SHARAD FIBRES AND YARN PROCESSORS LIMITED

CIN: L17110MH1987PLC043970
19, Floor-3rd, Prabhadevi Industrial Estate, 408, Veer Savarkar Marg,
, Prabhadevi, Mumbai - 400 025.
E mail: jyoti@dalmiapolypro.in **Website:** www.sharadfibres.in
Tel no.: +91-2266349000

Date: September 1, 2021

To
The Deputy General Manager,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001

Ref: Security Code No. 514402.

Sub: Annual Report under Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of Sharad Fibres & Yarn Processors Limited for the Financial Year 2020 -2021.

Dear Sir/Madam,

This is further to our letter dated August 13, 2021 wherein Sharad Fibres & Yarn Processors Limited had intimated that the Annual General Meeting (AGM) of the Company is scheduled to be held on **Friday, September 24, 2021 at 2.00 p.m.** through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), in accordance with the relevant circulars issued by The Ministry of Corporate Affairs (MCA) and The Securities and Exchange Board of India (SEBI).

In terms of the requirement of Regulation 30 and Regulation 34 of The SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 please find enclosed herewith the Annual Report of the Company for the Financial Year 2020-2021 along with the Notice of the 34th Annual General Meeting, which is also being sent to the members whose e-mail addresses are registered with the Company / Registrar and Transfer Agent/ Depository Participant.

The Annual Report is also uploaded on the website of the Company at www.sharadfibres.in

We request you to kindly take the above information on record and facilitate.

Thanking you

Yours faithfully,

For SHARAD FIBRES & YARN PROCESSORS LIMITED

JYOTI NANKANI
MANAGING DIRECTOR
[DIN: 07145004]

Encl: A/a.

SHARAD FIBRES & YARN PROCESSORS LIMITED

34th ANNUAL REPORT 2020-21

BOARD OF DIRECTORS

Ms. Jyoti Nankani	Managing Director
Mr. Unni Krishnan Nair	Director
Mr. Surendra Bahadur Singh	Director

CHIEF FINANCIAL OFFICER

Mr. Aditya Amarchand Dalmia

COMPANY SECRETARY& COMPLIANCE OFFICER

Ms. Namita Rathore

REGISTERED OFFICE

19, 3rd Floor,
Prabhadevi Industrial Estate,
408, Veer Savarkar Marg,
Prabhadevi,
Mumbai – 400 025
Tel: 022 – 66349000
Website: www.sharadfibres.in
Email Id: jyoti@dalmiapolypro.in
CIN: L17110MH1987PLC043970

AUDITORS

M/s. J H Bhandari & Co., Chartered Accountants

SECRETARIAL AUDITORS

M/s. GMJ & Associates, Company Secretaries

REGISTRAR & SHARE TRANSFER AGENT

BIGSHARE SERVICES PRIVATE LIMITED
(Unit: Sharad Fibres and Yarn Processors Limited)
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road, Marol,
Andheri (East), Mumbai – 400 059.
Tel. No. 022 62638200/ 62638299.
Email id - info@bigshareonline.com

CONTENTS

SR.NO.	PARTICULARS	PAGE NO.
1.	Notice to Members	4
2.	Director's Report, Management Discussion and Analysis Report and Annexures	20
3.	Independent Auditor's Report	43
4.	Balance Sheet	48
5.	Profit & Loss Account	50
6.	Cash Flow Statement	51
7.	Significant accounting policies and Notes to Financial Statements	54

SHARAD FIBRES AND YARN PROCESSORS LIMITED

CIN: L17110MH1987PLC043970
19, Floor-3rd, Prabhadevi Industrial Estate, 408, Veer Savarkar Marg,
, Prabhadevi, Mumbai - 400 025.
E mail: jyoti@dalmiapolypro.in **Website**: www.sharadfibres.in
Tel no.: +91-22 66349000.

NOTICE TO THE MEMBERS

NOTICE is hereby given that the 34th (Thirty Fourth) Annual General Meeting (AGM) of the Members of **SHARAD FIBERS & YARN PROCESSORS LIMITED (CIN: L17110MH1987PLC043970)** will be held on Friday, September 24, 2021 at 2.00 p.m. through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") to transact, with or without modification(s) the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2021, including the audited Balance Sheet as at March 31, 2021, the Statement of Profit and Loss & Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Ms. Jyoti Nankani (DIN: 07145004), who retires from office by rotation, and being eligible offers herself for re-appointment.

SPECIAL BUSINESS:

3. ALTERATION TO ARTICLES OF ASSOCIATION:

   To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or re-enactment thereof), the Articles of Association of the Company be and are hereby altered by deleting existing Article 150(iii) and substituting with following new Article 150 (iii):

   "The appointment of the Managing Director on Board will be liable to retire by rotation."

   RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things as may be necessary to give effect to this resolution."

Registered Office:
19, 3rd Floor,
Prabhadevi Industrial Estate,
408, Veer Savarkar Marg,
Prabhadevi,
Mumbai - 400025.

For and on behalf of the Board of Directors
SHARAD FIBERS & YARN PROCESSORS LTD

Date: **August 13, 2021**

JYOTI NANKANI
(DIN: 07145004)
MANAGING DIRECTOR

NOTES:

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide General Circular Nos.14/2020, 17/2020, 20/2020 and 02/2021 dated April 8, 2020, April 13, 2020, May 5, 2020 and January 13, 2021, respectively, issued by the Ministry of Corporate Affairs ("MCA Circulars") and Circular No. SEBI/ HO/CFD/ CMD1/ CIR /P/2020/79 and SEBI/HO/CFD/CMD 2/CIR/P/2021/11 dated May 12, 2020 and January 15, 2021 issued by the Securities and Exchange Board of India ("SEBI Circular") and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 32nd AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of Members at a common venue

2. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January 13, 2021.

3. Since this AGM is being held pursuant to the MCA circulars through VC/OAVM, physical attendance of Members has been dispensed with and there is no provision for the appointment of proxies. Accordingly, the facility for appointment of proxies by the Members under Section 105 of the Act will not be available for the 34th AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

4. The Members can join the AGM in the VC/OAVM mode within 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

5. Participation of Members through VC /OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013 ("the Act").

6. The Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.

7. Since the AGM will be held through VC/OAVM, the route map of the venue of the meeting is not annexed hereto.

8. In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020, Notice calling the Annual General Meeting, Directors' Report, Audited Financial Statements, Auditors' Report, etc. is being sent only through electronic mode to those Members whose email addresses are registered with the RTA / Depositories. Members may note that the Notice and Annual Report 2021 will also be available on the Company's website www.sharadfiberes.in , websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and Notice will be available on the website of CDSL i.e., www.evotingindia.com.

   Members who have not registered their email addresses are requested to register the same for receiving all communication from time to time including Annual Report, Notices, Circulars, etc. from the Company electronically.

   a. For Members holding shares in physical form, please send scanned copy of a signed request letter mentioning your folio number, complete address, email address to be registered along with scanned self-attested copy of the PAN and any document (such as Driving License, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the Company/RTA at: jyoti@dalmiapolypro.in

   b. For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.

9. In all correspondence with the Company/RTA, members are requested to quote their Folio Number and in case their shares are held in demat form, they must quote their DP ID and Client ID Number.

10. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

11. Corporate Members intending to authorize their representatives to participate and vote at the meeting are requested to email a certified copy of the Board resolution/ authorization letter to the Company at jyoti@dalmiapolypro.in or upload on the VC portal / e-voting portal.

12. Additional information pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment / re-appointment at the AGM are furnished below. The Directors have furnished the requisite consents / declarations for their appointment/re-appointment.

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT PURSUANT TO REGULATION 36(3) OF THE SEBI (LODR) REGULATIONS, 2015:

Name of Director	**Ms. Jyoti Nankani**
Director Identification Number (DIN)	07145004
Date of Birth	December 3, 1981
Age	39 Years
Brief resume & Nature Of expertise in specific functional areas	She is associated with the Company since 2015 as Non –Executive, Women Director of the Company and has experience of about 8 years in her credit. She looks after the Accounts of the Company.
Disclosure of relationship between directors inter-se	N.A.
Names of listed entities in which the person also holds the directorship	N.A.
No. of Shares held in the Company	NIL
Membership & Chairmanships of Committees of the Board	Members in Nomination & Remuneration Committee

Note: Membership/Chairmanship in Committees including Sharad Fibres And Yarn Processors Limited has been considered.

13. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No. 24. The voting facility through electronic voting system shall be made available during the AGM and members attending the meeting through VC who have not casted their vote by remote e-voting shall be able to exercise their right during the meeting through electronic voting system.

14. The process and manner for e-voting and process of joining meeting through video conferencing along with other details also forms part of the Notice.

15. The Company is not required to close Register of Members and the Share Transfer Books for the purpose of AGM.

16. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company to email at jyoti@dalmiapolypro.in at least seven days before the date of the

meeting so that the requested information can be made available at the time of the meeting.

17. SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.

18. The Company's shares are listed on BSE Limited, Mumbai.

19. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Companies Act, 2013, and other relevant documents referred to in the Notice and in the Explanatory Statements will be available for inspection by the members in electronic mode. Members who wish to inspect the documents are requested to write to the Company by sending e-mail at jyoti@dalmiapolypro.in

20. Members holding Shares in physical form are requested to notify immediately any change in their address, email address, telephone/ mobile number, Permanent Account Number (PAN), nominations, bank details such as name of bank and branch, bank account number, MICR code, IFSC code etc. to the Registrar and Transfer Agent of the Company at the address given below.

M/s. BIGSHARE SERVICES PVT LTD
[Unit: Sharad Fibers & Yarn Processors Limited]
1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East), Mumbai, Maharashtra, 400059
Tel: 022 - 62638299 / 62638200
Email: info@bigshareonline.com

21. In all correspondence with the Company, members are requested to quote their Folio Number and in case their shares are held in demat form, they must quote their DP ID and Client ID Number.

22. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar /Company.

23. Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

24. **VOTING THROUGH ELECTRONIC MEANS:**

(i) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

The Company has engaged the services of Central Depository Services (India) Limited (CDSL) as the Agency to provide e-voting facility. The detailed procedure to be followed in this regard has been given below. The members are requested to go through them carefully.

(ii) The Board of Directors of the Company has appointed Mr. Mahesh Soni, failing him, Mrs. Sonia Chettiar, Partner of M/s. GMJ & Associates, Company Secretaries, Mumbai as Scrutinizer to scrutinize the e-voting and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.

(iii) The members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.

(iv) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e **September 17, 2021.**

(v) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. **September 17, 2021** only shall be entitled to avail the facility of e-voting/remote e-voting.

(vi) Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. **September 17, 2021**, may obtain the Login details from **BIGSHARE SERVICES PVT LTD** (Registrar & Transfer Agents of the Company).

(vii) The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company (www.sharadfibres.in) and on the website of CDSL www.evotingindia.com. The results shall simultaneously be communicated to the Stock Exchange.

(viii) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e **September 24, 2021**

The instructions for shareholders voting electronically are as under:

a) The voting period begins at 9.00 a.m. (IST) on **September 21, 2021** and ends at 5.00 p.m. (IST) on **September 23, 2021**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **September 17, 2021** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

b) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.

c) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders resolutions. However, it has been observed that the participation by the public non-institutional shareholder's/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the Shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

d) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 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.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on 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 able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login"

with **NSDL**	which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting 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 name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
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 and 22-23058542-43.
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

e) Login Method for e-voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & Physical Shareholders:

1. The shareholders should log on to the e-voting website www.evotingindia.com

2. Click on Shareholders/Members.

3. Now Enter your User ID

   - For CDSL: 16 digits beneficiary ID,
   - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   - Members holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at https://www.cdslindia.com/myeasi/Registration/EasiRegistraition using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

4. Next enter the Image Verification as displayed and Click on Login

5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.

6. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. ❖ If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (e).

f) After entering these details appropriately, click on "SUBMIT" tab.

g) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

h) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

i) Click on the EVSN for the relevant **SHARAD FIBERS & YARN PROCESSORS LIMITED** on which you choose to vote.

j) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

k) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

l) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

m) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

n) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

o) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

p) **Note for Non – Individual Shareholders and Custodians-Remote Voting**

- Non-Individual shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a corporate user who would be able to link the accounts they would be able to cast their vote.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; finance@dalmiagroup.co.in if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE ANNUAL GENERAL MEETING THROUGH VC/OAVM ARE AS UNDER:

(i) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

(ii) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.

(iii) Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

(iv) Shareholders are encouraged to join the meeting through Laptops/IPads for better experience.

(v) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

(vi) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

(vii) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email

(viii) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

(ix) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

(x) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/ MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

(i) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.

(ii) For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)

(iii) For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013.

ITEM NO. 3:

As per existing Article 150 (iii) of the Articles of Association of the Company, the appointment of the Managing Director on Board will not be liable to retire by rotation.

Therefore, to have Director whose period of office is liable to retire by rotation and in order to comply with Section 152 of the Companies Act, 2013, the existing Article 150(iii) of the Articles of Association of the Company needs to be amended. Therefore, the Board of Directors recommends amendment to the Articles of Association of the Company by deleting the existing Article 150(iii) and substituting with new Article 150(iii).

Accordingly, The Board proposes the resolution at Item No.3 of the Notice for approval of the members of the Company.

Your approval is sought by voting in terms of the provisions of inter-alia, Section 14 of the Companies Act, 2013, read with the Companies (Incorporation) Rules, 2014. A copy of the proposed set of new Articles of Association of the Company would be available for inspection, for the members at the Registered Office of the Company during the office hours on any working day, between 11.00 a.m. to 1.00 p.m.

None of the Directors / Key Managerial Personnel of the Company / their relatives is/are in any way, concerned or interested, financially or otherwise, in the Special Resolution, except as shareholders of the Company.

Registered Office:
19, 3rd Floor,
Prabhadevi Industrial Estate,
408, Veer Savarkar Marg,
Prabhadevi,
Mumbai - 400025.

For and on behalf of the Board of Directors
SHARAD FIBERS & YARN PROCESSORS LTD

Date: **August 13, 2021**

JYOTI NANKANI
(DIN: 07145004)
MANAGING DIRECTOR

DIRECTORS' REPORT

To,
The Shareholders,

Your Directors have pleasure in presenting the Thirty Fourth (34th) Annual Report, together with the Audited Financial Statements of the Company for the financial year ended March 31, 2021.

FINANCIAL HIGHLIGHTS:

(Amount in Rs.)

Particulars	As on March 31, 2021	As on March 31, 2020
Revenue from Operations	1,00,03,460	2,02,92,250
Other Income	18,84,25,944	1,42,413
Total Revenue	**19,84,29,404**	**2,04,34,663**
Total Expenses	4,86,14,521	2,99,97,273
Profit / (Loss) before tax	**14,98,14,883**	**(95,62,610)**
Tax Expense:		
Current tax expense for current Year	--	--
Deferred tax	--	--
Tax expense for Earlier Years	--	--
Profit / (Loss) after tax	**14,98,14,883**	**(95,62,610)**
Earning per Equity Share		
Basic	34.31	(2.19)
Diluted	34.31	(2.19)

OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE:

Your Company earned a Total Income of Rs. 19,84,29,404/- as compared to Rs. 2,04,34,663 in the previous Year. The total expenditure incurred during the Year under review was Rs. 4,86,14,521/- as compared to Rs. 2,99,97,273/- in the previous Year. The Net Profit earned was Rs. 14,98,14,883/- as against the Loss incurred of Rs. 95,62,610/- in the previous Year.

Your Company is taking active efforts towards accelerating the growth rate and is optimistic about better performance in future.

DIVIDEND:

During the year under review, the Board does not propose any dividend for the year ended March 31, 2021.

EXECUTION OF DEED OF ASSIGNMENT FOR SALE OF ASSETS OF THE COMPANY:

During the year under review, the Company has executed the **DEED OF ASSIGNMENT** with Dalmia Polypro Industries Private Limited on February 9, 2021 for transfer of assets i.e., Land and Building with its lease rights, machineries and such other.

CHANGE OF REGISTERED OFFICE OF THE COMPANY:

The registered office of the Company is changed from 16, Ground Floor, Plot 3/3A, Unique Industrial Estate, Swatantrya Veer Savarkar Marg, Near Kismat Cinema, Prabhadevi, Mumbai – 400 025 to 19, 3rd Floor, Prabhadevi Industrial Estate, 408, Veer Savarkar Marg, Prabhadevi, Mumbai – 400 025 with effect from June 30, 2021.

TRANSFER TO RESERVES:

During the financial year, the Company has not transferred any amount to General Reserves.

PUBLIC DEPOSITS:

Your Company has not accepted any deposits from the public falling within the ambit of Section 73 of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014.

CAPITAL STRUCTURE OF THE COMPANY:

- **Authorized Share Capital:**

The Authorized Share Capital of the Company as on March 31, 2021 was Rs.8,00,00,000/- (Rupees Eight Crores Only) divided into 80,00,000 (Eighty Lakhs) equity shares of Rs. 10/- each.

- **Issued, Subscribed & Paid-up share Capital:**

The Paid-up Equity Share Capital, as on March 31, 2021 was Rs. 4,36,64,000/- (Rupees Four Crore Thirty-Six Lakh Sixty-Four Thousand Only) divided into 43,66,400 (Forty-Three Lakhs Sixty-Six Thousand Four Hundred) Equity shares, having face value of Rs.10/- each fully paid up.

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

SUBSIDIARIES, JOINT VENTURES & ASSOCIATE COMPANIES:

The Company does not have any subsidiaries, joint ventures & associate companies.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The details of loans, advances and/or guarantee provided by the Company and investments as per section 186 of the Companies Act, 2013, which are required to be disclosed in the annual accounts of the Company are provided in Notes to the financial statements.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

DIRECTORS

i) COMPOSITION:

The Board of Directors includes the Executive, Non-Executive and Independent Directors so as to ensure proper governance and management. The Board consists of Three (3) Directors comprising of One (1) Executive Director, Two (2) Non-Executive Independent Directors as on March 31, 2021.

ii) APPOINTMENTS / RE-APPOINTMENTS:

In accordance with the provisions of Section 196, 197 & 203 of the Companies Act, 2013, Ms. Jyoti Nankani was appointed as the Managing Director w.e.f. February 10, 2021.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, Ms. Namita Rathore was appointed as the Company Secretary & Compliance officer of the Company w.e.f November 20, 2020.

In accordance with the provisions of Section 152 (6) of the Companies Act, 2013 and the Articles of Association of the Company, Ms. Jyoti Nankani, Managing Director of the Company, retires by rotation, and being eligible, has offered herself for reappointment.

iii) RESIGNATIONS:

Mr. Ravi Dalmia, Chairman & Managing Director of the Company has resigned w.e.f. February 10, 2021.

KEY MANAGERIAL PERSONNEL:

The Company is having the following persons as the Key Managerial Personnel.

Sr. No.	Name of the person	Designation
1.	Ms. Jyoti Nankani	Managing Director
2.	Mr. Aditya Dalmia	Chief Financial Officer
3.	Ms. Namita Rathore	Company Secretary & Compliance Officer

DECLARATION BY INDEPENDENT DIRECTORS:

Independent Directors have given declarations that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of The SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

Further, pursuant to a notification dated October 22, 2019 issued by the Ministry of Corporate Affairs, all directors have completed the registration with the Independent Directors Databank. Requisite disclosures have been received from the directors in this regard.

ANNUAL RETURN:

In accordance with the Companies Act, 2013, read with the applicable Rules, the Annual Return in the prescribed format can be accessed at www.sharadfibres.in.

MEETINGS OF THE BOARD OF DIRECTORS:

The Board of Directors of your Company met 6 (Six) times during the Year on July 31, 2020, September 19, 2020, November 9, 2020, November 19, 2020, February 10, 2021 and March 17, 2021 and the gap between two meetings was in compliance with the relaxations /circulars issued by the Ministry of Corporate Affairs (MCA) and SEBI during the financial year 2020-21 due to widespread of COVID 19. The necessary quorum was present for all the meetings.

The Attendance of the Directors of the Company at the Board meetings is as under:

Name of Director / Category	Board Meeting dates (2020-2021)								AGM
	July 31, 2020	Sept 19, 2020	Nov 09, 2020	Nov 19, 2020	Feb 10, 2021	March 17, 2021	Attended	Entitled to Attend	Attended
*Mr. Ravi Dalmia (Executive Director)	Yes	Yes	Yes	Yes	-	-	4	4	No
Mr. Unnikrishnan Nair	Yes	Yes	Yes	Yes	Yes	Yes	6	6	Yes

(Independent Director)									
Mr. Surendra Singh (Independent Director)	Yes	Yes	Yes	Yes	Yes	Yes	6	6	Yes
Ms. Jyoti Nankani (Managing Director)	Yes	Yes	Yes	Yes	Yes	Yes	6	6	Yes

*Mr. Ravi Dalmia has resigned as the Managing Director of the Company w.e.f February 10, 2021.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 134 of the Act, with respect to Directors responsibility statement it is hereby confirmed that:

i. that in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
ii. that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit and loss of the Company for that period;
iii. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
iv. the Directors had prepared the annual accounts on a going concern basis;
v. the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
vi. 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.

COMMITTEES OF THE BOARD:

Currently the Board has 3 (three) Committees: Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee. The Composition of various committees and compliances, as per the applicable provisions of the Companies Act, 2013 and the Rules thereunder and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are as follows:

➢ AUDIT COMMITTEE:

The Audit Committee of the Company is constituted in accordance with the section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and comprises of three qualified members (i.e. 2 Non-Executive Independent Directors and 1 Executive Director).

All the members have financial and accounting knowledge.

The Audit Committee acts in accordance with the terms of reference specified from time to time by the Board.

The Committee met Four (4) times during the year on July 31, 2020, September 19, 2020, November 09, 2020 and February 10, 2021 and the gap between two meetings was in compliance with the relaxations /circulars issued by the Ministry of Corporate Affairs (MCA) and SEBI during the financial year 2020-21 due to widespread of COVID 19. The necessary quorum was present for all the meetings.

The composition of the Audit Committee and the details of meetings attended by its members are given below:

Name of the Members	Category	Audit Committee Meetings Dates (2020-2021)				No. Meetings Entitled to Attend	No. of Meetings Attended
		July 31, 2020	Sept 19, 2020	Nov 09, 2020	Feb 14, 2021		
Mr. Unnikrishnan Nair	Chairperson Independent Director	Yes	Yes	Yes	Yes	4	4
Mr. Surendra Bahadur Singh	Independent Director	Yes	Yes	Yes	Yes	4	4
*Mr. Ravi Dalmia	Managing Director	Yes	Yes	Yes	Yes	4	4

- Mr. Ravi Dalmia has resigned as the Managing Director of the Company w.e.f February 10, 2021.
- Ms. Jyoti Nankani was appointed as the Member of the Committee w.e.f. February 10, 2021 at the Board Meeting held on February 10,2021.

➢ NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee of the Company is constituted in accordance with Regulation 19 of The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013. The Committee comprises Three (3) qualified members (i.e. Two (2) Independent Directors and One (1) Non-Executive Director)

The role of the committee has been defined as per section 178(3) of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The Committee met Two (2) times during the year on November 19, 2020, And February 10, 2021. The necessary quorum was present at the meeting.

The composition of the Nomination and Remuneration Committee and the details of meetings attended by its members are given below:

Name of the Members	Category	NRC Meetings Date (2020-2021)		No. of Meetings Entitled to Attend	No. of Meetings Attended
		Nov 19, 2020	Feb 10, 2021		
Mr. Unnikrishnan Nair	Chairperson Independent Director	Yes	Yes	2	2
Mr. Surendra Bahadur Singh	Independent Director	Yes	Yes	2	2
Ms. Jyoti Nankani	Managing Director	Yes	Yes	2	2

Nomination and Remuneration Policy is hosted on the website of the Company i.e. www.sharadfibres.in

➢ STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee of the Company is constituted in accordance with Regulation 20 of The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013.

The role and functions of the Stakeholders Relationship Committee are the effective redressal of grievances of shareholders, debenture holders and other security holders including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends. The Committee overviews the steps to be taken for further value addition in the quality of service to the investors.

The Company has designated the e-mail ID: jyoti@dalmiapolypro.in exclusively for the purpose of registering complaint by investors electronically. This e-mail ID is displayed on the Company's website i.e. www.sharadfibres.in

The following table shows the nature of complaints received from the shareholders during the years 2020-2021.

	Nature of Complaints	Received	Pending	Disposed
1.	Non receipt of Annual Report	-	-	-
2.	Non-Receipt of Share Certificates after transfer	-	-	-
3.	Non-Receipt of Demat Rejected S/C's	-	-	-
4.	Others	-	-	-
	Total	-	-	-

There were no complaints pending as on March 31, 2021.

The Committee met One (1) time during the year on February 10, 2021. The necessary quorum was present at the meeting.

The composition of the Stakeholders Relationship Committee and the details of meetings attended by its members are given below

Name of the Members	Category	Stakeholder Relationship Committee Meetings Dates (2020-2021)	No. of Meetings entitled to Attend	No. of Meetings Attended
		February 10, 2021		
Mr. Unnikrishnan Nair	Chairperson Independent Director	Yes	1	1
Mr. Surendra Bahadur Singh	Independent Director	Yes	1	1
Mr. Jyoti Nankani	Non-Executive Director	Yes	1	1

- **INDEPENDENT DIRECTORS MEETING:**

As stipulated by the Code of Independent Directors under Schedule IV of the Companies Act, 2013 and The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of the Company shall hold at least one meeting in a year without the presence of Non-Independent

Directors and members of the management. All the independent Directors shall strive to be present at such meeting.

The independent Directors in their meeting shall, inter alia-

(a) review the performance of non-independent Directors and the board of Directors as a whole;
(b) review the performance of the chairperson of the listed entity, taking into account the views of executive Directors and non-executive Directors;
(c) assess the quality, quantity and timeliness of flow of information between the management of the listed entity and the board of Directors that is necessary for the board of Directors to effectively and reasonably perform their duties.

Independent Directors met once during the year on February 10, 2021 and was attended by all Independent Directors.

None of the Non-Executive Independent Directors hold Equity Shares of the Company in their own name.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

The provisions of Section 135 of the Companies Act, 2013 read with the Rules made thereunder, in respect of Corporate Social Responsibility were not applicable to your Company for the Financial Year 2020-2021.

BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has implemented a system of evaluating performance of the Board of Directors and of its Committees and individual Directors on the basis of evaluation criteria suggested by the Nomination and Remuneration Committee and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly, the Board has carried out an evaluation of its performance after taking into consideration various performance related aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, remuneration, obligations and governance. The performance evaluation of the Board as a whole, Chairperson and Non-Independent Directors was also carried out by the Independent Directors in their meeting held on February 10, 2021.

Similarly, the performance of various committees, individual Independent and Non-Independent Directors was evaluated by the entire Board of Directors (excluding the Director being evaluated) on various parameters like engagement, analysis, decision making, communication and interest of stakeholders.

The Board of Directors expressed its satisfaction with the performance of the Board, its committees and individual Directors.

RELATED PARTY TRANSACTIONS:

Your Company has formulated a policy on related party transactions which is also available on Company's website www.sharadfibres.in. This policy deals with the review and approval of related party transactions. The Board of Directors of the Company has approved the criteria for making the omnibus approval by the Audit Committee within the overall framework of the policy on related party transactions. Prior omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on an arm's length basis. All related party transactions are placed before the Audit Committee for review and approval.

During the year under review, your Company has entered into material related party transactions i.e. transactions exceeding ten percent of the annual turnover as per the last audited financial statements. Particulars of contracts of arrangements with Related Parties referred to in Sub-Section (1) of Section 188 read with Rule 8(2) of the (Companies Accounts) Rules, 2014 read with Section 134(3)(h) are appended in Form No. AOC - 2 as **Annexure 'A'.**

AUDITORS:

- **STATUTORY AUDITOR**

M/s. J.H. Bhandari & Co., Chartered Accountants, Mumbai (Firm Registration No. 138960W) was appointed as the Statutory Auditors of the Company at the 31st Annual General Meeting (AGM) held in 2018 until the conclusion of the 35th Annual General Meeting (AGM) to be held in 2023.

The first proviso to section 139(1) of the Companies Act, 2013 has been omitted vide section 40 of the Companies (Amendment) Act, 2017 notified on May 07, 2018. Therefore, it is not mandatory for the Company to place the matter relating to appointment of statutory auditor for ratification by members at every Annual General Meeting. Hence the Company has not included the ratification of statutory auditors in the Notice of AGM.

The Report given by M/s. J.H. Bhandari & Co., Chartered Accountants, on the financial statements of the Company for the financial year 2020-2021 is a part of the Annual Report. There has been no qualification, reservation or adverse remark or disclaimer in their Report.

During the year under review, the Auditors had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3) (ca) of the Act.

➢ INTERNAL AUDITOR

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, the Board on recommendation of the Audit Committee has re-appointed Mr. Shailesh Bane, as the internal auditor of the Company for the Financial Year 2020-2021.

➢ SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. GMJ & Associates, a firm of Company Secretaries in

Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is appended as **Annexure - 'B'** which forms a part of this report.

There has been an observation in Secretarial Audit Report by the Secretarial Auditor stating The Company has received penalty notices from BSE Limited for non-compliances under various regulations of SEBI (LODR) Regulations, 2015. The Company has made payment of all fines/penalties imposed by BSE Limited during the financial year.

Reply by the Board:

Due to the COVID 19 situation prevailing across the country during the financial year 2020-21, the Company has gone through a very difficult phase both in terms of revenue and financial crisis. The Company was unable to complete the event-based filings/submissions with BSE Limited which has resulted in heavy penalties being levied by BSE Limited. The Company has completed all pending submissions to BSE Limited and has paid the fines/penalties levied during the financial year 2020-21.

➢ COST AUDIT AND COST RECORDS:

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rules made thereunder, Cost Audit and maintenance of Cost records is not applicable to the Company for the financial year 2020-2021 & 2021-2022.

CODE OF CONDUCT:

Your Company is committed to conducting its business in accordance with the applicable laws, rules and regulations and highest standards of business ethics. In recognition thereof, the Board of Directors has implemented a Code of Conduct for adherence by the Directors, Senior Management Personnel and Employees of the Company. This will help in dealing with ethical issues and also foster a culture of

accountability and integrity. The Code with revision made in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been posted on the Company's website www.sharadfibres.in

All the Board Members and Senior Management Personnel have confirmed compliance with the Code.

PARTICULARS OF EMPLOYEES:

The disclosures relating to remuneration and other details as required under Section 197 (12) of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report. Having regard to the provisions of the second proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection by the members at the registered office of the Company during working hours on working days up to the date of the Annual General Meeting and if any member is interested in obtaining as copy thereof, such member may write to the Company Secretary/ Compliance Officer.

Further, Pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 was not applicable to the Company during the Financial Year 2020-2021.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Your Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined by the Audit Committee. To maintain its objectivity and independence, the Internal Audit function reports to the Chairperson of the Audit Committee & to the Chairperson of the Board/ Managing Director of the Company.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company.

Based on the report of internal audit function, the Company undertakes corrective action in their respective areas and thereby strengthens the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

RISK MANAGEMENT:

Your Company has in place a Risk Management Policy (a) to ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately mitigated, minimized and managed i.e. to ensure adequate

systems for risk management. (b) to establish a framework for the Company's risk management process and to ensure its implementation. (c) to enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices (d) to assure business growth with Financial stability.

VIGIL MECHANISM/WHISTLE BLOWER POLICY:

Your Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and Employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairperson of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy has been posted on the website of the Company i.e. www.sharadfibres.in

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Your Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. The Company affirms that during the Year under review, no complaints were received by the Committee for redressal.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Companies Act, 2013, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 is given as under:

A. CONSERVATION OF ENERGY:

(i) the steps taken or impact on conservation of energy:

The Company is consistently doing research in the field of saving energy by implementing new cost-effective ideas. Form for disclosure of particulars with respect of Consumption of Energy is enclosed herewith.

Particulars	Units	Current Year	Previous Year
a. Power & Fuel Consumption Electricity - Purchased Unit (KWH)	Units	1106988	1054656

Total Amount Average Rate	In Rs. per unit	71,73,400/- 6.48/-	66,86,128/- 3.85/-
b. Consumption per unit of production Electricity (KWH)/Ton	Con/kg's	0.411	0.512

(ii) the steps taken by the company for utilising alternate sources of energy; NIL
(iii) the capital investment on energy conservation equipment's; NIL

B. TECHNOLOGY ABSORPTION: Not Applicable

(i) the efforts made towards technology absorption;
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
  (a) the details of technology imported;
  (b) the year of import;
  (c) whether the technology been fully absorbed;
  (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
(iv) the expenditure incurred on Research and Development.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year under review, there were no Foreign Exchange earnings / outgoings.

ENVIRONMENT AND SAFETY:

The Company is aware of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances, environmental regulations and preservation of natural resources at its Factory.

DEPOSITORY SERVICES:

The Company's Equity Shares have been admitted to the depository mechanism of the Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL). As a result the investors have an option to hold the shares of the Company in a dematerialized form with the Depositories. The Company has been allotted ISIN No. INE638N01012.

Shareholders therefore are requested to take full benefit of the same and lodge their holdings with Depository Participants [DPs] with whom they have their Demat Accounts for getting their holdings in electronic form.

The Percentage of Shares of the Company held in Demat is 72.69% and Physical form is 27.31%.

THE DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

There are no significant / material orders passed by the Regulators or courts or Tribunals impacting the going concern status of your Company and its operations in future.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

There were no material changes and commitments, affecting the financial position of the Company which has occurred between the end of the Financial Year of the Company, to which the Financial Statements related i.e. March 31, 2021 and the date of the report.

CORPORATE GOVERNANCE REPORT:

Pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, compliance with the corporate governance provisions are not applicable to your Company as the Company's paid up Equity Share Capital does not exceed of Rs.10 Crores and net worth does not exceed of Rs.25 Crores as on March 31, 2021.

BUSINESS RESPONSIBILITY REPORTING:

The Business Responsibility Reporting as required by Regulation 34(2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is not applicable to the Company for the financial year ending March 31, 2021.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

The Management's Discussion and Analysis Report for the Year under review, as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this report.

LISTING:

The shares of the Company are listed on BSE Ltd. The Company has paid Listing fees for the Financial Year 2021-2022.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS:

The Company has complied with secretarial standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

ACKNOWLEDGMENT:

The Directors wish to convey their appreciation to the Company's shareholders, customers, suppliers, bankers and distributors for the support they have given to the Company and the confidence, which they have reposed in its management and the employees for the commitment and dedication shown by them.

Registered Office:
19, 3rd Floor,
Prabhadevi Industrial Estate,
408, Veer Savarkar Marg,
Prabhadevi,
Mumbai - 400025.

For and on behalf of the Board of Directors
SHARAD FIBERS & YARN PROCESSORS LTD

JYOTI NANKANI
[DIN: 07145004]
MANAGING DIRECTOR

Date: August 13, 2021.

ANNEXURE 'A'
TO BOARDS' REPORT 2020 - 2021

FORM NO. AOC -2

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

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

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

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

Sr. No.	Name (s) of the related party & nature of relationship	Nature of contracts / arrangements / transaction	Duration of the contracts / arrangements / transaction	*Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board, if any	Amount paid as advance, if any
1.	Dalmia Polypro Industries Private Limited	Sales	Ongoing	Rs.15,55,350/-	Since these RPTs are in the ordinary course of business and are at arm's length basis, approval of the Board is not applicable. However, necessary approvals were granted by the Audit Committee from time to time.	Not Applicable
2.	Dalmia Polypro Industries Private Limited	Purchases	Ongoing	Rs.4,95,610/-		
3.	Dalmia Polypro Industries Private Limited	Job Work (Income)	Ongoing	Rs.83,83,040/-		

4.	Dalmia Polypro Industries Private Limited	Sale of Factory Land & Building (Advance In Preceeding Year)	Ongoing	Rs.1,31,50,000 /-		

**The related party transactions entered during the year were in the ordinary course of business and on arm's length basis.*

For and on behalf of the Board
SHARAD FIBRES AND YARN PROCESSORS LIMITED

JYOTI NANKANI
[DIN: 07145004]
MANAGING DIRECTOR

Date: August 13, 2021

Annexure 'B'

Form No.MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021
(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014)

To,
The Members,
SHARAD FIBRES AND YARN PROCESSORS LIMITED
19, Floor-3rd, Prabhadevi Industrial Estate,
408, Veer Savarkar Marg, Prabhadevi,
Mumbai - 400 025.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2021** complied with the statutory provisions of the applicable Acts listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

i. The Companies Act, 2013 ("the Act") including The Companies (Amendment) Act, 2020;
ii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
iii. The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made thereunder;

Cont...2..

iv. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:

a) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; [Not applicable during the period of audit]
e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; [Not applicable during the period of audit]
f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations. 2008; [Not applicable during the period of audit]
g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; [Not applicable during the period of audit]
h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; [Not applicable during the period of audit]

v. We have also examined compliance with the applicable clauses of the following:

a) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.
b) The Listing Agreements entered into by the Company with BSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further being a Company engaged in Manufacturing Industry (recycling of plastic wastes), there are no specific applicable laws to the Company, which requires approvals or compliances under any Act or Regulations.

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

Cont...3...

(i) *We report that the Company has received penalty notices from BSE Limited for non-compliances under various regulations of SEBI (LODR) Regulations, 2015. The Company has made payment of all fines/penalties imposed by BSE Limited during the financial year.*

We further report having regard to the compliance system prevailing in the Company and as per explanations and management representations obtained and relied upon by us the Company has adequate systems and processes commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines etc.

We report that the Compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same has been subject to review by statutory auditors.

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive 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 provision of the Act.

2. 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.

3. Adequate notices are given to all Directors to schedule the Board Meetings, Board Committee Meetings, agenda and detailed notes on agenda were sent well 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 of the decisions being carried through while the dissenting members views, if any, are captured and recorded as part of the minutes.

Cont...4

...

We further report that during the audit period, no events/actions occurred which had a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

As informed, the Company has responded appropriately to notices received from various statutory/regulatory authorities including initiating actions for corrective measures, wherever found necessary.

For **GMJ & ASSOCIATES**
Company Secretaries

[MAHESH SONI]
PARTNER
FCS: 3706 COP: 2324
UDIN: F003706C000777050.

PLACE: MUMBAI
DATE: AUGUST 13, 2021.

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE' and forms an integral part of this report.

ANNEXURE

To,
The Members,
SHARAD FIBRES AND YARN PROCESSORS LIMITED
19, Floor-3rd, Prabhadevi Industrial Estate,
408, Veer Savarkar Marg, Prabhadevi,
Mumbai - 400 025.

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

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the 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.
7. We have verified the documents provided by the Company through Virtual Private Network (VPN) for audit purpose due to COVID-19 restrictions in Maharashtra, Mumbai, physical examination of documents is not possible.

For **GMJ & ASSOCIATES**
Company Secretaries

[MAHESH SONI]
PARTNER
FCS: 3706 COP: 2324
UDIN: F003706C000777050.

PLACE: MUMBAI
DATE: AUGUST 13, 2021.

J. H. BHANDARI & CO.

CHARTERED ACCOUNTANTS

4/9, Shreepati Arcade Annexe - 3, 22, A. K. Marg, Nana Chowk, Mumbai - 400036.
Mob No. 9819660855 Email ID. jinal.parikh@ymail.com

INDEPENDENT AUDITOR'S REPORT

To the Members of Sharad Fibres and Yarn Processors Limited

Report on the Audit of Standalone Ind AS Financial Statements

Opinion

I have audited the accompanying standalone financial statements of Sharad Fibres and Yarn Processors Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid standalone 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, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

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

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

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

In connection with my audit of the standalone financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or my knowledge obtained during the course of my audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view

J. H. BHANDARI & CO.
CHARTERED ACCOUNTANTS

4/9, Shreepati Arcade Annexe - 3, 22, A. K. Marg, Nana Chowk, Mumbai - 400036.
Mob No. 9819660855 Email ID. jinal.parikh@ymail.com

of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

As part of an audit in accordance with SAs, I have exercised professional judgment and maintain professional scepticism throughout the audit. I also:

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

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

J. H. BHANDARI & CO.

CHARTERED ACCOUNTANTS

4/9, Shreepati Arcade Annexe - 3, 22, A. K. Marg, Nana Chowk, Mumbai - 400036.
Mob No. 9819660855 Email ID. jinal.parikh@ymail.com

□ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

□ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Company to cease to continue as a going concern.

□ Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during our audit.

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

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

J. H. BHANDARI & CO.

CHARTERED ACCOUNTANTS

4/9, Shreepati Arcade Annexe - 3, 22, A. K. Marg, Nana Chowk, Mumbai - 400036.
Mob No. 9819660855 Email ID. jinal.parikh@ymail.com

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on my audit I report, to the extent applicable that:

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

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

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

d) In my opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except Ind AS – 19 Retirement Benefits.

e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the director is disqualified as on 31st March, 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 my separate Report in "**Annexure A**". My report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

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.

J. H. BHANDARI & CO.

CHARTERED ACCOUNTANTS

4/9, Shreepati Arcade Annexe - 3, 22, A. K. Marg, Nana Chowk, Mumbai - 400036.
Mob No. 9819660855 Email ID. jinal.parikh@ymail.com

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, I give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For J H Bhandari & Co.

Chartered Accountants

Firm Reg. No. 138960W

Place: **Mumbai**

Date: **30th June, 2021**

UDIN: **21158795AAAAAI1636**

Jinal H. Bhandari

Proprietor

Membership No: 158795

SHARAD FIBRES & YARN PROCESSORS LIMITED

Balance Sheet as on 31st March, 2021

Particulars	Note No.	Year Ended 31/03/2021	Year Ended 31/03/2020
ASSETS			
Non - Current Assets			
Propert, Plant and Equipment	3	24,55,141	1,15,09,014
Capital Work-in-Progress		-	-
Investment Properties		-	-
Goodwill		-	-
Other Intangible Assets		-	-
Financial Assets			
Investments	4(a)	-	-
Loans	4(c)	-	-
Other Financial Assets	4(e)	9,48,491	8,11,672
Deferred Tax Assets (net)		-	-
Other Non-Current Assets	5	-	1,00,000
Total Non-Current Assets		**34,03,632**	**1,24,20,686**
Current Assets			
Inventories	6	-	14,41,435
Financial Assets			
i. Investments		-	-
ii. Trade Receivables	4(b)	40,400	2,25,52,668
iii. Cash and Cash Equivalents	4(d)	1,16,63,308	1,78,01,356
iv. Loans and Advances	4(c)	61,168	-
v. Other Financial Assets	4(e)	-	-
Other Current Assets	7	1,73,340	2,25,980
Assets classified as held for sale		-	-
Total Current Assets		**1,19,38,215**	**4,20,21,438**
Total Assets		**1,53,41,847**	**5,44,42,124**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	8(a)	4,36,64,000	4,36,64,000
Other Equity			
Reserves & Surplus	8(b)	-3,19,27,712	-44,17,72,772
Other Reserves		-	-
Total Equity		**1,17,36,289**	**-39,81,08,772**
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
i. Borrowings	9(a)	3,48,320	44,88,71,673
ii. Other Financial Liabilities		-	-
Provisions		-	-
Employee Benefit Obligations		-	-
Deferred Tax Liabilities		-	-
Government Grants		-	-
Other Non Current Liabilities		-	-
Total Non Current Liabilities		**3,48,320**	**44,88,71,673**

	49		
Current Liabilities			
Financial Liabilities			
i. Borrowings	9(b)	3,22,023	7,91,071
ii. Trade Payables	9(c)	18,74,358	22,12,377
iii. Other Financial Liabilities		-	-
Provisions		-	-
Employee Benefit Obligations		-	-
Government Grants		-	-
Current Tax Liabilities		-	-
Other Current Liabilities	10	10,60,858	6,75,774
Liabilities directly associated with assets classified held for sale		-	-
Total Current Liabilities		**32,57,239**	**36,79,222**
Total Liabilities		**36,05,559**	**45,25,50,896**
Total Equity and Liabilities		**1,53,41,847**	**5,44,42,124**

The accompanying notes form an integral part of the financial statements.
As per our Report of even date

For J H Bhandari & Co.
Chartered Accountants
Firm Reg. No. 138960W

For and on behalf of the Board

Jinal Bhandari
Proprietor
M. No. 158795

Jyoti Nankani
Managing Director
DIN- 07145004

Aditya Dalmia
CFO
DIN- 00634890

Unnikrishnan Nair
Director
DIN- 01159376

Namita Rathore
Company Secretary

Place: Mumbai
Date: 30th June, 2021

Place: Mumbai
Date: 30th June, 2021

SHARAD FIBRES & YARN PROCESSORS LIMITED
Statement of Profit and Loss for the 31st March, 2021

Particulars	Note No.	Year Ended 31/03/2021	Year Ended 31/03/2020
Revenue from Operations	11	1,00,03,460	2,02,92,250
Other Income	12	18,84,25,944	1,42,413
Total income		**19,84,29,404**	**2,04,34,663**
Expenses			
Cost of Material Consumed	13	1,41,37,561	2,43,76,709
Purchase of Stock-in-Trade		-	-
Change in inventories of work-in-progress, stock in trade and finished goods	14	-	-
Employee Benefits Expenses	16	31,11,819	14,49,573
Depreciation and Amortization Expense	17	14,37,762	12,56,124
Impairment of Goodwill and Other Non Current Assets		-	-
Other Expenses	18	2,98,32,455	27,45,536
Finance Cost	20	94,924	1,69,331
Total Expenses		**4,86,14,521**	**2,99,97,273**
Profit Before Tax		**14,98,14,883**	**(95,62,610)**
Income Tax Expenses			
- Current Tax		-	-
- Deferred Tax		-	-
Profit (Loss) for the period from continuing operations		**14,98,14,883**	**(95,62,610)**
Profit (Loss) for the period from discontinued operations		-	-
XIII. Profit (Loss) for the period		**14,98,14,883**	**(95,62,610)**
Other comprehensive income			
Items that may be reclassified to profit or loss		-	-
Items that may not be reclassified to profit or loss		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		-	-
Earnings per equity share			
Basic		**34.31**	**(2.19)**
Diluted		**34.31**	**(2.19)**

The accompanying notes form an integral part of the financial statements.
As per our Report of even date

For J H Bhandari & Co.
Chartered Accountants
Firm Reg. No. 138960W

For and on behalf of the Board

Jinal Bhandari
Proprietor
M. No. 158795

Jyoti Nankani
Managing Director
DIN- 07145004

Aditya Dalmia
CFO
DIN- 00634890

Unnikrishnan Nair
Director
DIN- 01159376

Namita Rathore
Company Secretary

Place: Mumbai
Date: 30th June, 2021

Place: Mumbai
Date: 30th June, 2021

SHARAD FIBRES & YARN PROCESSORS LIMITED
Statement of Cash flow for the 31st March, 2021

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Cash flow from opearting activities		
Profit for the year	14,98,14,883	(95,62,610)
Adjustments for		
Depreciation and amortization expense	14,37,762	12,56,124
(Profit)/Loss on disposal of property, plant and equipment	(55,33,889)	-
Interest and dividend income	(17,87,08,707)	-
Changes in asset and liabilities		
Decrease / (Increase) in Trade Receivables	2,25,12,268	17,94,492
Decrease /(Increase) in Inventories	14,41,435	(8,06,945)
Decrease /(Increase) in Other Non Current Assets	(59,108)	45,433
Decrease /(Increase) in Other Current Assets	52,640	6,63,002
(Decrease) /Increase in Trade Payables	(3,38,019)	19,49,413
(Decrease) /Increase in Other Current liabilities	3,85,084	1,37,129
Decrease /(Increase) in Loans & Advances	(61,168)	-
Cash generated from operations		
Income taxes paid	22,289	(21,273)
Net cash flow from operating activities	(90,34,530)	(45,45,235)
Cash flow from investing activities		
Purchase of property, plant and equipment		-
Proceeds from sale of plant, property and equipment	1,31,50,000	-
Proceeds from sale of investment		-
Interest received	-	-
Net cash flow from investing activities	1,31,50,000	-
Cash flow from financing activities		
Proceeds from borrowings	81,64,484	42,25,211
Repayment of borrowings	(1,84,18,002)	
Net cash flow from financing activities	(1,02,53,518)	42,25,211
Net increase/ decrease in cash and cash equivalents		
Cash and cash equivalents at beginning of the financial year	1,78,01,356	1,81,21,380
Effects of exchange rate changes on cash and cash equivalents		-
Cash and cash equivalents at end of the year	**1,16,63,308**	**1,78,01,356**

Reconciliation of cash and cash equivalents as per the cash flow statement

Cash and cash equivalents as per above comprise of the following

	31 March 2021	31 March 2020
Cash and cash equivalents (note 6(d))	1,16,63,308	1,78,01,356
Bank Overdrafts (note 13(a))		
Balances as per statement of cash flows	1,16,63,308	1,78,01,356

The accompanying notes form an integral part of the financial statements
As per our Report of even date

For J H Bhandari & Co.
Chartered Accountants
Firm Reg. No. 138960W

For and on behalf of the Board

Jinal Bhandari
Proprietor
M. No. 158795

Jyoti Nankani
Managing Director
DIN- 07145004

Aditya Dalmia
CFO
DIN- 00634890

Unnikrishnan Nair
Director
DIN- 01159376

Namita Rathore
Company Secretary

Place: Mumbai
Date: 30th June, 2021

Place: Mumbai
Date: 30th June, 2021

SHARAD FIBRES & YARN PROCESSORS LIMITED

Statement of changes in equity for the year ended 31st March, 2021

A. Equity Share Capital

Particulars	Notes	
As at 1 April 2019		
Changes in equity share capital	8	4,36,64,000
As at 31 March 2020		**4,36,64,000**
Changes in equity share capital	8	4,36,64,000
As at 31 March 2021		**4,36,64,000**

B. Other Equity

Particulars	Other Equity				Total
	Reserves and Surplus		Other comprehensive income		
	Retained Earnings	Capital reserve	Equity Instruments	Other items of other comprehensive income	
Balance as at April 1, 2019	(43,42,96,408)	21,07,457	-	-	(43,21,88,951)
Profit for the year / Other Additions	(95,83,821)	-	-	-	(95,83,821)
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	**(44,38,80,229)**	**21,07,457**	-	-	**(44,17,72,772)**
Remeasurement of the net defined benefit liability/asset		-	-	-	-
Fair value changes on derivatives designated as cash flow hedge	-	-	-	-	-
Fair value changes on investments, net	-	-	-	-	-
Equity instruments through other comprehensive income	-	-	-	-	-
Transactions with owners in their capacity as owners:					
Issue of equity	-	-	-	-	-
Dividends paid	-	-	-	-	-
Employee stock option expense	-	-	-	-	-
Balance as at 31 March, 2020	**(44,38,80,229)**	**21,07,457**	-	-	**(44,17,72,772)**

Particulars	Other Equity				Total
	Reserves and Surplus		Other comprehensive income		
	Retained Earnings	Capital reserve	Equity Instruments	Other items of other comprehensive income	
Balance as at April 1, 2020	(44,38,80,229)	21,07,457	-	-	(44,17,72,772)
Profit for the year / Other Additions	26,01,37,798	14,97,07,261	-	-	40,98,45,060
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	**(18,37,42,430)**	**15,18,14,718**	**-**	**-**	**(3,19,27,712)**
Remeasurement of the net defined benefit liability/asset			-	-	-
Fair value changes on derivatives designated as cash flow hedge	-	-	-	-	-
Fair value changes on investments, net	-	-	-	-	-
Equity instruments through other comprehensive income	-	-	-	-	-
Transactions with owners in their capacity as owners:					
Issue of equity	-	-	-	-	-
Dividends paid	-	-	-	-	-
Employee stock option expense	-	-	-	-	-
Balance as at 31 March, 2021	**(18,37,42,430)**	**15,18,14,718**	**-**	**-**	**(3,19,27,712)**

The accompanying notes form an integral part of the financial statements
As per our Report of even date

For and on behalf of the Board

For J H Bhandari & Co.
Chartered Accountants
Firm Reg. No. 138960W

Jyoti Nankani
Managing Director
DIN- 07145004

Aditya Dalmia
CFO
DIN- 00634890

Jinal Bhandari
Proprietor
M. No. 158795

Unnikrishnan Nair
Director
DIN- 01159376

Namita Rathore
Company Secretary

Place: Mumbai
Date: 30th June, 2021

Place: Mumbai
Date: 30th June, 2021

SHARAD FIBRE & YARN PROCESSORS LIMITED

Notes to the financial statements for the year ended March 31, 2021

1. Corporate Information

The company is engaged in the business of manufacturing recycling of plastic wastes.

2. Significant Accounting Policies

i) Statement of Compliance

These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act except for Ind AS 19 - Retirement Benefits

ii) Basis of Accounting

The accounts of the company are prepared under the historical convention using accrual method of accounting. The company has incurred huge losses. The net worth of the company is completely eroded. But the company is hopeful for the revival in its business activities in future and hence these financial statements have been prepared on going concern basis, despite accumulated losses.

iii) Property, Plant and Equipment

All Property Plant & Equipments are stated at cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any. Direct costs are capitalised until the assets are ready for use and includes freight, duties, taxes and expenses incidental to acquisition and installation. Subsequent expenditures related to an item of Property Plant & Equipment are added to its carrying value only when it is probable that the future economic benefits from the asset will flow to the Company & cost can be reliably measured. Losses arising from the retirement of, and gains or losses arising from disposal of Property, Plant and Equipment are recognised in the Statement of Profit and Loss.

Depreciation is provided on a pro-rata basis on the straight-line method ('SLM') over the estimated useful lives of the assets specified in Schedule II of the Companies Act, 2013.

iv) Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

v) Retirement Benefits

Compensation payable to employees retired is charged out in full in the year in which such expenditure is incurred. No provision has been made in the books of accounts of the Company on account of retirement benefits of the employees, in accordance with the Ind AS-19, as the same is made on cash basis and shall be provided in the books of the company as and when paid.

vi) Inventories

Inventories comprise of Raw Materials and Finished Goods (Manufactured and Traded). Inventories are valued at the lower of Cost and Net Realisable Value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to their present location and condition, including GST and other levies, transit insurance. Finished Goods comprises of materials, direct labour, other direct costs and related production overheads. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

vii) Foreign Currency Transactions

- Initial Recognition: Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date

- Conversion: At the year end, monetary items denominated in foreign currencies are converted into rupee equivalents at the year-end exchange rates.

- Exchange Differences: All exchange differences arising on settlement and/or conversion on foreign currency transaction are included in the Profit & Loss Account.

viii) Taxation

- Provision for Current Tax is made with reference to taxable income computed for the accounting period, for which the financial statements are prepared by the tax rates as applicable. However, the company has not provided for income tax as there is no income tax payable.
- No Deferred Tax Assets are created in the books of the company as in the opinion of the management, they are not reasonably certain that there will be sufficient future income to recover such Deferred Tax Assets.

ix) Provisions and Contingent Liabilities

- Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).
- Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not

probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

- The Final GST Output liability, claim of Input tax credit and the amount of GST debited to Profit and Loss account, are subject to finalization of GST Audit, which is not complete as on the date of signing this Balance Sheet. Due to this reason, the impact on Financial Statements on account of GST credit mismatch cannot be stated.

x) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Sale of goods: Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, based on the applicable incoterms. Amounts disclosed as revenue are net of returns, trade allowances, rebates, GST, value added taxes and amounts collected on behalf of third parties. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and the revenue recognition criteria have been complied.

xi) Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents includes cash on hand and demand deposits with banks.

xii) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

- Fair value of financial assets and financial liabilities

All financial assets and liabilities are carried at amortised cost. The management consider that the carrying amounts of financial assets and liabilities recognized in the financial statements approximate their fair value as on March 31, 2021 and March 31 2020.

- Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost and trade receivables. For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss ("ECL") allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

xiii) Earnings Per Share (EPS)

EPS is calculated by dividing the Profit / (loss) attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Numbers used for calculating basic and diluted earnings per equity share are as stated below:

	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit / (Loss) after tax	14,98,14,883	(95,62,610)
Weighted Number of Shares (nos.)	43,66,400	43,66,400
EPS (Rs.)		
Basic/Diluted Earnings Per Share (Rs.)	34.31	(2.19)
Face value per share (Rs.)	10.00	10.00

xiv) Segment Reporting

An entity shall report separately information about each operating segment that:

- has been identified as an Operating Segment or results from aggregating two or more of those segments, and
- exceeds the quantitative thresholds as specified in Ind AS 108 – Operating Segments

However, the company does not fall into any of the above stated criteria and hence the company does not qualify as a reportable segment and thus no segment reporting is provided.

xv) Investments

There are no Investments held by the company as on balance sheet date.

xvi) Related Party Disclosures

As per Indian Accounting Standard-24 issued by the Institute of Chartered Accountants of India, the disclosure of transactions with related parties as defined in the Accounting Standard are given below:

a) List of related parties with whom transactions have taken place and relationship:

Sr.No.	Name of the Related Party	Relationship
1	Ravi Dalmia	Key Management Personnel
2	Aditya Dalmia	Key Management Personnel
3	Unnikrishnan Nair	Key Management Personnel
4	Surendra Bahadur Singh	Key Management Personnel
5	Jyoti Nankani	Key Management Personnel
6	Shashi Dalmia	Relative of KMP
9	Dalmia Polypro Industries Pvt. Ltd.	Company in which KMP is a Director
10	S. Dalmia Intermediates Pvt. Ltd.	Company in which KMP is a Director

(ii) Transaction during the year with related parties:

Sales/Purchases						
Name of the Related Party	Relation	Nature	Amount	Clg Balance	Amount	Clg Balance
			31-3-2021	31-3-2021	31-3-2020	31-3-2020
Dalmia Polypro Industries Private Limited	Company in which KMP is a Director	Sales	15,55,350	-	1,23,90,800	-
Dalmia Polypro Industries Private Limited	Company in which KMP is a Director	Purchase	4,95,610	-	86,44,013	-

Other Transactions with Related Parties						
Name of the Related Party	Relation	Nature	Amount	Clg Balance	Amount	Clg Balance
			31-3-2021	31-3-2021	31-3-2020	31-3-2020
Dalmia Polypro Industries Private Limited	Company in which KMP is a Director	Job Work (Income)	83,83,040	(9,81,270)	79,01,450	-
Dalmia Polypro Industries Private Limited	Company in which KMP is a Director	Sale of Factory Land and Building (Advance in Preceeding year)	1,31,50,000	-	1,31,50,000	-

i) OTHER NOTES

i) Expenditure in foreign currency during the financial year on account of:
Foreign Traveling Expenses – (Rs. Nil)

ii) Critical accounting judgements and key sources of estimation uncertainties:
The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

iii) Trade Payables:
Unpaid amount as on 31.03.2021 to Micro, Small and Medium Enterprises Development Act, 2006 could not be ascertained by the Company in absence of classification information as to the status of the Supplier. Hence such information is not disclosed in the financial statements.

iv) The office of the company secretary was vacant from January 2020 to December, 2020. The company has now appointed a full-time company secretary as per section 203.

v) - In absence of exact break up of Term Loan & Working Capital Loan and its Interest, we have taken the respective figures of Term Loan & Working Capital Loan on pro rata basis based on the sanctioned amounts in the year 1999.
- Further, interest amount is considered to be the sum of Term Loan interest which have not been paid and were disallowed u/s 43B of the Income Tax Act in earlier years.

For J H Bhandari & Co.
Chartered Accountants
FRN: 138960W

Jinal H. Bhandari
Proprietor
M. No.: 158795

Place: **Mumbai**
Date: **30th June, 2021**

For Sharad Fibre & Yarn Processors Limited

Aditya A. Dalmia
CFO
DIN: 00634890

Jyoti Nankani
M.D.
DIN: 00634870

Unnikrishnan Nair
Director
DIN: 01159376

Namita Rathore
Company Secretary

Place: **Mumbai**
Date: **30th June, 2021**

3 Property, plant and equipment

Particulars	Freehold Land	Building	Computer	Plant & Machinery	Equipment	Vehicles	Electrical Instalations	Capital work-in-progress	Total
Year ended 31 March, 2020									
Gross carrying amount									
Deemed cost as at 1 April 2020	5,91,905	59,59,081	69,000	71,56,249	6,700	58,92,085	2,21,435	-	1,98,96,455
Additions				-		-			-
Assets included in a disposal group classified as held for sale									
Disposals									
Closing gross carrying amount	**5,91,905**	**59,59,081**	**69,000**	**71,56,249**	**6,700**	**58,92,085**	**2,21,435**	**-**	**1,98,96,455**
Accumulated Depreciation									
Accumulated Depreciation as at 1 April 2020	-	37,64,261	65,550	11,25,769	3,736	20,61,951	1,10,091	-	71,31,358
Depreciation charge during the year	-	77,014		4,69,500	651	6,87,523	21,436	-	12,56,124
Disposals									
Closing accumulated depreciation	**-**	**38,41,275**	**65,550**	**15,95,269**	**4,387**	**27,49,474**	**1,31,527**	**-**	**83,87,482**
Net Carrying amount	**5,91,905**	**21,17,806**	**3,450**	**55,61,021**	**2,313**	**31,42,611**	**89,908**	**-**	**1,15,09,014**
Year ended 31 March, 2021									
Gross carrying amount									
Opening gross carrying amount	5,91,905	59,59,081	69,000	71,56,249	6,700	58,92,085	2,21,435	-	1,98,96,455
Additions									-
Assets classified as held for sale									
Disposals	5,91,905	59,59,081	69,000	71,56,249	6,700	-	2,21,435		
Transfers									
Closing gross carrying amount	**-**	**-**	**-**	**-**	**-**	**58,92,085**	**-**	**-**	**1,98,96,455**
Accumulated Depreciation and impairment									
Opening accumulated depreciation	-	38,41,275	65,550	15,95,269	4,387	27,49,474	1,31,527	-	83,87,482
Depreciation charge during the year	-	66,464	3,450	5,89,855	562	6,87,470	89,908		14,37,709
Impairment loss									
Disposals		39,07,739	69,000	21,85,124	4,949	-	2,21,435		63,88,247
Exchange differences									
Assets classified as held for sale									
Closing accumulated depreciation and impairment	**-**	**-**	**-**	**-**	**-**	**34,36,944**	**-**	**-**	**34,36,944**
Net Carrying amount	-	-	-	-	-	**24,55,141**	-	-	**24,55,141**

Note: The depreciation method used is as per assets useful life.

4 Financial assets

4(a) Non-current investments

Particulars	31-Mar-21	31-Mar-20
Investment in equity instruments	-	-
Total non-current investments	-	-
Aggregate amount of quoted investments and market value there of		
Aggregate amount of unquoted investments		
Aggregate amount of impairment in the value of investments		

4(a) Current investments

Particulars	31-Mar-21	31-Mar-20
Investment in equity instruments	-	-
Total non-current investments	-	-
Aggregate amount of quoted investments and market value there of		
Aggregate amount of unquoted investments		
Aggregate amount of impairment in the value of investments		

4(b) Trade Receivables

Particulars	31-Mar-21	31-Mar-20
Trade Receivables	40,400	2,25,52,668
Receivables from related parties	-	-
Less: Allowance for doubtful debts	-	-
Total Receivables	**40,400**	**2,25,52,668**
Current portion	**40,400**	**71,080**
Non current portion	-	**2,24,81,588**

Break up of Security Details

Particulars	31-Mar-21	31-Mar-20
Secured, considered good	-	
Unsecured, considered good	40,400	2,25,52,668
Doubtful	-	
Total	**40,400**	**2,25,52,668**
Allowance for doubtful debts	-	
Total trade receivables	**40,400**	**2,25,52,668**

4(c) Loans

Particulars	31-Mar-21		31-Mar-20	
	Current	Non Current	Current	Non Current
Unsecured, considered good				
Loan to Employees	61,168			
Unsecured, considered doubtful				
Loan to Employees	-	-	-	-
Less: Allowance for doubtful loans	-	-	-	-
Total loans	**61,168**	-	-	-

4(d) Cash and cash equivalents

Particulars	31-Mar-21	31-Mar-20
Balances with banks		
- In Current Accounts	1,09,57,241	1,70,40,475
- in EEFC Account	-	-
Deposit with maturity of less than three months	-	-
Cash on hand	7,06,067	7,60,881
Total Cash and Cash Equivalents	**1,16,63,308**	**1,78,01,356**

4(e) Other financial assets

Particulars	31-Mar-21		31-Mar-20	
	Current	Non Current	Current	Non Current
Derivatives				
Others				
Security deposits	-	2,68,375	-	2,68,375
Balance with Revenue Authorities	-	6,41,216	-	5,04,397
Bank Deposits with more than 12 months Maturity	-	38,900	-	38,900
Total Other Financial Assets	**-**	**9,48,491**	**-**	**8,11,672**

5 ***Other Non Current Assets***

Particulars	31-Mar-21	31-Mar-20
Capital advances	-	-
Advances other than Capital Advances	-	1,00,000
Total Other Non Current Assets	**-**	**1,00,000**

6 ***Inventories***

Particulars	31-Mar-21	31-Mar-20
Raw materials	-	14,41,435
Work-in-progress		
Finished goods		
Traded goods		
Stores and spares	-	-
Total Inventories	**-**	**14,41,435**

Note:

Valuation of Stock is as follows:

i) Raw Material stock is valued at cost.

ii) Finished Goods are valued at cost or NRV whichever is lower.

iii) The inventories have been physically verified, valued and certified by the management.

7 ***Other Current Assets***

Particulars	31-Mar-21	31-Mar-20
Prepayments	1,05,680	1,58,320
Advances to Suppliers	-	-
Other Receivables	67,660	67,660
Total Other Non Current Assets	**1,73,340**	**2,25,980**

8 *Equity*

8(a)(i) Equity share capital

Particulars	Number of shares	Amount
As at 1 April 2019	43,66,400	4,36,64,000
Increase during the year		
As at 31 March 2020	**43,66,400**	**4,36,64,000**
Increase during the year	-	-
As at 31 March 2021	**43,66,400**	**4,36,64,000**

(i) Movement in equity share capital

Particulars	Number of shares	Amount
As at 1 April 2019	43,66,400	4,36,64,000
Issued during the year		
As at 31 March 2020	**43,66,400**	**4,36,64,000**
Increase during the year	-	-
As at 31 March 2021	**43,66,400**	**4,36,64,000**

(ii) Details of shares held by each shareholders holding more than 5%

Particulars	31-Mar-21		31-Mar-20	
	No. of shares	% holding	No. of shares	% holding
Ravi Dalmia	6,15,476	14.10%	6,15,476	14.10%
Ravi Dalmia HUF	2,25,200	5.16%	2,25,200	5.16%
Aditya Dalmia	6,37,915	14.61%	6,37,915	14.61%
Aditya Dalmia HUF	2,11,750	5.29%	2,11,750	5.29%
Shashi Dalmia	7,89,917	18.09%	7,89,917	18.09%

8(b) Reserves and Surplus

Particulars	31-Mar-21		31-Mar-20	
Capital Reserves				
Opening Balance	21,07,457		21,07,457	
Add: Loan Write Back (Principal of Term Loan)	14,97,07,261		-	
Closing Balance		15,18,14,718		21,07,457
Retained Earnings				
Opening Balance	-44,38,80,229		-43,42,96,408	
Profit for the year	14,98,14,883		-95,62,610	
Add / Less:- P&L Appropriation:	-			
Income Tax Excess Provision W/off	-		-21,211	
Loan Write Back (Working Capital Loan)	11,03,22,916	-18,37,42,430	-	-44,38,80,229
Total reserves and surplus		**-3,19,27,712**		**-44,17,72,772**

9 *Financial Liabilities*

9(a) Non Current Borrowings

Particulars	Interest Rate	31-Mar-21	31-Mar-20
Secured			
Term loans			
-Banks	Please refer note below	3,48,320	6,47,273
Unsecured			
Loans and Advances from Others	-	-	43,50,74,400
Capital Advance recd for sale of Property	-	-	1,31,50,000
Total Non Current Borrowings		**3,48,320**	**44,88,71,673**

Notes

(i) Loans Amounting to Rs. 3,48,320/- (Rs. 6,47,273/-) as shown under the head Term Loans From Bank of Secured Borrowings is secured against the car purchased.

(ii) Loan taken from ICICI Bank is to be repaid in 60 monthly instalments of Rs. 46,088/- each. Rate of Interest charged by the Bank is 9.75%

(iii) Loan taken from YES Bank is to be repaid in 60 monthly instalments of Rs. 28,170/- each. Rate of Interest charged by the Bank is 9.25%

(iv) Company has not defaulted in repayment of the said car loan.

9(b) Current borrowings

Particulars	Interest Rate	31-Mar-21	31-Mar-20
Loans repayable on demand			
Secured			
Bank overdraft	-	-	-
From banks			
-YES BANK Car Loan	9.25%	2,86,488	2,69,468
-ICICI Car Loan	9.75%	35,535	5,21,603
Total Current Borrowings		**3,22,023**	**7,91,071**

Notes

(i) Company has not defaulted in repayment of the said car loan.

(ii) Loans Amounting to Rs. 35,535/- (Rs. 5,21,603/-) as shown under the head Term Loans From ICICI Bank of Secured Borrowings is secured against the car purchased.

(iii) The above mentioned loan taken from ICICI Bank is to be repaid in 60 monthly instalments of Rs. 46,088/- each.

Rate of interest charged by the Bank is 9.75%

(iv) Loans Amounting to Rs. 2,86,488/- (Rs. 2,69,468/-) as shown under the head Term Loans From Yes Bank of Secured Borrowings is secured against the car purchased.

(v) Loan taken from YES Bank is to be repaid in 60 monthly instalments of Rs. 28,170/- each. Rate of interest charged by the Bank is 6.28%

9(c) Trade Payables

Particulars	31-Mar-21	31-Mar-20
Current		
Trade payables	18,74,358	22,12,377
Trade payables to related parties	-	-
Total Trade Payables	**18,74,358**	**22,12,377**

10 *Other Current Liabilities*

Particulars	31-Mar-21	31-Mar-20
Statutory Tax Payables	79,588	1,33,840
Advance from customers	9,81,270	3,53,858
Salary Payable	-	1,88,076
Total Other Non Current Assets	**10,60,858**	**6,75,774**

11 Revenue from operations

Particulars	31-Mar-21	31-Mar-20
Sale of Products	16,20,420	1,23,90,800
Job Work	83,83,040	79,01,450
Total Revenue from Operations	**1,00,03,460**	**2,02,92,250**

12 Other Income

Particulars	31-Mar-21	31-Mar-20
Sundry Balances Written back	-	1,42,413
Interest on Refund	11,431	-
Interest Written back	17,87,08,707	-
Profit on Sale of Fixed Asset	97,05,806	-
Total Other Income	**18,84,25,944**	**1,42,413**

13 Cost of Material consumed

Particulars	31-Mar-21	31-Mar-20
Opening Stocks	14,41,435	6,34,490
Add: Purchases	4,95,610	1,16,55,245
Add: Direct Expenses	1,22,00,516	1,35,28,409
Less: Closing Stocks	-	14,41,435
Total Cost of Material Consumed	**1,41,37,561**	**2,43,76,709**

14 Change in Inventories of work-in-progress, stock in trade and finished goods

Particulars	31-Mar-21	31-Mar-20
Finished Goods		
Closing Stock	-	-
less: Opening Stock	-	-
Total Changes in Finished Goods	**-**	**-**

15 Other Direct Expenses

Particulars	31-Mar-21	31-Mar-20
Additive Exp.	19,700	1,09,125
Freight & Forwarding	19,472	50,475
Factory Expense	2,31,764	-
Insp. Testing & Certification	1,500	-
Lab Exp	-	9,500
Labour Charges	27,75,603	21,12,600
Loading & Unloading Exp.	66,660	1,20,600
Packing Expenses	13,020	17,980
Power & Fuel	69,19,045	66,86,128
Repair and Maintenance	4,74,847	6,17,042
Stores and Spares	16,78,905	15,22,235
Wages and Salaries	-	22,82,724
Total	**1,22,00,516**	**1,35,28,409**

16 Employee benefits expense

Particulars	31-Mar-21	31-Mar-20
Salaries and Wages	28,53,386	6,65,500
Contribution to Provident & Other Funds (incl Admin Charges)	1,08,095	99,223
Gratuity	-	4,38,545
Staff Welfare expenses	1,50,338	2,46,305
Total	**31,11,819**	**14,49,573**

17 Depreciation and amortization expense

Particulars	31-Mar-21	31-Mar-20
Depreciation of property, plant and equipment	14,37,762	12,56,124
Total	**14,37,762**	**12,56,124**

18 Other Expenses

Particulars	31-Mar-21	31-Mar-20
Advertisement Expenses	49,240	51,500
Payment to Auditor (Note No. 19)	40,000	75,000
Bank Charges	1,947	2,832
Computer Expenses	453	517
Conveyance	16,360	71,060
Insurance	1,66,610	2,11,437
Interest on Late Payment of TDS	9,055	6,464
Interest on Late Payment (Others)	-	3,032
Late Payment charges on GST	7,116	539
Professional charges	13,37,800	7,31,556
Loss on Sale of Asset	41,71,917	-
Motor Car Expenses & Insurance	1,14,577	-
Miscellaneous Expenses	1,07,391	67,661
Postage & Courier Expenses	2,768	14,055
Printing and Stationery	10,704	70,605
Rates and Taxes	16,13,621	2,27,780
Security Expense	2,81,473	2,71,553
Sundry Balances W/off	2,18,81,255	9,28,394
Internet Charges	11,484	-
Telephone Exp.	8,686	11,551
Total	**2,98,32,455**	**27,45,536**

19 Details of payment to Auditors

Particulars	31-Mar-21	31-Mar-20
Audit Fees	40,000	75,000
Total	**40,000**	**75,000**

20 Finance costs

Particulars	31-Mar-21	31-Mar-20
Bank Interest	-	1,69,331
Hire Charges	94,924	
Total	**94,924**	**1,69,331**

SHARAD FIBRES & YARN PROCESSORS LIMITED
Groupings

Particulars	31-Mar-21	31-Mar-20
Long Term Borrowings		
Secured		
Bank Loan		
ICICI car loan(more than 12 months)	-	34,199
YES BANK Car Loan(more than 12 months)	3,48,320	6,13,075
Unsecured		
BST Export Pvt. Ltd.	-	43,50,74,400
	3,48,320	**43,57,21,673**
Current borrowings		
From Bank		
ICICI car loan(more than 12 months)	35,535	5,21,603
YES BANK Car Loan(less than 12 months)	2,86,488	2,69,468
	2,86,488	**2,69,468**
Other Current Liabilities		
Statutory Remittances		
TDS Payable	79,587	30,403
GST payable	-	1,03,437
Employees Contribution to PF	(1)	-
	79,588	**1,33,840**
Trade Payables		
Sundry Creditors for Goods	3,90,277	5,30,160
Sundry Creditors for Expenses	14,84,082	13,70,962
Sundry Creditors for Capital Goods	-	3,11,255
	18,74,358	**22,12,377**
Long Term Loans & Advances		
Security Deposits		
Electricity Security Deposit (HDFC Bank)	10,375	2,50,000
Electricity Dept. Deposit	2,50,000	10,375
Gas deposits	8,000	8,000
	2,68,375	**2,68,375**
Cash and cash equivalent		
HDFC Bank - Unit III(1158)	-	11,55,188
HDFC Bank Silvassa - Goods Plastic 10392	-	1,57,89,098
Dena Bank - Unit III	571	571
Ichalkaranji Bank - Unit II	9,386	9,386
HDFC Bank Prabhadevi (2770) - Goods Plastic	-	23,622
HDFC Bank 16841	1,09,34,559	49,885
Dena Bank Silvassa	12,725	12,725
HDFC Bank 0066		
	1,09,57,241	**1,70,40,475**
Bank Deposits with more than 12 months maturity		
CBI (FDR) - Valsad Branch	38,900	38,900
	38,900	**38,900**
Balances with Government Authorities		
TCS Receivable A.Y. 17-18	60,298	60,298
TDS Receivable A.Y. 19-20	-	1,39,249
TCS Receivable A.Y. 19-20	-	15,320
TDS Receivable A.Y. 20-21	2,89,530	2,89,530
TDS Receivable A.Y. 21-22	1,26,966	-
TCS Receivable A.Y. 21-22	5,314	-
GST Receivable	1,59,108	-
	6,41,216	**5,04,397**