

Date: 16th September, 2021

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

Dear Sir / Madam,

Subject: Annual Report 2020-21

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 26th Annual General Meeting of the Company to be held on Thursday, 30th September, 2021 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 A

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

26TH ANNUAL REPORT

2020-21

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Company Information

<u>Board of Directors</u>	1. Mr. Samirbhai Shah	Managing Director
	2. Mr. Saumil Shah	Director
	3. Ms. Prasanna Pandya	Independent Director
	4. Ms. Yesha Shah	Independent Director
	5. Mr. Dhairyakumar Thakkar	Independent Director
	6. Mr. Moulin Shah	Director
<u>Audit Committee</u>	1. Ms. Yesha Shah	Chairman
	2. Mr. Saumil Shah	Member
	3. Mr. Dhairyakumar Thakkar	Member
<u>Nomination and Remuneration Committee</u>	1. Mr. Dhairyakumar Thakkar	Chairman
	2. Mr. Yesha Shah	Member
	3. Ms. Prasanna Pandya	Member
<u>Stakeholders' Relationship Committee</u>	1. Mr. Dhairyakumar Thakkar	Chairman
	2. Mr. Saumil Shah	Member
	3. Ms. Prasanna Pandya	Member
<u>Key Managerial Personnel</u>	1. Mr. Samirbhai Shah	Managing Director
	2. Mr. Saumil Shah	Chief Financial Officer
	3. Ms. Gitika Mishra	Company Secretary
<u>Statutory Auditor</u>	M/s. S. D. Mehta & Co. Chartered Accountants, Ahmedabad	
<u>Secretarial Auditor</u>	Mr. Jitendra Parmar Practicing Company Secretary, Ahmedabad	
<u>Share Transfer Agent</u>	PurvaShare Registry (India) Private Limited Unit no. 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East) Mumbai - 400 011	
<u>Registered Office</u>	44, Sharad Flats, Opp. Dharnidhar Temple, Paldi, Ahmedabad - 380007	

NOTICE OF THE 26TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 26th Annual General Meeting of the Shareholders of **Shangar Decor Limited** will be held on Thursday, 30th September, 2021 at the Registered Office of the Company situated at 44, Sharad Flats, Opp. Dharnidhar Temple, Paldi, Ahmedabad – 380007 at 3:00 P.M. to transact the following businesses:

ORDINARY BUSINESS:

01. Adoption of Audited Financial Statements

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

To receive, consider and adopt the Financial Statements of the Company for the financial year ended on 31st March 2021, including Audited Balance Sheet as at 31st March 2021 along with the statement of Profit and Loss Account and the Cash Flow Statement for the year ended on that date along with the reports of Auditors and Directors thereon.

02. Reappointment of Director retiring by Rotation

To appoint a Director in place of Mr. Samirbhai Shah (DIN: 00787630), who retires by rotation and being eligible, seeks reappointment and in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT, pursuant to the provisions of Section 152 (6) and all other applicable provisions, if any, of the Companies Act, 2013 and rules framed thereunder (including any statutory modification or re-enactment thereof for the time being in force), Mr. Samirbhai Shah (DIN: 00787630) who retires by rotation at this TwentySixth Annual General Meeting, and being eligible offered himself for reappointment, be and is hereby reappointed as a Director of the Company.”

SPECIAL BUSINESS:

03. Appointment of Mr. Samir Shah as a Managing Director of the Company

“RESOLVED THAT, pursuant to the provisions of Section 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V of the Companies Act, 2013 and applicable article of the Articles of Associations of the Company and subject to such consent(s), approval(s) and permission(s) as may be required in this regard and subject to such condition as may be imposed by any authority while granting such consent(s), approval(s) and permission(s) and on recommendation of the Nomination and Remuneration Committee and as agreed by the Board of Directors (herein after referred to as the Board which term shall, unless repugnant to the context by the Board in

this behalf, be deemed to include the Nomination and Remuneration Committee of the Board) approval of the members of the Company be and is hereby accorded to the appointment of Mr. Samirbhai Shah as Managing Director of the Company, for a period of 5 years with effect from 1st October, 2021 to 30th September, 2026, liable to retire by rotation on the terms and conditions including the remuneration as set out in the Statement annexed to the Notice convening this meeting, with liberty to the Board of Directors of the Company to alter and vary the terms and conditions of the said appointment and / or remuneration it may and as may be acceptable to Mr. Samirbhai Shah, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.”

“RESOLVED FURTHER THAT, the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the afore said resolution.”

04. Increase in Authorised Share Capital of the Company and Alteration of the Capital Clause in Memorandum of Association

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

“RESOLVED THAT, pursuant to the provisions of Section 13, 61 read with Section 64, Rule 15 of the Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) and re-enactment(s) thereof for the time being in force) and the rules framed thereunder, consent of the members be and is hereby accorded to increase the Authorized Share Capital of the Company from the existing Rs. 7,00,00,000/- (Rupees Seven Crores Only) divided into 70,00,000 (Seventy Lakhs Only) Equity Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 17,00,00,000/- (Rupees Seventeen Crores Only) divided into 1,70,00,000 (One Crore Seventy Lakhs Only) Equity Shares of Rs. 10/- (Rupees Ten Only) each ranking paripassu in all respect with the Existing Equity Shares of the Company.”

“FURTHER RESOLVED THAT, the Memorandum of Association of the Company be altered in the following manner i.e. existing Clause V of the Memorandum of Association be deleted and the same be substituted with the following new clause as Clause V:

V. The Authorised Share Capital of the Company is Rs. 17,00,00,000/- (Rupees Seventeen Crores Only) divided into 1,70,00,000 (One Crore Seventy Lakhs Only) Equity Shares of Rs. 10/- (Rupees Ten Only) each.”

“FURTHER RESOLVED THAT, for the purpose of giving effect to this resolution, the Board of the Directors of the Company (hereinafter referred to as “Board” which term shall include a Committee thereof authorised for the purpose) be and is hereby authorised to take all such necessary steps and actions and give such directions as may be in its absolute discretion deemed necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the shareholders or otherwise and that the

shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

Registered Office:
44, Sharad Flats, Opp. Dharnidhar Temple,
Paldi, Ahmedabad - 380 007

By order of the Board
Shangar Decor Limited

Sd/-
Samir Shah
Managing Director
DIN: 00787630

Date: 7th September, 2021
Place: Ahmedabad

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 SIXTH 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 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 Twenty Sixth 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. PurvaShareregistry (India) Private Limited, Unit no. 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel (East), Mumbai - 400011. Shareholders/ Proxies attending the meeting are requested to bring the duly completed attendance slip (which has been enclosed herewith) to the Twenty Sixth 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 Sixth 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 26th Annual General Meeting inter-alia is not required to be sent; therefore Annual Report is being sent only through electronic mode to those Members as on 20th August, 2021, 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 PurvaShareregistry(India) Private Limited at support@purvashare.com. Members may note that the Notice and Annual Report 2020-21 will also be available on the 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 Sixth 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 23rd September, 2021 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 Twenty Sixth 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.GauravBachani& Associates, Company Secretaries,Ahmedabad as the Scrutinizer, for conducting the E-Voting and Poll paper voting process for the Twenty Sixth 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 Sixth 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 authorized 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 also be posted on the Company's website shangardecorltd@hotmail.com besides communicating the same to NSDL and PurvaSharegistry (India) Private Limited, Registrar and Share transfer Agents on the said date and also to BSE Main Board 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 23rd September, 2021 (the "Cut-off" date) can exercise remote E-Voting by obtaining the Login Id and Password by sending an email to evoting@nsdl.co.in by mentioning their Folio No./ DP ID/ and Client ID No. However, if such

shareholder is already registered with NSDL 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 26th 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. Samir Shah, Managing 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. Samir Shah, is interested in the Ordinary Resolutions set out at Item No. 2 and 3, 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 Thursday, 23rd September, 2021 to Thursday, 30th September, 2021 (both days inclusive) for the purpose of Annual General Meeting.
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: PurvaSharegistry (India) Private Limited, Unit no. 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel (East), Mumbai - 400011.
26. General information on E- Voting: -
 - i. Date wise info: 27th September, 2021 09:00 AM till 29th September, 2021 05:00 PM
 - ii. The Voting rights of the shareholders will be in proportion of their shares as on 23rd September, 2021 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.
 - iv. The Voting results of the Twenty Sixth Annual General Meeting so declared shall be immediately placed on the website of NSDL i.e. www.evoting.nsdl.com.

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

The remote e-voting period begins on 27th September, 2021 at 9:00 A.M. and ends on 29th September, 2021 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.23rd September, 2021, 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 23rd September, 2021.

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.	<ol style="list-style-type: none">Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.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.If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jspVisit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.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

	<p>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>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 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/loginor or www.cdslindia.com and click on New System Myeasi. 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. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 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>	<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?

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. 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.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****

c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***
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5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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 (selfattested 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

EXPLANATORY STATEMENT UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No. 3:

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, vide resolution passed in their meeting held on 7th September, 2021 has approved the appointment of Mr. Samir Shah as the Managing Director of the Company with effect from 1st October, 2021 in accordance with the provisions contained in Section 196, 197, 198 and 203 of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V of the Companies Act, 2013 and applicable article of the Articles of Associations of the Company.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The main terms and conditions of his appointment and remuneration as Managing Director are as under:

I. Remuneration:

A. Salary:

The Managing Director shall be entitled of salary upto Rs. 1.00 Lakhs per month. The Managing Director shall be entitled to reimbursement of expenses incurred by him in connection with the business of the Company.

As per the provisions of Sections 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013, approval of Managing Director shall require approval of the members in General Meeting.

Brief resume and other details of the Managing Director whose appointment is proposed are provided in the annexure to the Explanatory Statement attached herewith.

Save and except Mr. Samir Shah and their relatives to the extent their shareholding in the Company, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item No. 3

Item No. 4:

The Present Authorized Capital of the Company is Rs. 7,00,00,000/- (Rupees Seven Crores Only) divided into 70,00,000 (Seventy Lakhs Only) Equity Shares of Rs. 10/- (Rupees Ten Only) each. Considering the requirement and future business prospects it is therefore considered necessary to increase in Authorised Share Capital of the Company from present Rs. 7,00,00,000/- (Rupees Seven Crores Only) divided into 70,00,000 (Seventy Lakhs Only) Equity Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 17,00,00,000/- (Rupees Seventeen Crores Only) divided into 1,70,00,000 (One Crore Seventy Lakhs Only) Equity Shares of Rs. 10/- (Rupees Ten Only) each ranking pari passu in all respect with the existing Equity Shares of the Company. The proposed increase in Authorised

Share Capital requires the approval of members in General Meeting. Consequent upon increase in Authorised Share Capital, the Memorandum of Association of the Company will require alteration so as to reflect the increased Authorised Share Capital.

The proposed resolution is in the interest of the Company and your Directors recommend the same for your approval.

None of the Directors of the Company including their relatives are, in any way, concerned or deemed to be interested in the proposed Resolutions.

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 and 3is as under:

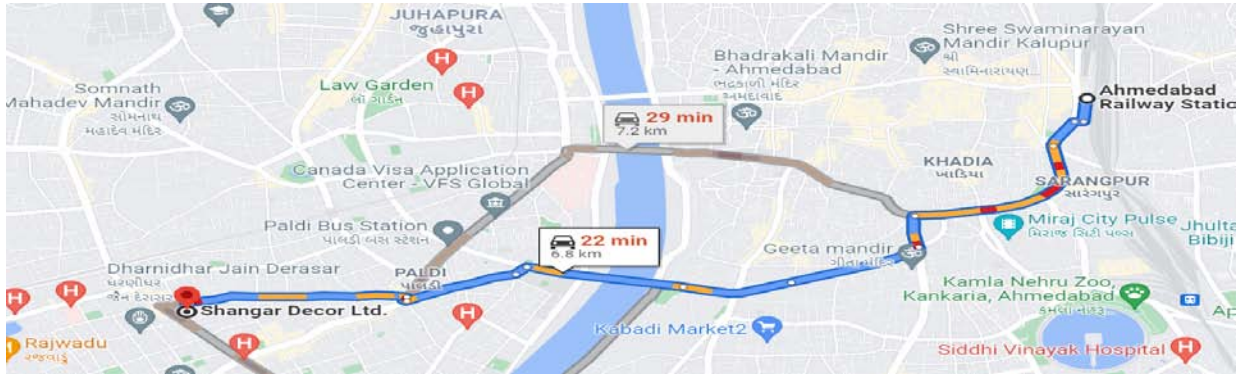
Name of the Director	Mr. Samirbhai Shah
Date of Birth	24/09/1954
Date of first Appointment on the Board	25/11/1995
Qualifications	Certified Hospitality Administrator Certified Hospitality Educator
Experience/Brief Resume/ Nature of expertise in specific functional areas;	Industry Experience of more than 10 years
Terms and Conditions of Appointment along with remuneration sought to be paid	Rs. 1,00,000/- per month
Remuneration last drawn by such person, if any	Rs. 9,00,000/-
No. of Shares held in the Company as on 31 st March, 2021	37,93,988
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company/ Disclosure of relationships between directors inter-se;	Mr. Moulin Shah
Number of Meetings of the Board attended during the year	7
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
26thAnnual General Meeting as per Secretarial Standard-2**

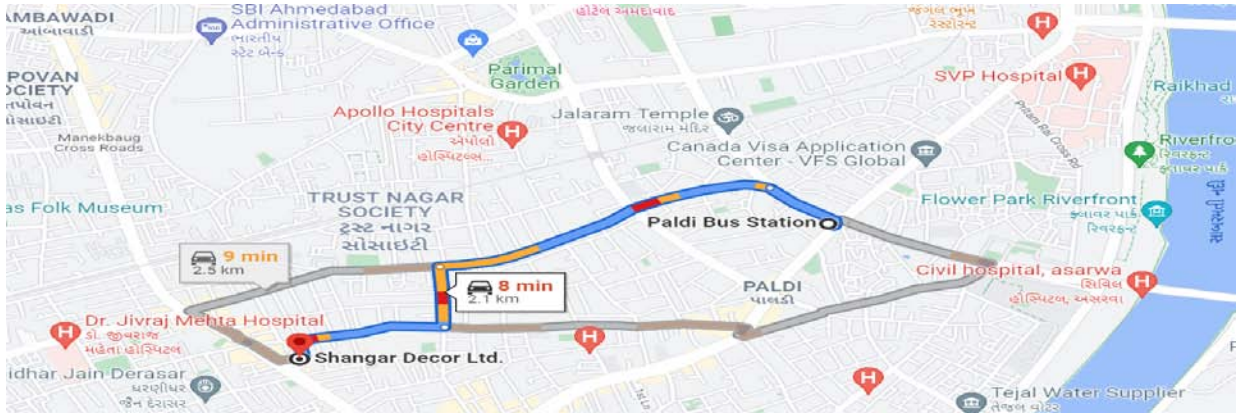
Prominent Land Mark of the Venue:

44, Sharad Flats, Opp. Dharnidhar Temple, Paldi, Ahmedabad – 380007

A. FROM AHMEDABAD RAILWAY STATION



B. FROM PALDI BUS STATION



C. FROM AHMEDABAD AIRPORT



BOARD'S REPORT

To,
The Members

Your Directors are pleased to present the 26thAnnual Report on the Business and Operations of the Company along with the Audited Annual Financial Statements for the Financial Year ended on 31st March, 2021.

1. FINANCIAL RESULT

The financial performance of the Company for the Financial Year ended on 31st March, 2021 and for the previous Financial Year ended on 31st March, 2020 is given below:

Particulars	(Rs.in Lakhs)	
	2020-21	2019-20
Revenue from Operations	344.39	693.54
Other Income	0.17	8.17
Total Revenue	344.56	701.71
Total Expenses	313.32	662.41
Profit/Loss Before Exceptional and Extra Ordinary Items and Tax	31.23	39.30
Exceptional Items	0.00	0.00
Profit/Loss before Extra-Ordinary Items and Tax/ Profit/Loss Before Tax	31.23	39.30
Extraordinary Items	0.00	0.00
Profit/Loss after Extra-Ordinary Items and Tax/ Profit/Loss Before Tax	31.23	39.30
Tax Expense: Current Tax	6.21	6.21
Deferred Tax	0.00	0.00
Total Tax expense	6.21	6.21
Profit/Loss for the Period	25.02	33.09

2. OPERATIONS

Total revenue for Financial Years 2020-21 is Rs. 344.56 Lakhs compared to the total revenue of Rs. 701.71 Lakhs of Previous Year 2019-20. The profit before tax for the Financial Year 2020-21 of Rs. 31.23 Lakhs as compared to profit before tax of Rs. 39.30 Lakhs of Previous Year 2019-20. Net Profit after Tax for the Financial Year 2020-21 is Rs. 25.02 Lakhs as against Net Profit after tax of Rs. 33.09 Lakhs of Previous Year 2019-20.

3. CHANGE IN NATURE OF BUSINESS, IF ANY

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

4. ANNUAL RETURN

The extract of the Annual Return pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 in Form No. MGT - 9 is uploaded on the website of the Company.

5. BOARD MEETINGS AND ATTENDANCE

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 7 (Seven) times i.e. 30th June, 2020, 21st August, 2020, 22nd August, 2020, 14th October, 2020, 10th November, 2020, 5th December, 2020 and 13th February, 2021.

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 Financial Statements, for the year ended on 31st March, 2021 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, 2021,
- 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. 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, 2021. Maintenance of cost records as specified under Companies Act, 2013 is not applicable to the Company.

8. 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.

9. 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.

10. 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.

11. RESERVES AND SURPLUS

Sr. No.	Particulars	(Rs. in Lakhs)
1.	Balance at the beginning of the year	305.41
2.	Current Year's Profit / Loss	25.02
3.	Utilized for Issue of Bonus Shares	-306.01
	Total	24.42

12. DIVIDEND

The Company has not proposed any dividend for the year ended on 31st March, 2021. However, the Board has proposed a final dividend of Rs. 0.05/- per equity share of face value of Rs. 10/- each for the financial year ended on 31st March, 2020.

13. 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

There are no material changes and commitments, affecting the financial position of the Company which has occurred in the Financial Year 2020-21.

14. TRANSFER 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.

15. 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 2020-21 (Previous Year – Nil).

16. 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.

17. 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 ¹	Independent Director	08803649
7.	Mr. Moulin Shah ²	Director	08948652
8.	Ms. Gitika Mishra ⁶	Company Secretary	BFIPM7168F
9.	Ms. Parul Shah ³	Director	03344585
10.	Mr. Ashokkumar Shah ³	Independent Director	03387128
11.	Mr. Chintan Bhatt ⁴	Company Secretary	CLUPB3999Q
12.	Ms. Hirvita Soni ⁵	Company Secretary	CKTPS2188E

A. During the Financial Year:

¹Ms. Yesha Shah, and Mr. Dhairyakumar Thakkar were appointed as Independent Directors of the Company w.e.f. 22nd August, 2020.

²Mr. Moulin Shah has been appointed as an Additional Director of the Company w.e.f. 22nd August, 2020.

³Ms. Parul Shah and Mr. Ashokkumar Shah have resigned from the post of Director and Independent Director of the Company w.e.f. 22nd August, 2020.

⁴Mr. Chintan Bhatt has resigned from the post of Company Secretary of the Company w.e.f. 6th August, 2020.

⁵Ms. Hirvita Soni has been appointed as Company Secretary of the Company w.e.f. 22nd August, 2020.

B. After the Closure of the Financial Year:

⁵Ms. Hirvita Soni has resigned from the post of Company Secretary of the Company w.e.f. 4th May, 2021.

⁶Ms. Gitika Mishra has been appointed as Company Secretary of the Company w.e.f. 12th 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 2020-21 and till the date of Board's Report.

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

18. DECLARATION BY INDEPENDENT DIRECTORS

Ms. Yesha Shah, Ms. Prasanna Pandya and Mr. Dhairyakumar Thakkar, 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 Director. 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 confirmation was noted by the Board.

19. 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 & Disclosure 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.

20. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company has no Subsidiaries / Joint Venture / Associate Company.

21. 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.

22. FORMAL ANNUAL EVALUATION PROCESS BY BOARD

Pursuant to the provisions of the Companies Act, 2013 and Rules made thereunder, the Board has carried the evaluation of its own performance, performance of Individual Directors, Board Committees, including the Chairman of the Board on the basis of attendance, contribution towards development of the Business and various other criteria as recommended by the Nomination and Remuneration Committee of the Company. The evaluation of the working of the Board, its committees, experience and expertise, performance of specific duties and obligations etc. were carried out. The Directors expressed their satisfaction with the evaluation process and outcome.

In a separate meeting of Independent Directors the performances of Executive and Non-Executive Directors were evaluated in terms of their contribution towards the growth and development of the Company. The achievements of the targeted goals and the achievements of the Expansion plans were too observed and evaluated, the outcome of which was satisfactory for all the Directors of the Company.

23. STATUTORY AUDITOR

M/s. S. D. Mehta & Co, Chartered Accountants, Ahmedabad, (FRN:137193W), were appointed as the Statutory Auditors of the Company. The Auditor's report for the Financial Year ended 31stMarch, 2021 has been issued with an unmodified opinion, by the Statutory Auditors.

24. SECRETARIAL AUDITOR

The Board has appointed Mr. Jitendra Parmar, Practicing Company Secretary, Ahmedabad to conduct Secretarial Audit for the Financial Year 2020-21. The Secretarial Audit Report for the Financial Year ended 31stMarch, 2021 is annexed herewith marked as **Annexure-1** to this Report. Remarks and Qualification marks in the Secretarial Audit report is self-explanatory.

25. DISCLOSURES

A. Composition of Audit Committee:

The members of the Committee are as follows:

Name	Status
1. Ms. Yesha Shah	Chairman
2. Mr. Dhairyakumar Thakkar	Member
3. Mr. Saumil Shah	Member

During the year all the recommendations made by the Audit Committee were accepted by the Board.

B. Composition of Nomination and Remuneration Committee:

The members of the Committee are as follows:

Name	Status
1. Mr. Dhairyakumar Thakkar	Chairman
2. Mr. Saumil Shah	Member
3. Ms. Prasanna Pandya	Member

C. Composition of Stakeholder Relation Committee:

The members of the Committee are as follows:

Name	Status
1. Mr. Samirbhai Shah ¹	Chairman
2. Mr. Saumil Shah	Member
3. Ms. Prasanna Pandya	Member

26. 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.

27. 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.

28. VIGIL MECHANISM

The Company has adopted a Whistle Blower Policy since March 2015 in compliance with Listing Regulations and Companies Act 2013. The Policy empowers all the Stakeholders to raise concerns by making Protected Disclosures as defined in the Policy. The Policy also provides for adequate safeguards against victimization of Whistle Blower who avail of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases. The functioning of the Whistle Blower mechanism is reviewed by the Audit Committee on a quarterly basis. As on date, none of the stakeholders have raised any Whistle Blower concern.

29. REPORT OF COST AUDITOR

Provisions of Section 148 of Companies Act 2013 are not applicable to the Company and hence no disclosures are required in that regard.

30. 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,
Paldi, Ahmedabad -380007

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

Date: 7th September, 2021
Place: Ahmedabad

Sd/-
Samirbhai Shah
Managing Director
DIN: 00787630

Sd/-
Saumil Shah
Director
DIN: 01601299

Annexure I - Director Profile

Name	Samirbhai Shah
DIN	00787630
Age	36 Years
Brief Resume	Mr. Moulin Shah is a Non - Executive Director of the Company having wide range of experience in the industry.
Date of First Appointment	25.11.1995
Directorship held in other Companies	NIL
Membership or Chairmanship	NIL
Inter-se Relationship with Director	Related to Managing Director of the Company. He is also a promoter member.
Shareholding in Company	12,00,000 Equity Shares of Rs. 5/- each representing 9.80% of Shareholding of the Company.

FORM NO. MR-3
SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members of
Shangar Decor Limited
44, Sharad Flats, Opp. Dharnidhar Temple,
Paldi, Ahmedabad – 380 007

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

Based on my verification of **Shangar Décor 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, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Shangar Décor Limited** (“the Company”) for the Financial Year ended on 31st March, 2021, 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, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (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;

I 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. *Company has not filed E-form*
 - *MGT-14 for appointment of internal auditor for Financial Year 2020-21*
 - *Appointment of Secretarial auditor for the Financial Year 2021-22*
 - *DPT-3 for Financial Year 2020-21.*
2. *Company has not submitted Non – applicability certificate of Corporate Governance under Regulation 27 of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Quarter ended 31st March, 2020, 30th June, 2020, 30th September, 2020 and 31st December, 2020.*

3. *Closure of Trading Window for the Quarter ended 31st December, 2020 was not submitted to the Stock Exchange.*
4. *Regulation 74(5) of the Securities and Exchange Board India (Depository and Participant) Regulations, 2018 for the Quarter ended 30th June, 2020, 30th September, 2020 and 31st December, 2020 was not filed by the Company.*
5. *Proof of sending notice to Shareholders is not available with the Company*
6. *Voting Results for the 25th Annual General Meeting was not submitted to the Stock Exchange.*
7. *Book Closure Intimation for the 25th Annual General Meeting was not submitted to the Stock Exchange.*
8. *Compliance Certificate for the Half year ended 30th September, 2020 was not submitted to the Stock Exchange as per Regulation 7(3) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the 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.

I 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.

Sd/-
Jitendra Parmar
(Company Secretary)
FCS: 11336
COP: 15863
UDIN: F011336C000906923

Date: 6th September, 2021
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 Decor Limited

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I 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.

Sd/-
Jitendra Parmar
(Company Secretary)

FCS: 11336

COP: 15863

UDIN: F011336C000906923

Date: 6th September, 2021

Place: Ahmedabad

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. Overview of the Indian Economy:

The Indian economy was negatively impacted by an unprecedented health crisis in 2020-21 with the highly contagious corona virus (Covid-19) spreading across the country. In response to the pandemic, Government has taken several proactive preventive and mitigating measures starting with progressive tightening of international travel, issue of advisories for the members of the public, setting up quarantine facilities, contact tracing of persons infected by the virus and various social distancing measures. Government imposed a strict 21 days nationwide lockdown from 25th March, 2020, under the Disaster Management Act, 2005, with subsequent extensions and relaxations, to contain the spread of Covid-19 while ramping up the health infrastructure in the country. The lockdown measures, imposed to contain the spread of Covid-19 pandemic in India, ubiquitously affected employment, business, trade, manufacturing, and services activities. The real Gross Domestic Product (GDP) growth is projected to contract by 7.7 percent in 2020-21 as compared to a growth of 4.2 percent in 2019-20. GDP growth, however, is expected to rebound strongly in 2021-22 owing to the reform measures undertaken by the Government.

The Government announced a special economic and comprehensive package under Atmanirbhar Bharat of ` 20 lakh crore - equivalent to 10 percent of India's GDP – to fight the Covid-19 pandemic in India. Several structural reforms announced as part of the package, inter alia, include deregulation of the agricultural sector, change in definition of MSMEs, new PSU policy, commercialization of coal mining, higher FDI limits in defence and space sector, development of Industrial Land/ Land Bank and Industrial Information System, Production Linked Incentive Schemes, revamp of Viability Gap Funding scheme for social infrastructure, new power tariff policy and incentivizing States to undertake sector reforms.

B. Outlook:

India's GDP is expected to contract in FY 2020-21, attributing the downward revision to Covid-19 induced supplydemand shocks. Although, the Government's commitment toward structural reforms and social welfare measures will help in economic recovery. Further, resolution for Atmanirbhar Bharat along with collective effort of all stakeholders will contribute to rebuilding a strong economy.

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. Decorative, commercial and other Service division has been adversely affected due to pandemic Turnover of the company has decreased from Rs. 6.93 Cr to Rs. 3.44 Cr.

The company has also planned course of action for achieving more improved margins by better control over fixed overheads and better resource management in the next year. Directors are hopeful for higher turnover and improved margins for the next year.

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.

After at the time, the strict actions taken by the government for restricting the spread of third wave of COVID- 19 Pandemic, may result in normalcy.

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 propriety 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

Independent Auditors' Report

To the Members of,
Shangar Décor Limited

1. **Opinion**

We have audited the accompanying Ind AS financial statements of **Shangar Décor Limited** which comprise the Balance Sheet as at March 31, 2021, 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.

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, 2021, 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 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.

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 of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules,

2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In Preparing the financial statements, the management and Board of Directors of the company are responsible for assessing the ability of company to continue as a going concern, disclosing, as applicable, matter related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

3. Auditor's Responsibility for the Financial Statements

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedure that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentations of the financial statements.

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

4. Report on Other Legal and Regulatory Requirements

- i. As required by the Companies (Auditor's Report) Order, 2016 ("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;

- b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the 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, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “**Annexure B**”; and
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and 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.

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

Date: 14th April, 2021
Place: Ahmedabad

Shaishav D. Mehta
(Partner)

UDIN: 21032891AAAADZ1806
Membership No.: 032891

Annexure-A to Independent Auditors' Report

Referred to in Paragraph 5(i) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date.

1. In respect of Fixed Assets

- a. The Company is maintained proper records showing full particulars, including quantitative details and Situations of its Fixed Assets.
- b. The fixed assets are 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 fixed assets 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.

2. In respect of its inventories:-

- (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.

3 The Company has not granted loans to parties covered in the Register maintained under Section 189 of the Companies Act, 2013. As such reporting requirements under this para are not applicable for the reporting period.

4 In respect of loan, the provisions of section 185 and 186 have been complied with. There are no loans to directors; there are no investments, guarantees and securities requiring compliance u/s 186 of the Companies Act, 2013.

5 During the year, the company has not accepted any deposits from public.

6 Company is not required to maintain cost records pursuant to section 148 (1) of the Companies Act, 2013.

7 In respect of Statutory Dues:

- a. According to the information and explanations given to us and the records examined by us, the Company is generally regular in depositing undisputed statutory dues including Income Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, there are no undisputed dues, payable in respect of above as at 31st March, 2021 for a period of more than six months from the date on which they became payable.
- b. According to the information and explanations given to us and on the basis of our examination of books of account and record, the details of aforesaid statutory dues as at March 31, 2021 which have not been deposited with the appropriate authorities on account of any dispute, are given below:

Name of Statute	Nature of dues	Amount (Rs.)	Accounting Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	24,920	2007-08	Assessing Officer
Income Tax Act, 1961	Income Tax	22,98,390	2017-18	CPC
Income Tax Act, 1961	Income Tax	32,89,230	2018-19	CPC

The Company has not cleared the dues of TDS default penalty to the extent of Rs.29,70,168/- pertaining to F.Y. 2015-16, 2016-17, & 2017-18 in aggregate.

- 8 As the Company has not availed any term loan the question of purpose and application does not arise.
- 9 No Money raised by preferential allotment where applied for the purpose for which those were raised.
- 10 To the best of our knowledge and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.
- 11 The Company has not paid or provided managerial remuneration under section 197 of the Companies Act, 2013 and hence, the provision of paragraph 3(xi) of the Order is not applicable to the Company.
- 12 The company is not a Nidhi company. As such The Nidhi rules, 2014 are not applicable.
- 13 All transactions with the related parties are in compliance with the sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by applicable accounting standards.
- 14 The company has not made any preferential allotment or Private placement of shares of fully or partly convertible debentures during the year under review.

15 The company has not entered into any non cash transactions with directors or persons connected with it.

16 Company is not required to be registered u/s. 45-IA of the Reserve Bank of India Act, 1934.

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

Date: 14th April, 2021

Place: Ahmedabad

UDIN: 20032891AAAACG9478

Shaishav D. Mehta
(Partner)
Membership No.: 032891

Annexure-B to Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Shangar Décore Limited** ("the Company") as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, 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 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Date: 14th April, 2021

Place: Ahmedabad

UDIN: 20032891AAAACG9478

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

Shaishav D. Mehta
(Partner)

Membership No.: 032891

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, 2021, 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, 2021 is Rs. 6,12,02,000/- divided into 61,20,200 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, 2021, together with the comparative period data as at and for the year ended March 31, 2020.

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

ii. *The Company has the following related party transactions for the year ended March 31, 2021 and 2020:*

Sr. No.	Transaction	Name of person / entity	Amount (Rs.)	
			2021	2020
1	Salary	Samir R. Shah	9,00,000	6,27,800
2	Salary	Saumil S. Shah	10,40,000	9.39.800
3	Mandap Expense	Moulin Shah	-	29,38,975

The Company has the following balances outstanding as of March 31, 2021 and March 31, 2020

Balances at the year end	Name of individual / entity	Amount (In Rs.)	
		2021	2020
Payables	Samir R. Shah	2,53,13,979	2,72,45,500
Payables	Moulin Shah	48,03,904	12,81,138

Above payables are in nature of Expenses payable to the directors of the company.

b. Dividend

The Company has not proposed any dividend year ended on 31st March, 2021.

The board of directors, in its meeting held on 27th June, 2020, has proposed a final dividend of Rs. 0.05/- per equity share of face value of Rs. 10/- each for the financial year ended March 31,2020. The Proposed dividend has been approved in the Annual General Meeting held on 30.09.2020. The dividend pertaining to F.Y.2018-19 is yet to be paid to the shareholders and the same would result in an outflow to the extent of Rs.1,80,000/-.

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:21032891AAAADZ1806

Samir Shah
Managing Director
DIN: 00787630

Saumil Shah
Director
DIN: 01601299

Place: Ahmedabad
Date: 14th April, 2021

Shangar Decor Limited

Balance Sheet as at 31st March, 2021

(Amount in Rs.)

Particulars	Note no.	As at 31st March, 2021		As at 31st March, 2020	
ASSETS					
(1) Non-current assets					
(a) Property, Plant & Equipment	4.01	8,47,36,142		8,00,98,438	
(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	2,12,500		2,12,500	
(ii) Trade receivables					
(iii) Loans and advances					
(iv) Others (to be specified)					
(i) Deferred tax assets (net)					
(j) Other non-current assets					
			8,49,48,642		8,03,10,938
(2) Current assets					
(a) Inventories	4.03	2,84,25,260		2,62,50,540	
(b) Financial Assets :					
(i) Investments					
(ii) Trade receivables	4.04	5,72,08,836		5,41,45,916	
(iii) Cash and cash equivalents	4.05	4,41,506		1,15,99,626	
(iv) Bank balances other than (iii) above					
(v) Loans and advances					
(vi) Others (to be specified)					
(c) Current Tax Assets (Net)					
(d) Other current assets	4.06	1,57,88,595		1,16,98,644	
			10,18,64,197		10,36,94,726
Total Assets			18,68,12,839		18,40,05,665
I. EQUITY AND LIABILITIES					
Equity					
(a) Equity Share capital	4.07	6,12,02,000		3,06,01,000	
(b) Other Equity	4.08	24,42,900		3,05,41,389	
			6,36,44,900		6,11,42,389
LIABILITIES					
(1) Non-Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	4.09	4,03,04,399		3,10,88,198	
(ii) Trade Payables					
(iii) Other financial liabilities (other than those specified in item (b), to be specified)					
(b) Provisions					
(c) Deferred tax liabilities (Net)		14,50,391		14,50,391	
(d) Other non-current liabilities					
(2) Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings					
(ii) Trade payables	4.10	7,26,20,993		8,19,83,939	
(iii) Other financial liabilities (other than those specified in item (c))					
(b) Other current liabilities	4.11	58,65,276		60,49,595	
(c) Provisions	4.12	29,26,883		22,91,153	
(d) Current Tax Liabilities (Net)					
			12,31,67,942		12,28,63,276
Total Equity and Liabilities			18,68,12,842		18,40,05,665
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 Decor Limited

Shaishav Mehta
Partner
M.No. 032891

Samir R Shah
Managing Director
DIN: 00787630

Saumil S Shah
Director
DIN: 01601299

UDIN:21032891AAAADZ1806

Gitika Mishra
Company Secretary

Saumil Shah
CFO

Place: **Ahmedabad**
Date : **14th April, 2021**

Place: Ahmedabad
Date : 14th April, 2021

Shangar Decor Limited			
Statement of Profit and Loss for the year ended on 31st March, 2021		(Amount In Rs.)	
Particulars	Note no.	As at 31st March, 2021	As at 31st March, 2020
(I) Revenue from operations	4.13	3,44,38,663	6,93,53,914
(II) Other Income	4.14	17,271	8,17,294
(III) Total Income (I+II)		3,44,55,934	7,01,71,208
<u>(IV) EXPENSES</u>			
Cost of Materials Consumed		-	-
Purchase of Stock -in-Trade	4.15	1,22,88,081	4,31,29,226
Changes in Inventories of Finished goods, Work-in-Progress and by products	4.16	(21,74,720)	(1,37,88,350)
Employee Benefits Expense	4.17	22,26,117	48,74,000
Finance Costs	4.18	3,56,765	2,80,708
Depreciation and Amortization Expense		93,25,055	74,52,486
Other Expenses	4.19	93,10,795	2,42,92,546
Total Expenses (IV)		3,13,32,093	6,62,40,616
(V) Profit / (Loss) Before Exceptional Items & Tax (III-IV)		31,23,841	39,30,592
(VI) Exceptional Items			
(VII) Profit / (Loss) Before Tax (V-VI)		31,23,841	39,30,592
(VIII) Tax Expenses :			
(1) Current tax		6,21,330	6,21,144
(2) Deferred tax		-	-
(3) Income tax of earlier year		-	-
(IX) Profit / (Loss) for the period from Continuing Operation (VII-VIII)		25,02,511	33,09,448
(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)		25,02,511	33,09,448
(XIV) Other Comprehensive Income		-	-
Basic & Diluted (In Rs.)	4.20	0.41	1.08
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 Decor Limited

Shaishav Mehta
Partner
M.No. 032891

Samir R Shah
Managing Director
DIN: 00787630

Saumil S Shah
Director
DIN: 01601299

UDIN:21032891AAAADZ1806

Gitika Mishra
Company Secretary
Place: Ahmedabad
Date : 14th April, 2021

Saumil Shah
CFO

Place: Ahmedabad
Date : 14th April, 2021

Shangar Décor Limited				
Cash flow statement for the year ended 31st March' 2021				
(Amount in Rupees)				
Particulars	For the year ended 31st March,2021		For the year ended 31st March,2020	
	Amount	Amount	Amount	Amount
(A) Cash flow from operating activities				
(1) Net profit after tax and extraordinary items		25,02,512		33,09,448
ADD:(I) Depreciation Written off	93,25,055		74,52,486	
(ii) Provision for income tax	6,21,330		27,56,192	
(iii) Prelimnery Expense	4,05,000		4,05,000	
(iv) Loss from partnership firm	-		-	
(v) Deferred Revenue Expenses	-		-	
LESS: (i) Deferred tax Asset		1,03,51,385		1,06,13,678
(2) Operating profit before working capital changes		1,28,53,897		1,39,23,126
Working capital changes				
Add: (i) Decrease in Current Assets (Except Cash & Cash Equivalents)	-		-	
(ii) Increase in Current Liabilities	6,35,730		2,25,77,425	
Less: (i) Decrease in Current Liabilities	95,47,265		54,65,661	
(ii) Increase in Current assets (Except Cash & Cash Equivalents)	67,68,592	(1,56,80,127)	2,47,05,761	(75,93,997)
(3) Cash generated from operating before tax		(28,26,230)		63,29,129
Less: Income Tax Paid	6,21,330		6,21,144	
(4) Cash flow before extraordinary items		(34,47,560)		57,07,985
Add/ (less) extraordinary items				
Net cash inflow / outflow from operating activities After tax & extraordinary items		(34,47,560)		57,07,985
(B) Cash flow from investing activities				
Add : Proceeds on account of changes in Investments	-		17,00,000	
Less : Purchase of Fixed assets & Investments	1,39,62,761		1,86,87,308	
Net Cash inflow / outflow from investing activities		(1,39,62,761)		(1,69,87,308)
(C) Cash flow from financing activities				
Add : Changes in Long term Loans & Advances	1,05,10,024		2,12,00,816	
Proceeds of Share Capital	-		-	
Less : Advances given	29,64,000		27,58,000	
Less : Repayment of Loans	12,93,823		13,74,387	
Net cash inflow / outflow from financing activities		62,52,201		1,70,68,429
(D) net increase / decrease in cash & cash equivalent		(1,11,58,120)		57,89,106
(E) Add: Cash & Cash Equivalents in the beginning of the year		1,15,99,626		58,10,521
(F) Cash & Cash Equivalents at the end of the year		4,41,506		1,15,99,626
For, S.D. Mehta & Co.				
		For and on behalf of the board of		
Chartered Accountants		SHANGAR DECOR LIMITED		
FRN:137193W				
Shaishav Mehta		Samir R Shah		Saumil Shah
Partner		Managing Director		Director
M.No:032891		DIN: 00787630		DIN: 01601299
UDIN:21032891AAAADZ1806		Gitika Mishra		Saumil Shah
		Company Secretary		CFO
Place: Ahmedabad		Place: Ahmedabad		
Date: 14th April, 2021		Date: 14th April, 2021		

Non-Current Assets

4.02 Investments

Sr. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
1	Long Term Investment in Shares (Unquoted)	2,12,500	2,12,500
	TOTAL	2,12,500	2,12,500

Note: The investment in shares includes an investment in equity shares of a company. However, the company has ceased to exist and the investment amount has been eroded to the extent of full value and hence the same has been derecognized as per Indian Accounting standards during the Financial year 2019-20.

Current Assets

4.03 Inventories

Sr. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
1	Inventories	2,84,25,260	2,62,50,540
	TOTAL	2,84,25,260	2,62,50,540

4.04 Trade Receivable

Sr. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
1	Unsecured, Considered Good	5,72,08,836	5,41,45,916
	TOTAL	5,72,08,836	5,41,45,916

Note: Trade Receivable Includes total receivables of Rs. 12,33,646/- which are outstanding for more than 3 years.

4.05 Cash and Cash Equivalent

Sr. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
1	Cash in hand	1,69,982	40,94,619
2	Balance with banks	2,71,524	75,05,007
	TOTAL	4,41,506	1,15,99,626

4.06 Other current assets

Sr. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
1	Deposits	63,40,903	57,64,335
2	Balance with revenue authorities	86,24,137	47,05,754
3	Interest Receivable	13,555	13,555
4	Preliminary exps. for listing fees	8,10,000	12,15,000
	TOTAL	1,57,88,595	1,16,98,644

Note : The balance with revenue authorities consists of TDS receivable by the company for F.Y.-2020-21 to the extent of Rs. 125936/-

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. 8,10,000/- has been carried forward through the next financial year

Equity

4.07 Share Capital

Sr. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
a)	Authorised Share Capital 1,40,00,000 Equity shares of Rs. 5.00/- each (March 31,2020: Rs. 10 each)	7,00,00,000	7,00,00,000
		7,00,00,000	7,00,00,000
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	3,06,01,000 3,06,01,000	3,06,01,000
	TOTAL	6,12,02,000	3,06,01,000

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, 2021	As at 31st March, 2020
Equity shares at the beginning of the year	30,60,100	30,60,100
New no. of equity shares due to Division of one equity share of Rs. 10 into two equity shares of Rs. 5	61,20,200	-
Add: Bonus Shares issued during the year	61,20,200	-
Equity shares Outstanding at the end of the year	1,22,40,400	30,60,100

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, 2021		As at 31st March, 2020	
		% Held		% Held
Samir Rasiklal Shah	70,94,788	31.00	11,74,500	38.38
Saumil Shrenik Shah	37,93,988	9.80	3,00,000	9.80
Parul Samir Shah	8,25,200	6.74	2,06,300	6.74
Vipul Shah	12,00,000	9.80	3,00,000	9.80

4.08 Other Equity

Sr. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
a)	Surplus / (Deficit) in Statement of Profit & Loss		
	Balance as per previous financial statements	2,08,39,689	1,75,30,241
	Add: Profit for the year	25,02,511	33,09,448
	Balance available for appropriation	2,33,42,200	2,08,39,689
	Forfieted Shares	97,01,700	97,01,700
		3,30,43,900	3,05,41,389
	Less: Utilized for issue of Bonus Shares in the ratio of 1:1 during the financial year	3,06,01,000	-
	Net Surplus / (Deficit)	24,42,900	3,05,41,389

Non-Current Liabilities

4.09 Borrowings

Sr. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
1	Secured Loans	1,38,318	14,32,141
2	Unsecured loans	4,01,66,081	2,96,56,057
	TOTAL	4,03,04,399	3,10,88,198

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

4.10 Trade Payables

Sr. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
1	Trade Payables	7,19,20,993	8,12,83,939
2	Advance to customers	7,00,000	7,00,000
	TOTAL	7,26,20,993	8,19,83,939

4.11 Other Current Liabilities

Sr. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
1	GST Payable	54,28,910	54,28,910
2	TDS Payable	4,33,970	6,13,495
3	EPFO Payable	1,935	5,768
4	ESIC Payable	461	1,422
	TOTAL	58,65,276	60,49,595

Note : The company is yet to pay the total GST amount of Rs. 54,28,910/- which includes GST liability pertaining to F.Y. 2017-18, 2018-19 and 2019-20.

4.12 Provisions

Sr. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
1	Other Provision	1,70,505	1,56,105
2	Provision for Taxation	27,56,378	21,35,048
	TOTAL	29,26,883	22,91,153

Note : Other provision consists of Dividend proposed for F.Y. 2018-19 Rs. 153005/-

4.13 Revenue from operations

Sr.no.	Particulars	As at 31st March, 2021	As at 31st March, 2020
1	Sales	3,44,38,663	6,93,53,914
	TOTAL	3,44,38,663	6,93,53,914

4.14 Other Income

Sr.no.	Particulars	As at 31st March, 2021	As at 31st March, 2020
1	Dividend Income	-	15,000
2	kasar Vatav	-	7,85,585
3	Interest Income	17,271	16,709
	TOTAL	17,271	8,17,294

4.15 Purchase of Stock -in-Trade

Sr.no.	Particulars	As at 31st March, 2021	As at 31st March, 2020
1	Purchases	1,22,88,081	4,31,29,226
	TOTAL	1,22,88,081	4,31,29,226

4.16 Changes in Inventories

Sr.no.	Particulars	As at 31st March, 2021	As at 31st March, 2020
1	Inventories at the beginning of the year	2,62,50,540	1,24,62,190
2	Inventories at the end of the year	2,84,25,260	2,62,50,540
	TOTAL	(21,74,720)	(1,37,88,350)

4.17 Employee Benefits

Sr.no.	Particulars	As at 31st March, 2021	As at 31st March, 2020
1	Salary, Wages and Bonus	2,86,117	29,34,000
2	Director Remuneration	19,40,000	19,40,000
	TOTAL	22,26,117	48,74,000

4.18 Finance Costs

Sr.no.	Particulars	As at 31st March, 2021	As at 31st March, 2020
1	Interest on unsecured loans	3,56,765	2,80,708
	TOTAL	3,56,765	2,80,708

4.19 Other Expenses

Sr.no.	Particulars	As at 31st March, 2021	As at 31st March, 2020
a)	Administrative Expenses		
1	Legal, Professional and Consultancy Fees	30000	2,34,578
2	Professional Tax Company	2,400	5,424
4	Municipal Tax	19,879	48,627
5	Rent Expense	5,30,100	1,36,67,660
6	ROC/CDSL Charges	1,41,993	1,500
7	Kasarvata Expense	-	-
8	Listing Fees	13,49,874	3,09,000
9	Interest Expense	72,151	6,32,704
10	Penalty on BSE	-	4,000
11	Telephone expense	24,858	59,472
12	Travelling expense	-	83,019
13	Other Administrative Expenses	17,41,790	38,76,882
14	Late Fees On GST	-	30,000
b)	Selling & Distribution Expenses	53,97,750	53,39,680
	TOTAL	93,10,795	2,42,92,546

4.20 Earning Per Share

i)	Net profit after tax as per statement of profit and loss attributable to Equity Shareholders (Rs. in Lakhs)	25,02,511	33,09,448
ii)	Weighted Average number of equity shares (now each share of Rs. 5) used as denominator for calculating EPS	61,20,200	30,60,000
iii)	Basic & Diluted Earning per share (Rs.)	0.41	1.08
iv)	Face value per equity share (Rs.)	10	10

SHANGAR DÉCOR LIMITED

NOTE : 4.01

FIXED ASSETS AS AT 31ST MARCH 2021

PARTICULARS	Gross Block			TOTAL	Depreciation			Net Block	
	OPENING BALANCE	ADDITION	DED.		ADDITION	DED.	TOTAL	31.03.2021	31.3.2020
Air Conditioner	2,73,954	27,119	-	3,01,073	94,877	-	94,877	2,06,196	2,73,954
Computer	7,811	60,170	-	67,981	15,306	-	15,306	52,675	7,811
Decore Wooden	47,48,465	-	-	47,48,465	5,00,963	-	5,00,963	42,47,502	47,48,465
Decore Furniture@12%	13,19,100	-	-	13,19,100	1,64,888	-	1,64,888	11,54,213	13,19,100
Decore Furniture@18%	2,61,16,091	54,52,352	-	3,15,68,443	35,95,867	-	35,95,867	2,79,72,576	2,61,16,091
Decore Furniture@28%	1,24,002	-	-	1,24,002	15,500	-	15,500	1,08,502	1,24,002
Decore Furniture@5%	1,64,26,409	78,15,055	-	2,42,41,464	22,87,230	-	22,87,230	2,19,54,234	1,64,26,409
Decore Steel & Dome	1,76,12,042	3,48,111	-	1,79,60,153	9,65,785	-	9,65,785	1,69,94,368	1,76,12,042
Electric Fittings	80,112	-	-	80,112	16,511	-	16,511	63,601	80,112
Electrical Goods	22,98,159	53,390	-	23,51,549	3,34,312	-	3,34,312	20,17,237	22,98,159
Godown Building	36,83,479	-	-	36,83,479	1,82,701	-	1,82,701	35,00,778	36,83,479
Innova Car	46,141	-	-	46,141	5,768	-	5,768	40,373	46,141
Mobile Telephone	1,79,682	1,52,752	-	3,32,434	64,629	-	64,629	2,67,805	1,79,682
Mobile Telephone@28%	9,265	-	-	9,265	1,158	-	1,158	8,107	9,265
Motor Car Skoda Superb	1,31,017	-	-	1,31,017	37,104	-	37,104	93,913	1,31,017
Motor Car SX4	57,372	-	-	57,372	16,334	-	16,334	41,038	57,372
Office Building	34,863	-	-	34,863	12,303	-	12,303	22,560	34,863
Office Furniture	16,347	-	-	16,347	4,165	-	4,165	12,182	16,347
Pagoda Structure	35,03,998	-	-	35,03,998	6,37,027	-	6,37,027	28,66,971	35,03,998
Maruti Eco	2,67,245	-	-	2,67,245	33,406	-	33,406	2,33,839	2,67,245
Weight Machine	8,600	-	-	8,600	2,150	-	2,150	6,450	8,600
Vehicles	1,02,187	-	-	1,02,187	12,773	-	12,773	89,414	1,02,187
Vessels@18%	4,92,988	-	-	4,92,988	24,649	-	24,649	4,68,339	4,92,988
Gowdown Building-28%	33,246	-	-	33,246	1,110	-	1,110	32,136	33,246
Washing Machine	88,805	-	-	88,805	25,674	-	25,674	63,132	88,805
Sewing Machine	39,345	-	-	39,345	11,000	-	11,000	28,345	39,345
CCTV	-	53,812	-	53,812	756	-	756	53,056	-
Vessels	23,97,707	-	-	23,97,707	2,61,110	-	2,61,110	21,36,597	23,97,707
TOTAL	8,00,98,432	1,39,62,761	-	9,40,61,193	93,25,055	-	93,25,055	8,47,36,142	8,00,98,438

SHANGAR DECOR LIMITED

CIN: L36998GJ1995PLC028139

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

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 26th Annual General Meeting of the Members of Shangar Décor Limited will be held on Thursday, 30th September, 2021 at 03:00 P.M. at the Registered Office of the Company situated at 44, Sharad Flats, Opp. Dharnidhar Temple, Paldi, 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, Paldi,
Ahmedabad – 380 007

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 26th Annual General Meeting of the Members of ShangarDecorLimited will be held on Thursday, 30th September, 2021 at 03:00 P.M. at the Registered Office of the Company situated at 44, Sharad Flats, Opp. Dharnidhar Temple, Paldi, 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, 2021 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. Samirbhai Shah who retires by rotation and being eligible, offers himself for re-appointment.

Special Business:

3. Appointment of Mr. Samirbhai Shah as a Managing Director of the Company.
4. Increase in Authorised Share Capital of the Company and Alteration of the Capital Clause in Memorandum of Association.

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, Paldi,
Ahmedabad – 380 007

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]*

26th Annual General Meeting

Date: 30th September, 2021; Time: 03:00 P.M.

NAME OF THE COMPANY:	Shangar Decor Limited
REGISTERED OFFICE:	44, Sharad Flats, Opp. Dharnidhar Temple, Paldi, 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. 10/- 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.			
	SPECIAL BUSINESS			
3.	Appointment of Mr. Samir Shah as a Managing Director of the Company.			
4.	Increase in Authorised Share Capital of the Company and Alteration of the Capital Clause in Memorandum of Association			

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. 23rd September, 2021