits mentioned in the said section of the Act.

Hence, the Company has not taken voluntary initiative towards any activity mentioned for Corporate Social Responsibility.

8. COMMENT ON AUDITORS' REPORT:

There were no qualifications, reservations, adverse remarks or disclaimer made by the Auditors in their report on the financial statement of the Company for the Financial Year ended on 31st March, 2022.

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

The details of loans, investment, guarantees and securities covered under the provisions of section 186 of the Companies Act, 2013 are provided in the financial statement.

10. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

All transactions to be entered by the Company with related parties will be in the ordinary course of business and on an arm's length basis. However, the Company has not entered into any related

party transaction, as provided in Section 188 of the Companies Act, 2013, with the related party. Hence, Disclosure as required under Section 188 of the Companies Act, 2013 is not applicable to the Company.

11. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has its Internal Financial Control systems commensurate with operations of the Company. The management regularly monitors the safeguarding of its assets, prevention and detection of frauds and errors, and the accuracy and completeness of the accounting records including timely preparation of reliable financial information.

The Head of Internal Audit together with External Audit consults and reviews the effectiveness and efficiency of these systems and procedures to ensure that all assets are protected against loss and that the financial and operational information is accurate and complete in all respects.

12. RESERVES & SURPLUS:

Sr. No.	Particulars	Amount in Lakhs
1.	Surplus in the Profit & Loss Account at the beginning of the year	24.43
2.	Current Year's Profit / (Loss)	5.18
3.	Amount of Securities Premium and other Reserves	0.00
	Total	29.61

13. FOREIGN EXCHANGE EARNINGS AND OUTGO:

	Foreign exchange earnings and outgo	F.Y. 2021-22	F.Y. 2020-21
a.	Foreign exchange earnings	Nil	Nil
b.	CIF value of imports	Nil	Nil
c.	Expenditure in foreign currency	Nil	Nil

14. PARTICULARS OF EMPLOYEES:

The provisions of Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company as none of the Employees of the Company has received remuneration above the limits specified in the Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 during the financial year 2021-22.

15. LOANS FROM DIRECTOR / RELATIVE OF DIRECTOR:

During the year under review, the Company has not entered into any materially significant related party transactions which may have potential conflict with the interest of the Company at large. Suitable disclosures as required are provided in AS-18 which is forming the part of the notes to financial statement.

16. DIVIDEND:

To conserve resources for future prospect and growth of the Company, your Directors regret to declare Dividend for the Financial Year 2021-22 (Previous year – Nil).

17. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATES AND THE DATE OF THE REPORT:

Apart from the change as mentioned below, no material changes and commitments, affecting the financial position of the Company occurred between the end of the Financial Year to which this financial statement relates and up till the date of Report.

18. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

There are no significant material orders passed by the Regulators or Courts or Tribunal, which would impact the going concern status of the Company and its future operation.

19. TRANSFER OF UNCLAIMED DIVIDEND TO THE INVESTOR EDUCATION AND PROTECTION FUND:

Pursuant to Section 124 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years shall be transferred to the Investor Education and Protection Fund (“IEPF”). During the year under review, there was no unpaid or unclaimed dividend in the “Unpaid Dividend Account” lying for a period of seven years from the date of transfer of such unpaid dividend to the said account. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund.

20. TRANSFER TO RESERVE:

The profit of the Company for the Financial Year ending on 31st March, 2022 is transferred to profit and loss account of the Company under Reserves and Surplus.

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

The details of conservation of energy, technology absorption etc. as required to be given under section 134(3)(m) of the Companies Act 2013 read with the Companies (Accounts) Rules, 2014, is not given as the Company has not taken any major step to conserve the energy etc. Further, there was no foreign exchange earnings and outgo during the financial year 2021-22 (Previous Year – Nil).

22. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF THE RISK MANAGEMENT POLICY OF THE COMPANY:

The Company has in place, a mechanism to identify, assess, monitor and mitigate various risks towards the key business objectives of the Company. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis.

23. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Directors and Key Managerial Personnel of the Company are summarized below:

Sr. No.	Name	Designation	DIN / PAN
1.	Mr. Samirbhai Shah	Managing Director	00787630
2.	Mr. Saumil Shah	Chief Financial Officer	AYSPS8103J
3.	Mr. Saumil Shah	Director	01601299
4.	Ms. Prasanna Pandya	Independent Director	07025733
5.	Ms. Yesha Shah ¹	Independent Director	08802522
6.	Mr. Dhairyakumar Thakkar ²	Independent Director	08803649
7.	Mr. Moulin Shah	Director	08948652
8.	Ms. Gitika Mishra ³	Company Secretary	BFIPM7168F
9.	Ms. Hirvita Soni ⁴	Company Secretary	CKTPS2188E

¹Ms. Yesha Shah has resigned from the post of Independent Director of the Company w.e.f. 10th March, 2022

²Mr. Dhairyakumar Thakkar has resigned from the post of Independent Director of the Company w.e.f. 15th July, 2022

³Ms. Gitika Mishra has been appointed as Company Secretary of the Company w.e.f. 12th May, 2021.

⁴ Ms. Hirvita Soni has resigned from the post of Company Secretary of the Company w.e.f. 4th May, 2021.

Apart from the above changes, there were no other changes in the composition of the Board of Directors of the Company during the Financial Year 2021-22 and till the date of Board's Report.

As per Companies Act, 2013 the Independent Directors are not liable to retire by rotation.

24. DECLARATION BY INDEPENDENT DIRECTORS:

Ms. Prasanna Pandya, Independent Directors of the Company have confirmed to the Board that they meet the criteria of Independence as specified under Section 149 (6) of the Companies Act, 2013 and they qualify to be Independent Directors. They have also confirmed that they meet the requirements of Independent Director as mentioned under Regulation 16 (1) (b) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The confirmations were noted by the Board.

25. CORPORATE GOVERNANCE:

Since the paid up Capital of Company is less than Rs. 10 Crores and Turnover is less than Rs. 25 Crores therefore by virtue of Regulation 15 of SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 the compliance with the corporate governance provisions as specified in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V are not applicable to the Company. Hence Corporate Governance does not form part of this Board's Report.

26. DISCLOSURES RELATING TO HOLDING / SUBSIDIARY, ASSOCIATE COMPANY AND JOINT VENTURES:

The Company does not have any Subsidiary Company, Joint Venture Company or Associate Company.

27. VIGIL MECHANISM:

During the year under review, the Company did not accept any deposits from the public and not borrowed money from the Banks and Public Financial Institutions. Accordingly, provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 does not apply to the Company.

28. SECRETARIAL STANDARDS:

During the year under review, the Company has complied with the applicable Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI). The Company has devised proper systems to ensure compliance with its provisions and is in compliance with the same.

29. STATEMENT ON ANNUAL EVALUATION MADE BY THE BOARD OF DIRECTORS:

The Board evaluated the effectiveness of its functioning, that of the Committees and of individual Directors, pursuant to the provisions of the Act and SEBI Listing Regulations. The Board sought the feedback of Directors on various parameters including:

- Degree of fulfillment of key responsibilities towards stakeholders (by way of monitoring corporate governance practices, participation in the long-term strategic planning, etc.);
- Structure, composition, and role clarity of the Board and Committees;
- Extent of co-ordination and cohesiveness between the Board and its Committees;
- Effectiveness of the deliberations and process management;
- Board / Committee culture and dynamics; and
- Quality of relationship between Board Members and the Management.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

The Chairman of the Board had one-on-one meetings with each Independent Director and the Chairman of NRC had one-on-one meetings with each Executive and Non-Executive, Non-Independent Directors. These meetings were intended to obtain Directors' inputs on effectiveness of the Board/ Committee processes.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole, and the Chairman of the Company was evaluated, taking into account the views of Executive Directors and Non-Executive Directors.

The Nomination and Remuneration Committee reviewed the performance of the individual directors and the Board as a whole.

In the Board meeting that followed the meeting of the independent directors and the meeting of Nomination and Remuneration Committee, the performance of the Board, its committees, and individual directors was discussed.

The evaluation process endorsed the Board Members' confidence in the ethical standards of the Company, the resilience of the Board and the Management in navigating the Company during

challenging times, cohesiveness amongst the Board Members, constructive relationship between the Board and the Management, and the openness of the Management in sharing strategic information to enable Board Members to discharge their responsibilities and fiduciary duties.

The Board carried out an annual performance evaluation of its own performance and that of its committees and individual directors as per the formal mechanism for such evaluation adopted by the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee.

The performance evaluation of the Chairman, the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The exercise of performance evaluation was carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of the Directors individually as well as evaluation of the working of the Board by way of individual feedback from directors.

The evaluation frameworks were the following key areas:

a) For Non-Executive & Independent Directors:

- Knowledge
- Professional Conduct
- Comply Secretarial Standard issued by ICSI Duties
- Role and functions

b) For Executive Directors:

- Performance as leader
- Evaluating Business Opportunity and analysis of Risk Reward Scenarios
- Key set investment goal
- Professional conduct and integrity
- Sharing of information with Board.
- Adherence applicable government law

The Directors expressed their satisfaction with the evaluation process.

30. DETAILS OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL CONTROL:

The Company has in place adequate internal financial controls with reference to financial statement across the organization. The same is subject to review periodically by the internal audit cell for its effectiveness. During the financial year, such controls were tested and no reportable material weaknesses in the design or operations were observed. The Statutory Auditors of the Company also test the effectiveness of Internal Financial Controls in accordance with the requisite

standards prescribed by ICAI. Their expressed opinion forms part of the Independent Auditor's report.

Internal Financial Controls are an integrated part of the risk management process, addressing financial and financial reporting risks. The internal financial controls have been documented, digitized and embedded in the business processes.

Assurance on the effectiveness of internal financial controls is obtained through management reviews, control self-assessment, continuous monitoring by functional experts. We believe that these systems provide reasonable assurance that our internal financial controls are designed effectively and are operating as intended.

During the year, no reportable material weakness was observed.

31. MANAGING THE RISKS OF FRAUD, CORRUPTION AND UNETHICAL BUSINESS PRACTICES:

a) Vigil Mechanism / Whistle Blower Policy:

The Company has established vigil mechanism and framed whistle blower policy for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct or Ethics Policy.

b) Business Conduct Policy:

The Company has framed "Business Conduct Policy". Every employee is required to review and sign the policy at the time of joining and an undertaking shall be given for adherence to the Policy. The objective of the Policy is to conduct the business in an honest, transparent and in an ethical manner. The policy provides for anti-bribery and avoidance of other corruption practices by the employees of the Company.

32. DEPOSITS:

As per Section 73 of the Companies Act, 2013 the Company has neither accepted nor renewed any deposits during the Financial Year. Hence the Company has not defaulted in repayment of deposits or payment of interest during the financial year.

33. STATUTORY AUDITOR:

M/s. S. D. Mehta & Co., Chartered Accountants, Ahmedabad were appointed as the Statutory Auditors of the Company. The Auditor's report for the Financial Year ended 31st March, 2022 has been issued with an unmodified opinion by the Statutory Auditors.

34. SECRETARIAL AUDITOR:

The Board appointed M/s. Gaurav Bachani & Associates, Practicing Company Secretary, Ahmedabad to conduct Secretarial Audit for the Financial Year 2021-22. The Secretarial Audit Report for the Financial Year ended 31st March, 2022 is annexed herewith marked as **Annexure-1** to this Report.

35. **DISCLOSURES:**

A. **Composition of Audit Committee:**

During the year under review, meetings of members of the Audit committee as tabulated below, was held on 14th April, 2021, 11th August, 2021, 28th August, 2021, 26th October, 2021, 14th February, 2022 and 10th March, 2022 the attendance records of the members of the Committee are as follows:

Name	Status	No. of the Committee Meetings entitled	No. of the Committee Meetings attended
Ms. Yesha Shah	Chairman	4	4
Mr. Dhairyakumar Thakkar	Member	5	5
Mr. Saumil Shah	Member	5	5
Ms. Prasanna Pandya	Chairman	1	1

¹Ms. Yesha Shah has resigned as Chairman from Audit Committee w.e.f. 10th March, 2022

²Ms. Prasanna Pandya was appointed as Chairman of Audit Committee w.e.f. 14th February, 2022

B. **Composition of Nomination and Remuneration Committee:**

During the year under review, meetings of members of Nomination and Remuneration Committee as tabulated below, was held on 13th May, 2021 and 10th March, 2022 and the attendance records of the members of the Committee are as follows:

Name	Status	No. of the Committee Meetings entitled	No. of the Committee Meetings attended
Mr. Dhairyakumar Thakkar	Chairman	2	2
Ms. Yesha Shah	Member	1	1
Ms. Prasanna Pandya	Member	2	2
Mr. Saumil Shah	Member	1	1

(The details of Committee members are as on the date of Boards' Report)

¹Ms. Yesha Shah has resigned as Chairman from Nomination and Remuneration Committee w.e.f. 10th March, 2022

²Mr. Saumil Shah was appointed as Member of Nomination and Remuneration Committee w.e.f. 10th March, 2022

C. **Composition of Stakeholders' Relationship Committee:**

During the year under review, meetings of members of Stakeholders' Relationship committee as tabulated below, was held on 7th September, 2021 and 10th March, 2022 and the attendance records of the members of the Committee are as follows:

Name	Status	No. of the Committee Meetings entitled	No. of the Committee Meetings attended
Mr. DhairyakumarThakkar	Chairman	2	2
Mr. Saumil Shah	Chairman	2	2
Ms. PrasannaPandya	Member	2	2

(The details of Committee members are as on the date of Boards' Report)

36. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The Company has always been committed to provide a safe and conducive work environment to its employees. Your Directors further state that during the year under review there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 as confirmed by the Internal Complaints Committee as constituted by the Company.

37. MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis Report as required under Regulation 34 and Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 forms an integral part of this Report, and provides the Company's current working and future outlook as per **Annexure - 2**.

38. INDUSTRIAL RELATIONS:

The Directors are pleased to report that the relations between the employees and the management continued to remain cordial during the year under review

39. MAINTENANCE OF COST RECORDS:

The provisions relating to maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, are not applicable to the Company and accordingly such accounts and records are not required to be maintained.

40. DETAILS OF APPLICATION MADE OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE:

During the year under review, there were no application made or any proceeding pending in the name of the company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

41. THE DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ONE TIME SETTLEMENT AND THE VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS:

During the year under review, there has been no one time settlement of Loans taken from Banks and Financial Institutions

42. ACKNOWLEDGEMENTS:

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from the Bankers, Regulatory Bodies, Stakeholders including Financial Institutions, Suppliers, Customers and other business associates who have extended their valuable sustained support and encouragement during the year under review.

Your Directors take this opportunity to recognize and place on record their gratitude and appreciation for the commitment displayed by all executives, officers and staff at all levels of the Company. We look forward for the continued support of every stakeholder in the future.

Registered Office:

44, Sharad Flats, Opp. Dharnidhar Temple,
Ahmedabad - 380 007

**By the Order of the Board of
Shangar Décor Limited**

Date: 7th September, 2022

Place: Ahmedabad

Sd/-

**Saumil Shah
Director
DIN: 01601299**

Sd/-

**Samir Shah
Managing Director
DIN: 00787630**

FORM NO. MR-3
SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

[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 of
Shangar Decor Limited
4 Sharad Flats,
Opp-Dharnidhar Temple,
Ahmedabad – 380 007

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

Based on our verification of **Shangar Decor Limited**’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Shangar Decor Limited** (“the Company”) for the Financial Year ended on 31st March, 2022, according to the provisions of:-

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the Audit Period).
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the Company during the Audit Period).
 - d. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period).
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

We have also examined compliance with the Secretarial Standards issued by The Institute of Company Secretaries of India;

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

1. *E-form MGT-14 for appointment of Secretarial Auditor and Internal Auditor was not filed by the Company.*
2. *E-form DPT-3 for the Financial Year ended 31st March, 2021 as per Rule 16 of the Companies (Acceptance of Deposits) Rules, 2014 was not filed by the Company.*
3. *E-form MGT-14 for approval of financial statement, the Board's report for the Financial Year ended 31st March, 2021 was not filed by the Company.*
4. *Disclosure under Regulation 30 and Regulation 31(4) of Securities and Exchange Board India (Substantial Acquisition of Shares & Takeovers) Regulation, 2011 was not made.*
5. *The Company has not maintained functional website as per Regulation 46 of the Securities and Exchange Board India (Listing Obligation and Disclosure Requirements) Regulations, 2015*
6. *Proof of Dispatch of Notice of Annual General Meeting of the Company held on 30th September, 2021 to shareholders was not found.*
7. *E-voting facility was not provided by the Company to the Shareholders in the Annual General Meeting of the Company held on 30th September, 2021*
8. *Independent Directors of the Company had not applied for inclusion / renewal of their name in the data bank as per rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.*
9. *The Company has not paid the Annual listing Fees for the year 2021-22 and various other arrears.*
10. *E-form SH-7 for Increasing Authorised Capital was not filed by the Company.*

We 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 period 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, 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**FOR, PANDYA SHARMA & CO LLP,
COMPANY SECRETARIES**

DRASHTI SHARMA

PARTNER

ACS No.: F10923

COP No.: 15471

UIN: L2021GJ010600

Peer Review Certificate No.: 2328/2022

UDIN: F010923D000883102

Date: 31st August, 2022
Place: Ahmedabad

This report is to be read with our letter of even date which is annexed as Annexure - 1 and forms an integral part of this report.

To,
The Members
Shangar Décor Limited
Ahmedabad

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts 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.

**FOR, PANDYA SHARMA & CO LLP,
COMPANY SECRETARIES**

DRASHTI SHARMA
PARTNER
ACS No.: F10923
COP No.: 15471
UIN: L2021GJ010600
Peer Review Certificate No.: 2328/2022
UDIN: F010923D000883102

Date: 31st August, 2022
Place: Ahmedabad

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. Overview of the Indian Economy:

The Indian economy has fully recovered to the pre-pandemic real GDP level of 2019-20, according to the provisional estimates of GDP released on May 31, 2022. Real GDP growth in FY 2021-22 stands at 8.7%, which is 1.5% higher than the real GDP in FY 2019-20. These figures are associated with stronger growth momentum, indicating increased economic demand. The investment rate in the fourth quarter increased to its highest level in the previous nine quarters. Moreover, capacity utilization in the manufacturing sector rose in the fourth quarter, as against the third quarter, implying a build-up in demand, which is consistent with the growth objectives of the Indian economy.

Future capital spending of the government in the Indian economy is expected to be supported by factors such as tax buoyancy, streamlined tax system, thorough assessment and rationalization of the tariff structure and digitization of tax filing. In the medium term, an increase in capital spending on infrastructure and asset-building projects is set to increase growth multipliers. Furthermore, revival in monsoon and Khari sowing helped the agriculture sector gain momentum. As of July 11, 2022, the South-West monsoon has covered the entire country, resulting in 7% higher rainfall than the normal level.

India has emerged as the fastest-growing major economy in the world, and is expected to be one of the top three economic powers globally over the next 10-15 years, backed by its robust democracy and strong partnerships.

B. Outlook:

In the last decade, India has been one of the fastest-growing economies, with annual growth rate averaging 6-7%. The increase in GDP can be attributed to a variety of reasons, including favorable demographics, influx of investment capital and technological efficiency and productivity gains.

C. Industry structure and development:

The growth of Company's Services is based on the push-and-pull effects of Demand and Supply determinants like the economic trends in India & Outside, growth of infrastructure. It always remains key area of the Company to provide innovative Service in design and finishing to the customers without compromising with quality. Today, per head income in India is increased which converted into purchasing power of a person. However, looking to the stability of Central Government, clear vision and mission of Government to provide Stable income to every family at possible level etc. the growth rate of this industry is expected around 7 to 8% in coming year. The population in India has the youngest persons in the world. The mixture of newness and economic productivity is result into investments in interior as well as exterior decoration. In India urbanization is the big matter which may generate more demand for Decoration Services and will result into increase in demand of associated products. The growth rate of this industry in the country is expected to increase with the people's preferences now leaning towards a safer, cleaner and more secure environment.

D. Opportunities and Threats:

Opportunities:

- **Good Brand Image:** Company has a good brand image and quality Services in the Indian market.
- **Wide Service range:** Company has very wide service coverage for social and cultural events.
- **Superiority over its competitors:** Company remains eager in providing latest designs and Service to its customers.
- **Online Services:** Company provides Online Services to its Customer. The company will take effective steps to take benefit of this opportunity.
- **Expand Market Network:** The Company continues to expand its marketing networks by appointing Consignment Agent, branches, distributors, dealers etc. in various states in all over the country.
- **Vaccination:** The Government of India has been providing free vaccination for Covid-19, employees and other concerned persons can continue to work from the office which is in the interest of both Company and its employees.

Threats:

- **High Competition Era:** The Decor Industry has entered into the orbit of the high competition. The market fights are set to intensify with unstoppable capacity build up. The Competition from both unorganized and other organized players, leading to difficulties in improving market share.
- **Manpower:** The one of the common problem emerged for finding talent with competence or even skilled man power for Decor industries irrespective of the company Brand or Size.
- **Under cutting of price:** Due to high competitions in market, the competitors are doing price cutting of Services to compete or keep their existence in markets which is ultimate big problems for the industries.
- **New Entrance:** More and more new organized players are entering into market which will increase competition in organized sector also.
- **Third wave of Pandemic:** As the third wave of pandemic is expected, the Country's economy will be adversely affected resulting into imposition of lockdowns and safety guidelines. Due to which the Company has to implement guidelines and ensure that the environment of workplace is safe, clean and secure.

E. Segment-wise or Product-wise performance:

The Company operates in single segment i.e. Special Consumer services.

The Turnover of the Company for the Financial Year 2021-22 is Rs. 118,504,000/-.

F. Future Outlook:

The Company's outlook for the year 2021-22 is to add more products in the product range as per requirement in the market. Due to unexpected effects of Covid 19 pandemic, all social and cultural events can be restricted in future and as a result FY 2021-22 may prove to be very tough for the Company.

G. Internal control system and their adequacy:

Company has an adequate Internal Controls system aimed at achieving efficiency in operations, optimum utilization of resources and compliance with all applicable laws and regulations. Your company has internal control Department which carried following activities on regular basis.

- Reviewing accounting system and related controls.
- Examining management of financial and operating information.

- Examining the economy, efficiency, effectiveness and proprietary of operations.
- Identifying the risks in relation to key business processes and verify whether an effective control exists to mitigate these risks.
- Suggesting measures for optimizing the Business Process Controls.
- Reviewing adherence to corporate policies.
- To examine and audit the areas in consultation with the management and to report on critical issues the internal controls Department headed by Internal Auditor of the company. The Company's internal control system is designed to ensure management efficiency, measurability and verifiability, reliability of accounting and management information, compliance with all applicable laws and regulations, and the protection of the Company's assets and so that the main company risks (operational, compliance-related, economic and financial) are properly identified and managed over time. The Board of Directors, responsible for the internal control system, sets the guidelines, verifying its adequacy, effectiveness and application.

H. Discussion on financial performance with respect to operational performance

The financial performance of the Company for the Financial Year 2020-21 is described in the report of the Board of Directors' of the Company.

I. Material developments in Human Resources/Industrial Relations front, including number of people employed

The cordial employer - employee relationship also continued during the year under the review. The Company has continued to give special attention to human resources.

J. Caution Statement:

Statements made in the Management Discussion and Analysis describing the various parts may be "forward looking statement" within the meaning of applicable securities laws and regulations. The actual results may differ from those expectations depending upon the economic conditions, changes in Govt. Regulations and amendments in tax laws and other internal and external factors.

Registered Office:

44, Sharad Flats, Opp. Dharnidhar Temple,
Paldi, Ahmedabad – 380 007

Place: Ahmedabad

Date: 7th September, 2021

**By the Order of the Board
Shangar Decor Limited**

Sd/-

**Samirbhai Shah
Managing Director
DIN: 00787630**

Sd/-

**Saumil Shah
Director
DIN:01601299**

DECLARATION

All the Board Members and Senior Management Personnel of the Company have affirmed the compliance with the provisions of the code of conduct of Board of Directors and Senior Management for the year ended on 31st March, 2022.

**By the Order of the Board
Shangar Decor Limited**

Sd/-
SamirbhaiShah
Managing Director

Sd/-
Saumil Shah
**Chief Financial
Officer**

Independent Auditors' Report

To the Members of,
Shangar Decor Limited

1. Opinion

We have audited the accompanying Ind-AS financial statements of **Shangar Decor Limited (the "Company")** which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (Including Other Comprehensive Income), the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "the financial statements").

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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis of Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key Audit matters ('KAM') 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.

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, Business Responsibility 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, 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.

2. Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in the section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian 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.

3. Auditor's Responsibility for the audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 ability of the Group 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the financial statements.

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

We communicate with those charged with governance of the Company and such other entities included in the financial statements of which we are the independent auditors 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.

4. Report on Other Legal and Regulatory Requirements

- i. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section (11) of section 143 of the Companies Act, 2015 we give in the "**Annexure-A**" a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.
- ii. As required by section 143(3) of the Act, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the afore said financial statements;
 - b. In our opinion proper books of account as required by law relating to preparation of the afore said financial statements have been kept by the Company so far as appears from our examination of those books.
 - c. The Balance Sheet, Statement of Profit and Loss including other comprehensive Income, Statement of changes in equity and Statement of Cash Flow dealt with

by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the financial statements.

- d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors as on March 31, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “**Annexure B**”; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
- 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.

- 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 accordance to the explanation given to us:
 - i. The company does not have any pending litigations which would impact its financial position.
 - ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The respective Managements of the Company, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in

other persons or entities identified in any manner whatsoever by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

V. In Our Opinion and according to the information and explanation given to us, the company has not declare any dividend.

For, **S.D.Mehta & Co.**
Chartered Accountants
(Registration No. 137193W)

Date: 30st May, 2022
Place: Ahmedabad
UDIN: 22032891AOEMNE4658

Shaishav Mehta
Proprietor
M.No.: 032891

Annexure-A to Independent Auditors' Report

Referred to in Paragraph 4(i) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date.

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

1. In respect of Property, Plant and Equipment and Intangible Assets:

- a. The Company is maintained proper records showing full particulars, including quantitative details and situations of Property, Plant and Equipment. The company does not have any intangible assets.
- b. The Property, Plant and Equipment were physically verified by the management at regular intervals and in our opinion is reasonable having regard to the size of Company and the nature of its assets. Pursuant to the verification a portion of the Property, Plant and Equipment has been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- d. The company has not revalued its Property, Plant and Equipment during the year. The company does not have any intangible assets.
- e. The company doesn't have any proceedings initiated or are pending against for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made there.

2.

- a. Inventories have been physically verified by the management at reasonably regular intervals during the year.
- b. In my opinion and according to the information and explanation given to me, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. The Company has maintained proper records of inventories. As explained to me, there were no material discrepancies noticed on physical verification of inventory as compared to the book of accounts.
- d. The para of having working capital limit sanctioned in excess of Rs.5 crores is not applicable to the company as the company does not have any sanctioned working capital limit.

3. The Company has neither made any investment nor granted any loans secured or unsecured to any companies, firms or other parties covered in the register required to be maintained under section 189 of the Companies Act, 2013.

4. The Company has complied with the provisions of section 185 and section 186 of the Companies Act 2013 in respect of the loans granted, investments made and guarantees and securities provided, as applicable.

5. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
6. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

7. In respect of Statutory Dues:

- a. In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable are as under:.

Name of Statute	Nature of dues	Amount (Rs.)	Accounting Period to which the amount relates	Demand Raised By
Income Tax Act, 1961	Income Tax	22,98,390/-	2018-19	CPC, Income tax Department
Income Tax Act, 1961	Income Tax	32,89,230/-	2019-20	CPC, Income tax Department
Income Tax Act, 1961	Income Tax	13,98,846/-	2020-21	Assessing Officer, Income tax Department
Income Tax Act, 1961	Income Tax	-	2013-14	CPC, Income tax Department

- b. According to the information and explanation given to us, there were no dues of Goods and services tax, sales tax, Income tax and Cess which have not been deposited on account of any dispute.

8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

9.

- a. The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
- b. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c. The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- d. On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e. On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- f. The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable

10.

- a. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

11.

- a. No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.
- c. We have taken into consideration the whistle blower complaints received by the Company during the year, while determining the nature, timing and extent of our audit procedures.

12. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
13. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14.
 - a. In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
 - b. We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
15. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. And hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
16.
 - a. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
 - b. In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
17. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
18. There has been no resignation of the statutory auditors of the Company during the year.
19. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting

is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20.

- a. In our opinion, as per section 135 of the Act, no amount was required to be spent by the Company on Corporate Social Responsibility (CSR) related activities during the year. Accordingly, reporting under clause (xx) of the Order is not applicable to the Company.

For, **S.D.Mehta & Co.**
Chartered Accountants
(Registration No. 137193W)

Date: 30-05-2022

Place: Ahmedabad

UDIN: 22032891AOEMNE4658

Shaishav Mehta
Proprietor
M.No.: 032891

Annexure-B to Independent Auditors' Report

Report on the Internal Financial Controls Over Financial Reporting 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 **Shangar Decor Limited** ("the Company") as of 31 March 2022 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, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, **S.D. Mehta & Co.**
Chartered Accountants
(Registration No. 137193W)

Date: 30st May, 2022

Place: Ahmedabad

UDIN.: 22032891AOEMNE4658

Shaishav Mehta
Proprietor
M.No.: 032891

Shangar Décor Limited

Balance Sheet as at 31st March, 2022

(Amount in Lakhs.)

Particulars	Note no.	As at 31st March, 2022		As at 31st March, 2021	
ASSETS					
(1) Non-current assets					
(a) Property, Plant & Equipment	4.01	924.42		847.36	
(b) Capital work-in-progress					
(c) Investment Property					
(d) Goodwill					
(e) Other Intangible Assets					
(f) Intangible Assets under development					
(g) Biological Assets other than bearer plants					
(h) Financial Assets :					
(i) Investments	4.02	2.13		2.13	
(ii) Trade receivables					
(iii) Loans and advances					
(iv) Others (to be specified)					
(i) Deferred tax assets (net)					
(j) Other non-current assets			926.54		849.49
(2) Current assets					
(a) Inventories	4.03	317.02		284.25	
(b) Financial Assets :					
(i) Investments					
(ii) Trade receivables	4.04	618.63		572.09	
(iii) Cash and cash equivalents	4.05	25.82		4.42	
(iv) Bank balances other than (iii) above					
(v) Loans and advances	4.06	27.16		-	
(vi) Others (to be specified)					
(c) Current Tax Assets (Net)					
(d) Other current assets	4.07	114.07		157.89	
			1,102.70		1,018.64
Total Assets			2,029.24		1,868.13
I. EQUITY AND LIABILITIES					
Equity					
(a) Equity Share capital	4.08	612.02		612.02	
(b) Other Equity	4.09	29.61		24.43	
			641.63		636.45
LIABILITIES					
(1) Non-Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	4.10	648.34		403.04	
(ii) Trade Payables					
(iii) Other financial liabilities (other than those specified in item (b), to be specified)					
(b) Provisions					
(c) Deferred tax liabilities (Net)		14.50		14.50	
(d) Other non-current liabilities					
(2) Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings					
(ii) Trade payables	4.11	708.25		726.21	
(iii) Other financial liabilities (other than those specified in item (c))					
(b) Other current liabilities	4.12	6.04		58.65	
(c) Provisions	4.13	10.48		29.27	
(d) Current Tax Liabilities (Net)					
			1,387.61		1,231.68
Total Equity and Liabilities			2,029.24		1,868.13
Notes to Financial Statements					
Significant Accounting Policies	2				
As per our report of even date attached herewith.					
For, S. D. Mehta & Co. Chartered Accountants FRN: 137193W			For and on behalf of the board of Shangar Décor Limited		
Shaishav Mehta Partner M.No. 032891 UDIN:22032891A0EMNE4658		Samir R Shah Managing Director DIN:787630		Saumil S Shah Director DIN:1601299	
Place: Ahmedabad Date : 30-05-2022			Gitika Mishra Company Secretary		

Shangar Décor Limited

Statement of Profit and Loss for the year ended on 31st March, 2022		(Amount In Lakhs.)	
Particulars	Note no.	As at 31st March, 2022	As at 31st March, 2021
(I) Revenue from operations	4.14	619.57	344.39
(II) Other Income	4.15	0.31	0.17
(III) Total Income (I+II)		619.89	344.56
<u>(IV) EXPENSES</u>			
Cost of Materials Consumed		-	-
Purchase of Stock -in-Trade	4.16	307.90	122.88
Changes in Inventories of Finished goods, Work-in-Progress and by products	4.17	(32.77)	(21.75)
Employee Benefits Expense	4.18	30.63	22.26
Finance Costs	4.19	-	3.57
Depreciation and Amortization Expense		107.45	93.25
Other Expenses	4.20	198.31	93.11
Total Expenses (IV)		611.52	313.32
(V) Profit / (Loss) Before Exceptional Items & Tax (III-IV)		8.36	31.24
(VI) Exceptional Items			
(VII) Profit / (Loss) Before Tax (V-VI)		8.36	31.24
(VIII) Tax Expenses :			
(1) Current tax		3.18	6.21
(2) Deferred tax		-	-
(3) Income tax of earlier year		-	-
(IX) Profit / (Loss) for the period from Continuing Operation (VII-VIII)		5.18	25.03
(X) Profit / (Loss) from discontinued operations		-	-
(XI) Tax expense of discontinued operations		-	-
(XII) Profit / (Loss) from discontinued operations (after tax) (X-XI)		-	-
(XIII) Profit / (Loss) for the period (IX+XII)		5.18	25.03
(XIV) Other Comprehensive Income		-	-
Basic & Diluted (In Rs.)	4.21	0.04	0.20
Notes to Financial Statements			
Significant Accounting Policies	2		

As per our report of even date attached herewith.
For, S. D. Mehta & Co.
 Chartered Accountants
 FRN: 137193W

For and on behalf of the board of
Shangar Décor Limited

Shaishav Mehta
 Partner
 M.No. 032891

Samir R Shah
 Managing Director
 DIN:787630

Saumil S Shah
 Director
 DIN:1601299

UDIN:22032891AOEMNE4658
 Place: Ahmedabad
 Date : 30-05-2022

Gitika Mishra
 Company Secretary

Shangar Décor Limited

Cash flow statement for the year ended 31st March' 2022

(Amount in Lakhs)

Particulars	For the year ended 31st March,2022		For the year ended 31st March,2021	
	Amount	Amount	Amount	Amount
(A) Cash flow from operating activities				
(1) Net profit after tax and extraordinary items		5.18		25.03
ADD:(I) Depreciation Written off	107.45		93.25	
(ii) Provision for income tax	-		6.21	
(iii) Preliminary Expense	-		4.05	
(iv) Loss from partnership firm	-		-	
(v) Deferred Revenue Expenses	-		-	
LESS: (i) Deferred tax Asset		107.45		103.51
(2) Operating profit before working capital changes		112.63		128.54
Working capital changes				
Add: (i) Decrease in Current Assets (Except Cash & Cash Equivalents)	27.06		-	
(ii) Increase in Current Liabilities	-		6.36	
Less: (i) Decrease in Current Liabilities	99.57		95.47	
(ii) Increase in Current assets (Except Cash & Cash Equivalents)	81.99	(154.49)	67.69	(156.80)
(3) Cash generated from operating before tax		(41.86)		(28.26)
Less: Income Tax Paid	-		6.21	
(4) Cash flow before extraordinary items		(41.86)		(34.48)
Add/ (less) extraordinary items				
Net cash inflow / outflow from operating activities After tax & extraordinary items		(41.86)		(34.48)
(B) Cash flow from investing activities				
Add : Proceeds on account of changes in Investments	-		-	
Less : Purchase of Fixed assets & Investments	184.51		139.63	
Net Cash inflow / outflow from investing activities		(184.51)		(139.63)
(C) Cash flow from financing activities				
Add : Changes in Long term Loans & Advances	247.77		105.10	
Proceeds of Share Capital	-		-	
Less : Advances given	-		29.64	
Less : Repayment of Loans	-		12.94	
Net cash inflow / outflow from financing activities		247.77		62.52
(D) net increase / decrease in cash & cash equivalent		21.40		(111.58)
(E) Add: Cash & Cash Equivalents in the beginning of the year		4.42		116.00
(F) Cash & Cash Equivalents at the end of the year		25.82		4.42

For, S.D.Mehta & Co.
Chartered Accountant
FRN.: 137193W

Shaishav D. Mehta
Proprietor
M.No.032891

Place: Ahmedabad
Date: 30-05-2022
UDIN: 22032891AOEMNE4658

For and on behalf of the board of
SHANGAR DÉCOR LIMITED

Samir R Shah
Managing Director
DIN:787630

SHANGAR DÉCOR LIMITED

NOTE : 4

FIXED ASSETS AS AT 31ST MARCH 2022

PARTICULARS	Gross Block				Depreciation			Net Block	
	OPENING BALANCE	ADDITION	DED.	TOTAL	31.03.2021	DEP	31.03.2022	31.03.2022	31.3.2021
Air Conditioner	3.01	0.70	-	3.71	0.95	1.07	2.02	1.69	2.06
Computer	0.68	1.35	-	2.03	0.15	0.48	0.64	1.39	0.53
Decore Wooden	47.48	-	-	47.48	5.01	5.01	10.02	37.47	42.48
Decore Furniture@12%	-	13.19	-	13.19	1.65	2.31	3.96	25.60	11.54
Decore Furniture@18%	315.68	77.61	-	393.30	35.96	42.59	78.55	314.75	279.73
Decore Furniture@28%	-	1.24	-	1.24	0.16	0.16	0.31	0.93	1.09
Decore Furniture@5%	242.41	67.31	-	309.72	22.87	28.20	51.07	258.65	219.54
Decore Steel & Dome	179.60	16.22	-	195.83	9.66	10.23	19.89	175.94	169.94
Electric Fittings	0.80	-	-	0.80	0.17	0.17	0.33	0.47	0.64
Electrical Goods	23.52	3.15	-	26.67	3.34	3.63	6.97	19.70	20.17
Godown Building	36.83	-	-	36.83	1.83	1.83	3.65	33.18	35.01
Innova Car	0.46	-	-	0	0.06	0.06	0.12	0.35	0.40
Mobile Telephone	3.32	0.25	-	3.58	0.65	0.87	1.52	2.06	2.68
Mobile Telephone@28%	0.09	-	-	0.09	0.01	0.01	0.02	0.07	0.08
Motor Car Skoda Supert	1.31	-	-	1.31	0.37	0.37	0.74	0.57	0.94
Motor Car SX4	0.57	-	-	0.57	0.16	0.16	0.33	0.25	0.41
Office Building	0.35	-	-	0.35	0.12	0.12	0.25	0.10	0.23
Office Furniture	0.16	-	-	0.16	0.04	0.04	0.08	0.08	0.12
Pagoda Structure	35.04	-	-	35.04	6.37	6.37	12.74	22.30	28.67
Maruti Eco	2.67	-	-	2.67	0.33	0.33	0.67	2.00	2.34
Weight Machine	0.09	-	-	0.09	0.02	0.02	0.04	0.04	0.06
Vehicles	1.02	-	-	1.02	0.13	0.13	0.26	0.77	0.89
Vessels@18%	4.93	1.20	-	6.13	0.25	0.27	0.51	5.62	4.68
Gowdown Building-28%	0.33	-	-	0.33	0.01	0.011	0.02	0.31	0.32
Washing Machine	0.89	-	-	0.89	0.26	0.22	0.48	0.41	0.63
Sewing Machine	0.39	-	-	0.39	0.11	0.10	0.21	0.19	0.28
CCTV	0.54	-	-	0.54	0.01	0.07	0.07	0.46	0.53
Vessels	23.98	0.34	-	24.32	2.61	2.63	5.24	19.08	21.37
TOTAL	940.61	184.51	0.00	1125.12	93.25	107.45	200.71	924.42	847.36

Non-Current Assets

4.02 Investments

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
1	Long Term Investment in Shares (Unquoted)	2.13	2.13
	TOTAL	2.13	2.13

Current Assets

4.03 Inventories

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
1	Inventories	317.02	284.25
	TOTAL	317.02	284.25

4.04 Trade Receivable

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
1	Unsecured, Considered Good	618.63	572.09
	TOTAL	618.63	572.09

Note:

Trade Receivable Includes total receivables of Rs. 87.26 Lakhs which are outstanding for more than 3 years.

4.05 Cash and Cash Equivalent

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
1	Cash in hand	10.99	1.70
2	Balance with banks	14.83	2.72
	TOTAL	25.82	4.42

4.06 Loans and advances

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
	Loans & Advances	27.16	-
	TOTAL	27.16	-

4.07 Other current assets

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
1	Deposits	66.55	63.41
2	Balance with revenue authorities	42.72	86.24
3	Interest Receivable	0.14	0.14
4	Pre-paid Insurance	0.62	-
5	Preliminary exps. for listing fees	4.05	8.10
	TOTAL	114.07	157.89

Note : The balance with revenue authorities consists of TDS receivable by the company for F.Y.-2021-22 to the extent of Rs. 24.66 Lakhs

The preliminary exps have been written off to the extent of Rs. 4,05,000/- being in nature of listing fees, and the remaining Rs. 4,05,000/- has been carried forward through the next financial year

Equity

4.08 Share Capital

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
a)	Authorised Share Capital 1,40,00,000 Equity shares of Rs. 5.00/- each (March 31,2020: Rs. 10 each)	700.00	700.00
		700.00	700.00
b)	Issued, Subscribed Bonus & Fully paid up capital 61,20,200 Equity shares of Rs. 5/- each fully paid up 61,20,200 Bonus Equity shares of Rs. 5/- each fully paid up issued during the year	612.02	306.01 306.01
	TOTAL	612.02	612.02

Note: The Board of Directors at their meeting held on October 1, 2020 approved the sub-division of each equity share of face value of Rs. 10 each fully paid up into 2 equity shares of face value of Rs. 5 each fully paid up.

c) The reconciliation of the number of shares outstanding is set out below.

Particulars	Number of Equity	
	As at 31st March, 2022	As at 31st March, 2021
Equity shares at the beginning of the year	122.40	30.60
New no. of equity shares due to Division of one equity share of Rs. 10 into two equity shares of Rs. 5	-	30.60
Add: Bonus Shares issued during the year	-	61.20
Equity shares Outstanding at the end of the year	122.40	122.40

d) Rights, Preferences and Restrictions

The Company has only one class of equity shares having par value of Rs.5/- per share. Each equity shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, if any, in proportion to their shareholding.

e) The details of shareholders holding more than 5% of Equity shares

Name of Shareholders	As at 31st March, 2022		As at 31st March, 2021	
	% Held	% Held	% Held	% Held
Samir Rasiklal Shah	70.95	31.00	70.95	31.00
Saumil Shrenik Shah	37.94	9.80	37.94	9.80
Parul Samir Shah	8.25	6.74	8.25	6.74
Vipul Shah	12.00	9.80	12.00	9.80

4.09 Other Equity

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
a)	Surplus / (Deficit) in Statement of Profit & Loss		
	Balance as per previous financial statements	24.43	208.40
	Add: Profit for the year	5.18	25.03
	Balance available for appropriation	29.61	233.42
	Forfeited Shares	-	97.02
		29.61	330.44
	Less: Utilized for issue of Bonus Shares in the ratio of 1:1 during the financial year	-	306.01
			-
	Net Surplus / (Deficit)	29.61	24.43

Non-Current Liabilities

4.10 Borrowings

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
1	Secured Loans	-	1.38
2	Unsecured loans	648.34	401.66
	TOTAL	648.34	403.04

Note : Secured loans consist of loan in form of Overdraft from Axis Bank (secured against stock and debtors) and ICICI bank (secured against motor vehicle).

Current Liabilities

4.11 Trade Payables

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
1	Trade Payables	696.25	719.21
2	Advance to customers	12.00	7.00
	TOTAL	708.25	726.21

4.12 Other Current Liabilities

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
1	GST Payable	-	54.29
2	TDS Payable	6.02	4.34
3	EPFO Payable	0.02	0.02
4	ESIC Payable	0.005	0.005
	TOTAL	6.04	58.65

4.13 Provisions

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
1	Other Provision	0.89	1.71
2	Provision for Taxation	9.60	27.56
	TOTAL	10.48	29.27

Note: Other provision consists of Dividend proposed for F.Y. 2018-19 Rs. 0.58 Lakhs and Professional Tax Payable of Rs. 0.31 Lakhs.

4.14 Revenue from operations

Sr.no.	Particulars	As at 31st March, 2022	As at 31st March, 2021
1	Sales	619.57	344.39
	TOTAL	619.57	344.39

4.15 Other Income

Sr.no.	Particulars	As at 31st March, 2022	As at 31st March, 2021
1	Dividend Income	0.10	-
2	kasar Vatav	0.01	-
3	Interest Income	0.14	0.17
4	Other Income	0.07	-
	TOTAL	0.31	0.17

4.16 Purchase of Stock -in-Trade

Sr.no.	Particulars	As at 31st March, 2022	As at 31st March, 2021
1	Purchases	307.90	122.88
	TOTAL	307.90	122.88

4.17 Changes in Inventories

Sr.no.	Particulars	As at 31st March, 2022	As at 31st March, 2021
1	Inventories at the beginning of the year	284.25	262.51
2	Inventories at the end of the year	317.02	284.25
	TOTAL	-32.77	-21.75

4.18 Employee Benefits

Sr.no.	Particulars	As at 31st March, 2022	As at 31st March, 2021
1	Salary, Wages and Bonus	11.23	2.86
2	Director Remuneration	19.40	19.40
	TOTAL	30.63	22.26

4.19 Finance Costs

Sr.no.	Particulars	As at 31st March, 2022	As at 31st March, 2021
1	Interest on unsecured loans	-	3.57
	TOTAL	-	3.57

4.20 Other Expenses

Sr.no.	Particulars	As at 31st March, 2022	As at 31st March, 2021
a)	Administrative Expenses		
1	Legal, Professional and Consultancy Fees	1.53	0.3
2	Professional Tax Company	0.02	0.02
4	Municipal Tax	-	0.20
5	Rent Expense	78.36	5.30
6	ROC/CDSL Charges	0.34	1.42
7	Kasar Vatav Expense	0.0003	-
8	Listing Fees	1.04	13.50
9	Interest Expense	5.41	0.72
10	Insurance Exp.	0.64	-
11	Telephone expense	0.002	0.25
12	Travelling expense	0.45	-
13	Other Administrative Expenses	13.39	17.42
14	Late Fees	4.50	-
15	Vehicle Repairing Exp.	4.16	-
16	Repair & Maintainance Exp.	9.06	-
17	Transportation Exp.	0.019	-
18	Electric Exp.	10.63	-
19	Computer Exp.	0.10	-
20	Consumable Exp.	3.81	-
21	Conveyance Allowance	0.15	-
22	Employer's Contribution	0.13	-
23	Design Exp.	0.44	-
24	Director Seating Fees	0.50	-
25	Internet Exp.	0.12	-
26	Labour Exp.	0.08	-
27	Misc. Exp.	2.08	-
28	Stationery & Printing Exp.	0.56	-
29	Security Services/Payment Services	15.78	-
30	PF Admin Charges	0.06	-
31	Prelim Exp	4.05	-
32	GST Penalty	0.40	-
33	A.C. Repairing Exp	0.12	-
34	GAS Fuel Exp.	9.62	-
35	Flower Decoration Exp.	0.88	-
36	Fright Exp.	0.01	-
37	Licence Fees	22.34	-
38	Packing Exp.	1.07	-
39	Royalty Fees	2.44	-
40	Cleaning Exp.	0.32	-
41	Uniform Exp.	0.69	-
42	Engagement Fees for Agreement	0.11	-
43	Interest On TDS	0.76	-
44	Interest On Incometax	1.97	-
b)	Selling & Distribution Expenses	0.19	53.98
	TOTAL	198.31	93.11

4.21 Earning Per Share

i)	Net profit after tax as per statement of profit and loss attributable to Equity Shareholders (Rs. in Lakhs)	5.18	25.03
ii)	Weighted Average number of equity shares (now each share of Rs. 5) used as denominator for calculating EPS	122.40	122.40
iii)	Basic & Diluted Earning per share (Rs.)	0.04	0.20
iv)	Face value per equity share (Rs.)	10	10

Notes to the financial statements

1. Basis of preparation of financial statements

(i) Statement of compliance and basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 (“the Companies Act”), as applicable and guidelines issued by the Securities and Exchange Board of India (“SEBI”). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The financial statements correspond to the classification provisions contained in Ind AS 1, “Presentation of Financial Statements”. For clarity, various items are aggregated in the statements of profit and loss and balance sheet. These items are disaggregated separately in the notes to the financial statements, where applicable. All amounts included in the financial statements are reported in Indian rupees. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

(ii) Basis of measurement

These financial statements have been prepared on a historical cost convention and on an accrual basis.

(iii) Use of estimates and judgment

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

(a) Revenue recognition: The Company uses the accrual method for income earned for sale of goods.

(b) Income taxes: Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

- (c) **Deferred taxes:** Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

Significant accounting policies

(i) Functional and presentation currency

These financial statements are presented in Indian rupees, the national currency of India, which is the functional currency of the Company.

(ii) Financial instruments

(a) Non-derivative financial instruments:

Non derivative financial instruments consist of:

- Financial assets, which include cash and cash equivalents, trade receivables, employee and other advances, investments in equity and debt securities and eligible current and noncurrent assets;
- financial liabilities, which include long and short term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities.

Non derivative financial instruments are recognized initially at fair value. Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset. Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

A. Cash and cash equivalents

The Company's cash and cash equivalents consist of cash on hand and in banks.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand and in banks.

B. Investments

Investments in equity instruments:

The Company carries certain equity instruments which are not held for trading. The company has recorded its investment in equity instruments at its historical cost. As no reliable data was available with the company after reasonable efforts, the same has been recorded at its historical cost.

C. Other financial assets:

Other financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets.

The company has not opted for measuring such assets at amortized cost as there is no fixed expectation of that asset being recovered in future.

These comprise trade receivables, unbilled revenues, cash and cash equivalents and other assets.

D. Trade and other payables

Trade and other payables are initially recognized at fair value. For these financial instruments, the carrying amounts approximate fair value due to the short term maturity of these instruments.

(b) Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset and the transfer qualifies for derecognition. If the Company retains substantially all the risks and rewards of a transferred financial asset, the Company continues to recognise the financial asset and also recognizes a borrowing for the proceeds received. Certain financial instruments have been derecognized in event of non-holding of control over such asset and such assets were not reasonably expected to fetch any future cash inflows, and the same have been written off.

A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

(iii) Equity

(a) Share capital and share premium

The authorized share capital of the Company as of March 31, 2022, is Rs. 7,00,00,000/- divided into 1,40,00,000 equity shares of Rs. 5 each and Paid up share capital of the company as of March 31, 2022 is Rs. 6,12,02,000/- divided into 1,22,40,400 equity shares. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as share premium. Every holder of the equity shares, as reflected in the records of the Company as of the date of the shareholder meeting shall have one vote in respect of each share held for all matters submitted to vote in the shareholder meeting.

(b) Retained earnings

Retained earnings comprises of the Company's undistributed earnings after taxes including earlier years' carried forward retained earnings.

(iv) Property, plant and equipment

(a) Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset. General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalized as part of the cost.

(b) Depreciation

The Company depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are available for use. Assets acquired under finance lease and leasehold improvements are amortized over the shorter of estimated useful life of the asset or the related lease term. Term licenses are amortized over their respective contract term. Freehold land is not depreciated. The estimated useful life of assets are reviewed and where appropriate are adjusted, annually. The estimated useful lives of assets are as follows:

Category	Useful life
Buildings	28 to 40 years
Plant and machinery	5 to 21 years
Computer equipment and software	2 to 7 years
Furniture, fixtures and equipment	3 to 10 years
Vehicles	4 to 5 years

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. The cost of property, plant and equipment not available for use as at each reporting date is disclosed under capital work-in-progress.

(v) Impairment

(A) Financial assets

The Company applies the expected credit loss model for recognizing trade receivables and other financial assets. Expected credit loss is the difference between the contractual cash flows and the cash flows that the entity expects to receive discounted using effective interest rate.

Loss allowances for trade receivables and lease receivables are measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Lifetime expected credit loss is computed based on a provision matrix which takes in to the account historical credit loss experience adjusted for forward looking information.

(vi) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

(vii) Revenue

The Company derives revenue primarily from activities being mandap keeping, decoration contracts and turnkey projects in decoration segment.

(a) Sales Income

The Company recognizes revenue when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured.

(b) Interest income

In absence of certainty of cash inflows of such interests, the company has not adopted amortized income model to record such income. The same has been recorded on accrual basis at simple interest rate method.

(c) Others

- Revenues are shown net of Goods and Service Tax and applicable discounts and allowances.

(viii) Finance cost

Finance cost comprise interest cost on borrowings and gain or losses arising on re-measurement of financial assets at FVTPL. Borrowing costs that are not directly attributable to a qualifying asset are recognized in the statement of profit and loss using the effective interest method.

(ix) Income tax

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss.

a. Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted as at the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

b. Deferred income tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries, associates and foreign branches where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

(x) Earnings per share

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period.

2. Notes on Transition to Ind AS

These financial statements are prepared in accordance with Ind AS. For years up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with Indian GAAP (i.e. Previous GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS for periods ending on March 31, 2022, together with the comparative period data as at and for the year ended March 31, 2021.

3. Other Information to the Financial Statement

a. Related Party Disclosures As Per Ind AS 24

Names of related parties and description of relationship from/ to which following transactions were entered during the year:

i. The related parties are :

Names of related parties	Nature of relationship
Samir R. Shah	Director
Saumil Shah	Director
Moulin Shah	Relative of Director
Yesha Shah	Director Upto (10-Mar-2022)
Dhairya Thakkar	Director

ii. The Company has the following related party transactions for the year ended March 31, 2022 and 2021:

Sr. No.	Transaction	Name of person / entity	Amount (Rs.)	
			2022	2021
1	Salary	Samir R. Shah	9,00,000	9,00,000
2	Salary	Saumil S. Shah	10,40,000	10,40,000
3	Seating Fees	Yesha Shah	25000	-
4	Seating Fees	Dhairyakumar Thakkar	25000	-

The Company has the following balances outstanding as of March 31, 2022 and March 31, 2021

Balances at the year end	Name of individual / entity	Amount (In Rs.)	
		2022	2021
Payables	Samir R. Shah	4,62,36,729	2,53,13,979
Payables	Moulin Shah	1,03,54,551	48,03,904

Dividend

The Company has not proposed any dividend year ended on 31st March, 2022.

For, **S. D. Mehta & Co.**
Chartered Accountants
(FRN: 137193W)

For and on behalf of the board
Shangar Décor Limited

Shaishav D. Mehta
(Partner)
Membership No.: 032891
UDIN: 22032891AOEMNE4658

Samir Shah
Managing Director
DIN: 00787630

Saumil Shah
Director
DIN: 01601299

Place: Ahmedabad
Date: 30th May, 2022

SHANGAR DECOR LIMITED

CIN: L36998GJ1995PLC028139

Address: 44, Sharad Flats, Opp. Dharnidhar Temple, Ahmedabad – 380 007

Email Id: shangardecorltd@hotmail.com **Website:** www.shangardecor.com

ATTENDANCE SLIP

Regd. Folio No./DP Id No.*/Client Id No.*	
No. of Shares held	
Name and Address of the First Shareholder (IN BLOCK LETTERS)	
Name of the Joint holder (if any)	

*Applicable for investor holding shares in electronic form.

I/we hereby record my/our presence at the 27th Annual General Meeting of the Members of Shangar Décor Limited will be held on Thursday, 29th September, 2022 at 03:00 P.M. at the Registered Office of the Company situated at 44, Sharad Flats, Opp. Dharnidhar Temple, Ahmedabad – 380 007.

Member's/Proxy's Name in Block Letters

Member's/Proxy's Signature

Notes:

1. A Member/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the Meeting and handover at the entrance duly signed.
2. Only shareholders of the Company and/or their Proxy will be allowed to attend the Meeting.

SHANGAR DECOR LIMITED

CIN: L36998GJ1995PLC028139

Address: 44, Sharad Flats, Opp. Dharnidhar Temple, Ahmedabad – 380 007

Email Id: shangardecorltd@hotmail.com Website: www.shangardecor.com

PROXY FORM

(Form No. MGT-11 - Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the member(s)	
Registered Address	
E-mail Id	
Folio No/Client Id	

I/We, being the member (s) of.....shares of the above named Company, hereby appoint

1. Name:

Address: _____

E-mail Id: _____ Signature: _____ or failing him

2. Name:

Address: _____

E-mail Id: _____ Signature: _____ or failing him

3. 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 27th Annual General Meeting of the Members of Shangar Décor Limited will be held on Thursday, 29th September, 2022 at 03:00 P.M. at the Registered Office of the Company situated at 44, Sharad Flats, Opp. Dharnidhar Temple, Ahmedabad – 380 007 any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business:

1. To consider and adopt the audited financial statement of the Company for the Financial Year ended on 31st March, 2022 and statement of Profit and Loss account together with the notes & schedules forming part thereof and Cash Flow Statement for the Financial Year ended on that date, and the reports of the Board of Directors ("The Board") and Auditor thereon.
2. To appoint a director in place of Mr. Moulin Shah who retires by rotation and being eligible, offers himself for re-appointment.

Signed this.....day of.....2021

Signature of shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp
(Rs. 1)

Note: This form of proxy in order to be effective should be duly completed, signed, stamped and be deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the 26th Annual General Meeting.

SHANGAR DECOR LIMITED

CIN: L36998GJ1995PLC028139

Address: 44, Sharad Flats, Opp. Dharnidhar Temple, Ahmedabad – 380 007

Email Id: shangardecorltd@hotmail.com Website: www.shangardecor.com

Form No. MGT- 12

Polling Paper

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]

27th Annual General Meeting

Date: 29th September, 2022; Time: 03:00 P.M.

NAME OF THE COMPANY:	Shangar Decor Limited
REGISTERED OFFICE:	44, Sharad Flats, Opp. Dharnidhar Temple, Ahmedabad – 380 007
CIN:	L36998GJ1995PLC028139

BALLOT PAPER

Sr. No.	Particulars	Details
1.	Name of the first named Shareholder (In Block Letters)	
2.	Postal address	
3.	Registered Folio No. / *Client ID No. (*applicable to investors holding shares in dematerialized form)	
4.	Class of Share	Equity Share of Rs. 5/- Each

I hereby exercise my vote in respect of Resolutions enumerated below by recording my assent or dissent to the said resolutions in the following manner:

Sr. No.	Particulars	No. of Shares held by me	I assent to the resolution	I dissent from the resolution
ORDINARY BUSINESS				
1.	To consider and adopt the Audited Financial Statements for the year ended March 31, 2021 and reports of the Director and the Auditors thereon.			
2.	To appoint a Director in place of Mr. Samir Shah who retires by rotation being eligible, has offered himself for re-appointment as Director of the Company.			

Place:

Date:

(Signature of the Shareholder/Proxy Holder)

Note:

1. Signature of Shareholder / Proxy holder should be as per specimen registered / recorded with the Company / Depository.
2. Any cutting / overwriting in this ballot paper should be signed by the shareholder / proxy holder.
3. Shareholder / Proxy holder may exercise their votes either by putting a "√" or indicating number of shares in appropriate column against the resolution indicated in the box.
4. Number of shares held will be reckoned as on the cut-off date i.e. 22nd September, 2022