

**SUSTAINABLE SPINNING AND COMMODITIES PRIVATE LIMITED**

Reg. Office: Near Chorania 400 kv Sub Station , Limbadi, Gujarat-363421

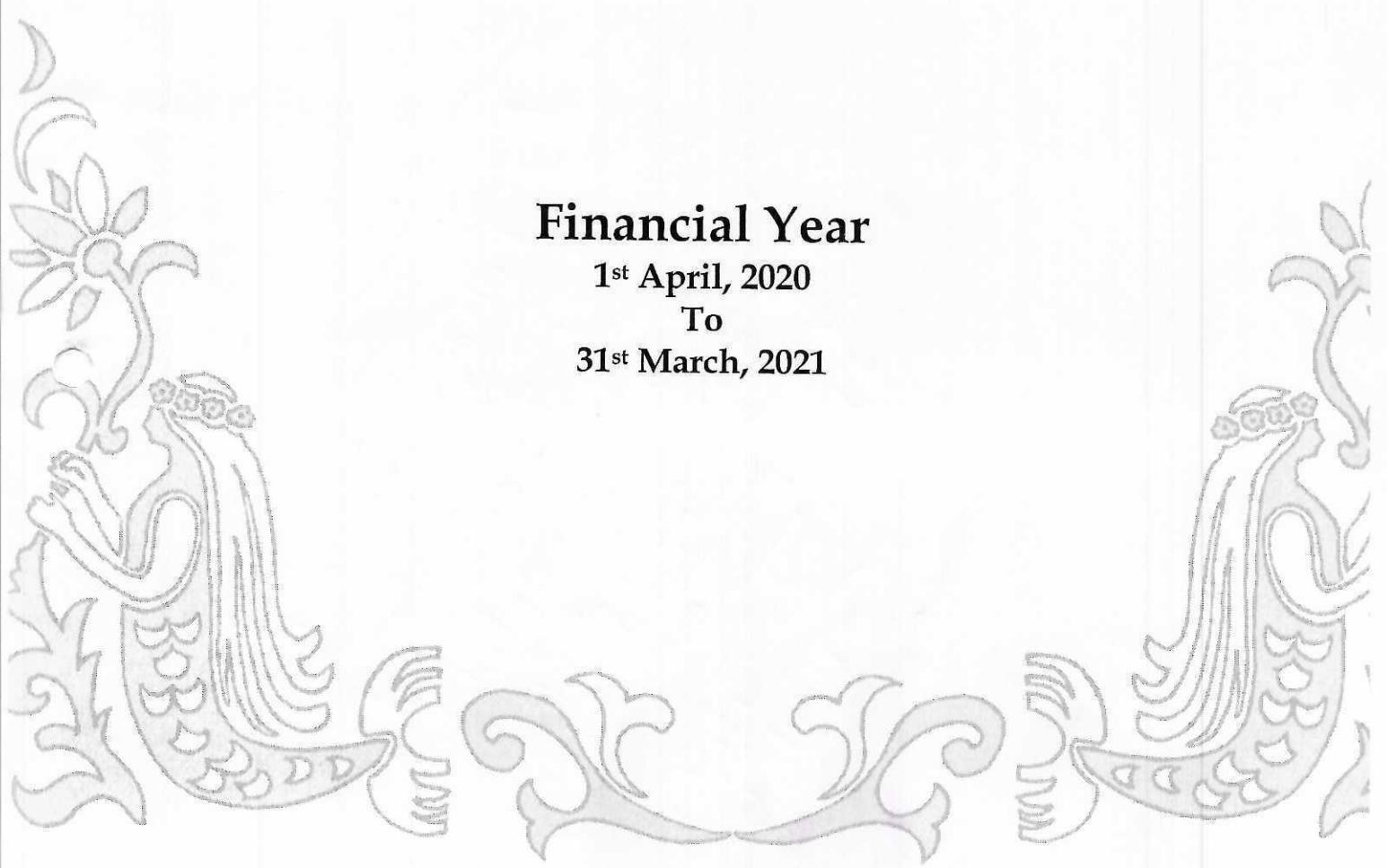
**ANNUAL REPORT**

**Financial Year**

**1<sup>st</sup> April, 2020**

**To**

**31<sup>st</sup> March, 2021**



# **Sustainable Spinning And Commodities Private Limited**

## **PROFILE OF THE COMPANY:**

The company has been incorporated on 17<sup>th</sup> October, 2012. The company is mainly engaged in manufacturing of Cotton Yarn.

## **BOARD OF DIRECTORS:**

1. Mohamedhasanain Husenali Narsinh
2. Minazben Husenali Narsinh
3. Husenali yusufali Narsinh
4. Fatema Mohmadhasnein Narsinh

## **BANKER**

1. State Bank of India
2. Indian Bank
3. Bank Of Baroda

## **AUDITORS:**

Parekh Parekh & Associates  
Chartered Accountants  
201, Abhijyot Flat,  
Nr. Avanti Bungalows,  
Billeswar Mahadev Road,  
Satellite,  
Ahmedabad - 380015

## **REGISTERED OFFICE**

Near Chorania 400 kv Sub Station ,  
Limbd, Gujarat-363421



## **Independent Auditor's Report**

**To the Members,**

### **SUSTAINABLE SPINNING & COMMODITIES PRIVATE LIMITED**

#### **Report on the Financial Statements**

#### **Opinion:**

We have audited the accompanying financial statements of the SUSTAINABLE SPINNING & COMMODITIES PRIVATE LIMITED. which comprise of the Balance Sheet as at 31<sup>st</sup> March 2021, the Statement of Profit and Loss, Cash Flow statement for the year ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. in the case of the balance sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2021;
- ii. In the case of the statement of profit and loss, of the profit for the year ended on that date.
- iii. In the case of the statement of Cash Flow for the year ended on that date.

#### **Basis for Opinion:**

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





**Information other than the financial statements and auditors' report thereon:**

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

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

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

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as





applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibility**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A' statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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





- a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c. The Balance Sheet, Statement of Profit and Loss, Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the Balance Sheet and Statement of Profit and Loss, Statement of Cash Flow comply with the Accounting Standards Specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of written representations received from the directors as on 31<sup>st</sup> March 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2021, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls is as per 'Annexure-B'.
- g. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
  - I. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - II. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - III. The Company is not required to transfer the amount to the Investor Education and Protection Fund.

Place: Ahmedabad  
Date: 30/10/2021

For, Parekh Parekh & Associates  
Chartered Accountants

FRN - 132988W

*S.P. Parekh*  
(CA Sunny Parekh)  
(Proprietor)

UDIN: 21131188AAAAJB8373

M.No- 131188







**ANNEXURE TO AUDITOR'S REPORT**

Referred to in Paragraph 9 of our report of even date

- (i) a) Company is maintaining proper records showing full particulars, including quantitative Details and situation of fixed assets.  
  
(b) These fixed assets have been physically verified by the management at reasonable Intervals; we have further informed that no material discrepancies were noticed on such Verification.  
  
(c) Title deeds of all immovable properties are held in the name of Company.
- (ii) (a) Physical verification of inventory has been conducted at reasonable intervals by the management;  
  
(b) The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms or other Parties covered in the register maintained under section 189 of the Companies Act.
- (iv) The Company has not provided loan to related parties under the provisions of Section 186 of the companies act, 2013. The company has complied with the provision of section 185 and 186 of companies act 2013 with respect to loan and investment made.
- (v) In our opinion and according to information and explanation given to us the company has not taken any deposit pursuant to provision of Section 73 to 76 of the Companies act, 2013,
- (vi) The company has maintained proper costing records prescribed in sub Section (1) of section 148 of the Companies Act, 2013 . We have however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) Based on the records produced before us the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, duty of customs, duty of excise, value added tax, GST, cess and any other statutory dues.



(b) According to information and explanation given to us no dues of income tax or sales tax or GST or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess have not been deposited on account of any dispute except There was a demand of Income tax of Rs. 26179330/- wide notice no. ITBA/AST/S/156/2019-20/1020598362(1) for A.Y. 2017-18 for which we have agreed to pay 10% immediately and 90% as 24 equal installment from January 2020 to December 2021. Liability of the remaining amount has been created in books as on 31/03/2021.

- (viii) The company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.
- (ix) According to the informations & explanations given to us term loans were applied for the purpose for which the loans were obtained;
- (x) According to the informations & explanations given to us no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) Provisions of section 197 read with Schedule V to the Companies Act, 2013 related to managerial remuneration is not applicable to company. The Company has paid total Managerial remuneration of Rs. Nil.
- (xii) Provisions specified in Nidhi Rules, 2014 are not applicable to company.
- (xiii) According to the informations & explanations given to us all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) According to the informations & explanations given to us the company has not made preferential allotment or private placement of shares during the year under review so, requirement of section 42 of the Companies Act, 2013 are not applicable to company.
- (xv) According to the informations & explanations given to us the company has not entered into any non-cash transactions with directors or persons connected with him so, the provisions of section 192 of Companies Act, 2013 are not applicable to company.
- (xvi) Provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to company.

Place: Ahmedabad  
Date: 30/10/2021

For, Parekh Parekh & Associates  
Chartered Accountants  
FRN - 132988W  
CA Sunny Parekh  
Partner  
M.No- 131188  
UDIN: 21131188AAAAJB8373





## **ANNEXURE B TO THE AUDITOR'S REPORT**

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

We have audited the internal financial controls over financial reporting of Sustainable Spinning And Commodities Private Limited ('the Company') as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on





the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Ahmedabad

Date: 30/10/2021

For, Parekh Parekh & Associates  
Chartered Accountants

FRN - 132988W

CA Sunny Parekh

Partner

M.No- 131188

UDIN: 21131188AAAAJB8373





**SUSTAINABLE SPINNING & COMMODITIES PRIVATE LIMITED**

**BALANCE SHEET AS AT 31st MARCH, 2021**

**CIN: U51219GJ2012PTC072344**

(Amount in Rs....)

Particulars	Note No.	As at the end of Current Reporting Period 31st March, 2021		As at the end of Current Reporting Period 31st March, 2020	
<b>EQUITY AND LIABILITIES:</b>					
<b>[1] Shareholders' Funds:</b>					
(a) Share Capital	1	585,400,000		585,400,000	
(b) Reserves and Surplus	2	101,162,706		88,379,509	
(c) Money received against share warrants		-	686,562,706	-	673,779,509
<b>[2] Share application money pending allotment:</b>		-		-	
<b>[3] Non-current Liabilities:</b>					
(a) Long-term borrowings	3	460,128,385		572,458,813	
(b) Deferred tax liabilities (Net)	4	27,539,583		34,261,991	
(c) Other long-term liabilities	5	-		-	
(d) Long-term provisions	6	-	487,667,968	-	606,720,804
<b>[4] Current Liabilities:</b>					
(a) Short-term borrowings	7	145,993,965		160,978,918	
(b) Trade payables	8	47,372,591		22,652,245	
(c) Other current liabilities	9	161,967,561		12,930,701	
(d) Short-term provisions	10	26,994,806		4,287,185	
			382,328,923		200,849,049
<b>TOTAL</b>			<b>1,556,559,597</b>		<b>1,481,349,363</b>
<b>ASSETS :</b>					
<b>[1] Non-Current Assets:</b>					
(a) Fixed Assets	11				
(i) Tangible assets		623,401,179		712,576,153	
(ii) Intangible assets					
(iii) Capital Work-in-Progress		60,755,600		9,055,600	
(iv) Intangible assets under development			684,156,779		721,631,753
(b) Non-current investments	12	10,049,991		8,571,243	
(c) Deferred tax assets (Net)		-		-	
(d) Long-term loans and advances	13	-		-	
(e) Other non-current assets	14	-	10,049,991	-	8,571,243
<b>[2] Current Assets:</b>					
(a) Current Investments	15	15,000,000		-	
(b) Inventories	16	135,695,240		152,993,000	
(c) Trade receivables	17	377,704,550		345,438,276	
(d) Cash and cash equivalents	18	46,757,772		5,166,535	
(e) Short-term loans and advances	19	1,968,100		1,748,500	
(f) Other current assets	20	285,227,164		245,800,057	
			862,352,826		751,146,367
<b>TOTAL</b>			<b>1,556,559,597</b>		<b>1,481,349,363</b>
Contingent Liabilities and Commitments	21		22,153,036		22,153,036
<b>Significant Accounting Policies</b>					
<b>Notes Forming Part of the Accounts</b>					
For, Parekh Parekh & Associates Chartered Accountants FRN -132988W					
For and on behalf of the Board of Directors Sustainable Spinning and Commodities Private Limited					
<div><div></div><div><div>Director Husenali Y Narsinh DIN:00102874</div><div>Director Mohammad Hasnein Narsinh DIN:00082026</div><div>Company Secretary Kritika Sharma M. No - A41222</div></div></div>					
(CA Sunny Parekh) Partner M. No - 131188 UDIN:21131188AAAAJB8373 Place: Ahmedabad Date : 30/10/2021					
Place : Limbdi Date : 30/10/2021					



**SUSTAINABLE SPINNING & COMMODITIES PRIVATE LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021**  
**CIN: U51219GJ2012PTC072344**

(Amount in Rs....)			
Particulars	Note No.	As at the end of Current Reporting Period 31st March, 2021	As at the end of Current Reporting Period 31st March, 2020
I Revenue from Operations	22	1,694,892,607	1,732,838,173
II Other income	23	69,000,489	87,010,397
III Total Revenue (I+II)		<b>1,763,893,096</b>	<b>1,819,848,570</b>
IV Expenses			
(a) Cost of Material consumed	24	1,193,188,929	1,368,061,248
(b) Purchase of stock-in-trade	25	-	-
(c) Changes in inventories of finished goods, Work-in-progress and stock-in-trade	26	6,046,990	(73,088,600)
(d) Employee benefits expenses	27	79,369,022	78,347,365
(d) Finance costs	28	60,236,263	64,504,258
(d) Depreciation and amortization expenses	29	105,457,955	128,064,937
(e) Other Expenses	30	294,068,343	233,876,175
Total Expenses		<b>1,738,367,501</b>	<b>1,799,765,383</b>
Profit/ (Loss) before exceptional and extraordinary items and Tax (III-IV)		25,525,595	20,083,187
Exceptional Items/ excess provision write off		-	-
Prior Period Items		-	-
Profit before extraordinary items and Tax		25,525,595	20,083,187
Extraordinary Items		-	-
Profit before Tax		25,525,595	20,083,187
Less: Provision for Taxation			
Current Tax		19,464,806	2,175,456
Deferred Tax		(6,722,408)	(10,382,923)
Profit from the period from continuing operations		12,783,197	28,290,654
Profit from discontinuing operations		-	-
Tax expense of discontinuing operations		-	-
Profit from discontinuing operations		-	-
Profit/(Loss) for the period		<b>12,783,197</b>	<b>28,290,654</b>
Earning per Equity Share (EPS)			
Nominal Value per share Rs.10/-			
(Previous Year Rs.10/-)			
Basic & Diluted		0.22	0.48

Significant Accounting Policies  
Notes Forming Part of the Accounts

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For and on behalf of the Board of Directors

Sustainable Spinning and Commodities Private Limited

For, Parekh Parekh & Associates  
Chartered Accountants  
FRN -132988W

*S. Parekh*



(CA Sunny Parekh)  
Partner  
M. No - 131188  
UDIN:21131188AAAAJB8373  
Place: Ahmedabad  
Date : 30/10/2021

Director  
Husenali Y Narsinh  
DIN:00102874

Director  
Mohammad Hasnein  
Narsinh  
DIN:00082026

Company Secretary  
Kritika Sharma  
M. No - A41222

Place : Limbdi  
Date : 30/10/2021



**SUSTAINABLE SPINNING & COMMODITIES PRIVATE LIMITED**  
**CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2021**  
**CIN: U51219GJ2012PTC072344**

Particulars	Note No.	(Amount in Rs....)	
		As at the end of Current Reporting Period 31st March,2021	As at the end of Current Reporting Period 31st March,2020
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit after Tax and Extraordinary Items		12,783,197	28,290,654
Adjustments:			
Depreciation		105,457,955	128,064,937
Provision for bad and doubtful debts		-	-
Interest Income		1,530,362	742,758
Finance Cost		60,236,263	64,504,258
Provision for Tax		-	-
Deferred Tax Liability		(6,722,408)	(10,382,923)
Operating Profit before Working Capital Changes		170,224,644	209,734,168
<u>Changes in Working Capital :</u>			
Inventories		17,297,760	(67,223,600)
Short Term loans and advances & other current assets		(39,646,707)	21,321,218
Trade Payables		24,720,345	2,101,685
Trade Receivables		(32,266,274)	635,651
Other Current Liabilities		171,744,481	(92,390,010)
Cash Generated from Current Assets		141,849,605	(135,555,055)
Direct Tax Paid		-	-
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>		312,074,249	74,179,113
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Long term loan & advances & other non current assets		(16,478,748)	(2,735,006)
Purchase of Fixed Assets & Capital WIP		(67,982,980)	(9,175,259)
Interest Income from Investments		1,530,362	742,758
Miscellaneous Expenditure		-	-
Proceeds on sale of fixed assets		-	4,122,483
<b>NET CASH FLOW FROM INVESTING ACTIVITIES (B)</b>		(82,931,367)	(7,045,024)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from Share Capital		-	-
Proceeds from securities premium		-	-
Proceeds from Long Term Borrowings		(112,330,429)	(6,128,756)
Short Term Borrowings		(14,984,953)	4,712,317
Finance Cost		60,236,263	64,504,258
Proceeds from Subsidy		-	-
Other Long Term Liability		-	-
Proceeds from Share Applications Money Pending Allotments		-	-
<b>NET CASH FLOW FROM FINANCING ACTIVITIES (C)</b>		(187,551,644)	(65,920,697)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>		41,591,239	1,213,393
Cash and Cash Equivalents (Opening)		5,166,535	3,953,141
Cash and Cash Equivalents (Closing)		46,757,772	5,166,535

For, Parekh Parekh & Associates  
Chartered Accountants  
FRN -132988W

(CA Sunny Parekh)  
Partner  
M. No - 131188  
UDIN:21131188AAAAJB8373  
Place: Ahmedabad  
Date : 30/10/2021



For and on behalf of the Board of Directors  
Sustainable Spinning and Commodities Private Limited

Director  
Husenali Y  
Narsinh  
DIN:00102874

Director  
Mohammad Hasnein  
Narsinh  
DIN:00082026

Company Secretary  
Kritika Sharma  
M. No - A41222

Place :Limdi  
Date : 30/10/2021

**SUSTAINABLE SPINNING & COMMODITIES PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2021**

**NOTE-1**

**SHARE CAPITAL**

Particulars	As at the end of Current Reporting Period 31st March, 2021		As at the end of Current Reporting Period 31st March, 2020	
	Number of shares	Amount(Rs)	Number of shares	Amount(Rs)
<b>Authorised:</b> 60000000 Equity Shares of Rs.10/- each	6,00,00,000	60,00,00,000	6,00,00,000	60,00,00,000
<b>Issued, Subscribed &amp; Fully paid up:</b> 58540000 Equity Shares of Rs. 10/- each	5,85,40,000	58,54,00,000	5,85,40,000	58,54,00,000
<b>Total</b>	<b>5,85,40,000</b>	<b>58,54,00,000</b>	<b>5,85,40,000</b>	<b>58,54,00,000</b>

**NOTE-1.1**

**Reconciliation of shares outstanding at the beginning and at the end of the reporting period**

Particulars	As at the end of Current Reporting Period 31st March, 2021		As at the end of Current Reporting Period 31st March, 2020	
	Number of shares	Amount(Rs)	Number of shares	Amount(Rs)
Shares outstanding at the beginning of the year	5,85,40,000	58,54,00,000	5,85,40,000	58,54,00,000
Add: Shares issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	5,85,40,000	58,54,00,000	5,85,40,000	58,54,00,000

**NOTE-1.2**

Nil equity shares (PY Nil) are held by holding company / or their subsidiaries / associates.

**NOTE-1.3**

**Details of shareholders holding of total number of shares issued by company**

Name of Shareholder	As at the end of Current Reporting Period 31st March, 2021		As at the end of Current Reporting Period 31st March, 2020	
	Number of shares	Amount(Rs)	Number of shares	Amount(Rs)
Husenali Yusufali Narsinh	1,98,17,100	33.85%	1,88,17,100	32.14%
Meenajbanu Husenali Narsinh	1,53,15,700	26.16%	1,53,15,700	26.16%
Mohammadhasnain Husenali Narsinh	1,91,17,200	32.66%	1,91,17,200	32.66%
Jehrabanu Yusufali Narsinh	-	-	10,00,000	1.71%
Fatema Mohammadhasnain Narsinh	42,90,000	7.33%	42,90,000	7.33%

**NOTE-1.4**

Unpaid Calls	As at the end of Current Reporting Period 31st March, 2021		As at the end of Current Reporting Period 31st March, 2020	
	Number of shares	Amount(Rs)	Number of shares	Amount(Rs)
By Directors	-	-	-	-
By Officers	-	-	-	-

**NOTE-1.5**

**Details of forfeited shares**

Nil





**SUSTAINABLE SPINNING & COMMODITIES PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2021**

**NOTE-2**

**RESERVES AND SURPLUS:**

Particulars	Annexure No.	As at 31/03/2021	As at 31/03/2020
		Amount(Rs.)	Amount(Rs.)
<b>Surplus</b>			
Opening Balance		6,55,66,959	3,72,76,305
(+) Net Profit / (Net Loss) for the current year		1,27,83,197	2,82,90,654
(+) Transfer from Share Premium			
(+) Transfer from reserves			
(+) Deferred Grant		2,28,12,550	2,28,12,550
(-) Proposed Dividends			
(-) Tax on dividend			
(-) Transfer to General reserve			
Closing Balance		10,11,62,706	8,83,79,509
<b>Total</b>		<b>10,11,62,706</b>	<b>8,83,79,509</b>

**NOTE-3**

**LONG TERM BORROWINGS:**

Particulars	Annexure No.	As at 31/03/2021	As at 31/03/2020
		Amount(Rs.)	Amount(Rs.)
<b>Secured</b>			
(A) Bonds / debentures			
(B) Term Loans			
State Bank Of India T/L-33631075497		20,86,010	1,59,54,850
State Bank Of India T/L-33631172741		10,92,51,853	19,25,42,869
State Bank Of India T/L-36887489200		5,75,08,485	6,71,81,305
State Bank Of India T/L- 39486058685		2,20,58,290	-
State Bank Of India WCL- 39455067050		13,73,753	-
Indian Bank T/L- 6522225372		13,35,91,664	14,96,25,266
Indian Bank WCL- 6899237557		20,94,213	-
Bank of Baroda T/L-77970600000131		13,14,97,447	14,71,54,523
Bank Of Baroda WCL- 77970600000103		6,66,670	-
(C) Deferred Payment liabilities		-	-
(D) Deposits		-	-
(E) Loans and advances from related parties		-	-
(F) Long term maturities of finance lease obligations		-	-
(G) Other loans and advances		-	-
		<b>46,01,28,385</b>	<b>57,24,58,813</b>
<b>Unsecured</b>			
(A) Bonds / debentures		-	-
(B) Term Loans		-	-
(C) Deferred Payment liabilities		-	-
(D) Deposits		-	-
(E) Loans and advances from related parties		-	-
(a) From Directors		-	-
(b) From relatives & Others		-	-
(F) Long term maturities of finance lease obligations		-	-
(G) Other loans and advances		-	-
<b>Total</b>		<b>46,01,28,385</b>	<b>57,24,58,813</b>





**NOTE-4****DEFERRED TAX LIABILITIES(NET):**

Deferred Tax Liability for the period ended 31st March, 2021 has been provided on the estimated tax computation for the year. Major components of deferred tax liabilities arising on account of timing differences are :

Particulars	Annexure No.	As at 31/03/2021	As at 31/03/2020
		Amount(Rs.)	Amount(Rs.)
Deferred Tax Liabilities		3,42,61,991	4,46,44,914
Less: Deferred Tax Assets		67,22,408	1,03,82,923
<b>Total</b>		<b>2,75,39,583</b>	<b>3,42,61,991</b>

**NOTE-5****OTHER LONG TERM LIABILITIES:**

Particulars	Annexure No.	As at 31/03/2021	As at 31/03/2020
		Amount(Rs.)	Amount(Rs.)
(a) Advance from customers		-	-
(b) Others		-	-
<b>Total</b>		<b>-</b>	<b>-</b>

**NOTE-6****LONG TERM PROVISIONS:**

Particulars	Annexure No.	As at 31/03/2021	As at 31/03/2020
		Amount(Rs.)	Amount(Rs.)
(a) Provision for employee benefits		-	-
(b) Others (Specify nature)		-	-
<b>Total</b>		<b>-</b>	<b>-</b>



**NOTE-7****SHORT TERM BORROWINGS:**

Particulars	Annexure No.	As at 31/03/2021	As at 31/03/2020
		Amount(Rs.)	Amount(Rs.)
<b>Secured:</b>			
(a) Loans repayable on demand (Refer to Note 7.1)			
State Bank Of India		7,63,00,994	7,83,43,662
Indian Bank CC 6555056572		3,26,45,145	4,03,20,766
State Bank Of India 33807486884		29,86,371	29,11,192
Bank Of Baroda 77970500000052		3,40,61,456	3,94,03,297
(b) Loans and advances from related parties		-	-
(c) Deposits		-	-
(d) Other loans and advances		-	-
		14,59,93,965	16,09,78,918
<b>Unsecured:</b>			
(a) Loan from Directors		-	-
(b) Loan from Relatives of Directors		-	-
(c) Deposits		-	-
(d) Other loans and advances		-	-
		-	-
<b>Total</b>		<b>14,59,93,965</b>	<b>16,09,78,918</b>

**Note 7.1**

Working Capital Loans : Secured against hypothecation of present & future stock, receivables & all Other Current assets of the company.

**NOTE-8****TRADE PAYABLES:**

Particulars	Annexure No.	As at 31/03/2021	As at 31/03/2020
		Amount(Rs.)	Amount(Rs.)
(a) Due to Micro, Small & Medium Enterprises		-	-
(b) Due to Other than Micro, Small & Medium Enterprises		4,73,72,591	2,26,52,245
<b>Total</b>		<b>4,73,72,591</b>	<b>2,26,52,245</b>





**NOTE-9****OTHER CURRENT LIABILITIES:**

Particulars	Annexure No.	As at 31/03/2021	As at 31/03/2020
		Amount(Rs.)	Amount(Rs.)
(a) Term Loan A/C no. 33631075497 payable within next 12 months		97,77,768	8,14,815
(b) Term Loan A/C no. 33631172741 payable within next 12 months		6,36,00,000	45,00,000
(c) Term Loan A/C no. 36887489200 payable within next 12 months		84,00,000	-
(d) Term Loan A/C no. 39486058685 payable within next 12 months		30,70,008	-
(e) Working Capital Demand Loan A/C no. 39455067050 payable within next 12 months		53,34,000	-
(f) Term Loan A/C no. 6522225372 payable within next 12 months		1,89,00,000	19,71,467
(g) Working Capital Demand Loan A/C no. 6899237557 payable within next 12 months		16,55,184	-
(h) Term Loan A/C no. 77970600000131 payable within next 12 months		1,89,00,000	45,00,000
(i) Working Capital Demand Loan A/C no. 77970600000103 payable within next 12 months		26,66,664	-
(j) Advances from customers		1,03,50,688	3,61,255
(k) TDS Payable		1,72,208	4,31,835
(l) E.P.F. Payables		1,40,529	124,126
(m) CGST Payable		9,30,316	24,882
(n) SGST Payable		9,30,316	24,882
(o) TCS Payable		1,50,901	-
(p) IGST Payable		-	1,77,439
(q) Income Tax Assessment A.Y. 2017-18 payable		1,69,88,980	-
<b>Total</b>		<b>16,19,67,561</b>	<b>1,29,30,701</b>



**NOTE-10****SHORT TERM PROVISIONS:**

Particulars	Annexure No.	As at 31/03/2021	As at 31/03/2020
		Amount(Rs.)	Amount(Rs.)
(a) Provision for Employee benefits		-	-
(b) Others (Specify nature)			
1) Unpaid Electric Bill		75,00,000	-
2) Unpaid Godown rent Expenses		-	-
3) Unpaid Office Rent Expenses		-	-
4) Unpaid Telephone bill Expenses		-	-
5) Unpaid Salary Expenses		-	9,34,900
6) Provision for Income Tax for current year		1,94,64,806	33,52,285
7) Provision for Audit Fees		30,000	-
8) Provision for Expense		-	-
<b>Total</b>		<b>2,69,94,806</b>	<b>42,87,185</b>

**NOTE-12****NON CURRENT INVESTMENTS:**

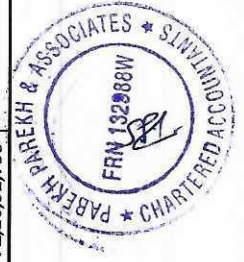
Particulars	Annexure No.	As at 31/03/2021	As at 31/03/2020
		Amount(Rs.)	Amount(Rs.)
(a) Trade Investments			
(b) Other Investments			
Fixed deposit SBI Wadhwan		23,62,453	22,21,408
Fixed deposit SBI Overseas		33,57,788	31,35,160
Fixed deposit Vijaya Bank		14,82,888	22,24,302
The Cotton Corporation of India		3,19,808	3,19,808
Deposit With Gujrat Gas		44,163	44,163
Earnest Money for Pgvcl Bg		24,82,891	6,26,402
<b>Total</b>		<b>1,00,49,991</b>	<b>85,71,243</b>





**SUSTAINABLE SPINNING AND COMMODITIES PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2021**  
**NOTE-11**  
**FIXED ASSETS**

Sr No	Particulars	Depreciation Rate (%)	GROSS BLOCK				DEPRECIATION PROVIDED				NET BLOCK	
			As at 01.04.2020 (Rs.)	Additions during the year (Rs.)	Sales/ Adjustments during the year (Rs.)	As at 31.03.2021 (Rs.)	Provided up to 31.03.2020 (Rs.)	Provided during the year (Rs.)	Deductions/ Adjustments (Rs.)	As at 31.03.2021 (Rs.)	As at 31.03.2021 (Rs.)	As at 31.03.2020 (Rs.)
<b>A</b>	<b>Tangible Assets:</b>											
1	Land		1,45,20,410	-	-	1,45,20,410	-	-	-	-	1,45,20,410	1,45,20,410
2	Building		24,11,37,435	-	-	24,11,37,435	8,35,24,832	1,38,27,794	-	9,73,52,626	14,37,84,809	15,76,12,603
3	Plant & Machinery		1,03,75,76,924	1,44,66,000	-	1,05,20,42,924	53,22,65,838	8,31,04,763	-	61,53,70,601	43,66,72,323	50,53,11,086
4	Electrical Installation and Equipment		5,65,35,102	17,59,910	-	5,82,95,012	3,50,39,320	49,75,590	-	4,00,14,910	1,82,80,102	2,14,95,782
5	Computer		2,38,380	-	-	2,38,380	1,63,209	25,946	-	1,89,155	49,225	75,171
6	Furniture & Fixtures		21,96,956	-	-	21,96,956	16,81,293	1,05,052	-	17,86,345	4,10,611	5,15,663
7	Laboratory Equipment		1,40,42,923	-	-	1,40,42,923	80,79,010	13,62,254	-	94,41,264	46,01,659	59,63,913
8	vehicle		1,85,26,908	-	-	1,85,26,908	1,14,45,381	20,50,631	-	1,34,96,012	50,30,896	70,81,525
9	Office Equipment		-	57,070	-	57,070	-	5,926	-	5,926	51,144	70,81,525
	<b>Total</b>		<b>1,38,47,75,038</b>	<b>1,62,82,980</b>	<b>-</b>	<b>1,40,10,58,018</b>	<b>67,21,98,883</b>	<b>10,54,57,956</b>	<b>-</b>	<b>77,76,56,839</b>	<b>62,34,01,179</b>	<b>71,25,76,153</b>
<b>B</b>	<b>Intangible Assets:</b>											
	<b>Total</b>		-	-	-	-	-	-	-	-	-	-
<b>C</b>	<b>Capital WIP</b>											
	Solar Power Plant		90,55,600	5,17,00,000	-	6,07,55,600	-	-	-	-	6,07,55,600	90,55,600
	<b>Total</b>		90,55,600	5,17,00,000	-	6,07,55,600	-	-	-	-	6,07,55,600	90,55,600
	<b>Total Rs.</b>		<b>1,39,38,30,638</b>	<b>6,79,82,980</b>	<b>-</b>	<b>1,46,18,13,618</b>	<b>67,21,98,883</b>	<b>10,54,57,956</b>	<b>-</b>	<b>77,76,56,839</b>	<b>68,41,56,779</b>	<b>72,16,31,753</b>
	<b>Previous Year Rs.</b>		<b>1,38,87,77,862</b>	<b>91,75,259</b>	<b>41,22,483</b>	<b>1,38,47,75,038</b>	<b>54,41,33,946</b>	<b>12,80,64,937</b>	<b>-</b>	<b>67,21,98,883</b>	<b>72,16,31,753</b>	



**NOTE-13****LONG TERM LOANS AND ADVANCES:**

Particulars	Annexure No.	As at 31/03/2021	As at 31/03/2020
		Amount(Rs.)	Amount(Rs.)
(a) Capital Advances		-	-
(b) Security Deposits		-	-
(c) Loans and advances to related parties		-	-
(d) Other loans and advances		-	-
<b>Total</b>		-	-

**NOTE- 14****OTHER NON CURRENT ASSETS:**

Particulars	Annexure No.	As at 31/03/2021	As at 31/03/2020
		Amount(Rs.)	Amount(Rs.)
Other current asset		-	-
<b>Total</b>		-	-

**NOTE- 15****CURRENT INVESTMENTS:**

Particulars	Annexure No.	As at 31/03/2021	As at 31/03/2020
		Amount(Rs.)	Amount(Rs.)
(a) Trade Investments SBI Mutual Fund		1,50,00,000	-
(b) Other Investments		-	-
Total		1,50,00,000	-
Less: Provision for diminution in the value of investments		-	-
<b>Total</b>		1,50,00,000	-





**NOTE-16**  
**INVENTORY:**

Particulars	Annexure No.	As at 31/03/2021	As at 31/03/2020
		Amount(Rs.)	Amount(Rs.)
(A) Inventories:(As certified by the management)			
(a) Raw materials		1,48,98,230	2,61,49,000
(b) Work-in-progress		-	-
(c) Finished goods		12,07,97,010	12,68,44,000
(d) Stock-in-trade		-	-
(e) Packing materials		-	-
		13,56,95,240	15,29,93,000
(B) Goods in transit shall be disclosed under the relevant sub head of inventories		-	-
<b>Total</b>		<b>13,56,95,240</b>	<b>15,29,93,000</b>

**NOTE-17**  
**TRADE RECEIVABLES**

Particulars	Annexure No.	As at 31/03/2021	As at 31/03/2020
		Amount(Rs.)	Amount(Rs.)
Trade receivables outstanding for a period less than six months from the date they are due for payment			
Secured, considered good			
Unsecured, considered good		37,56,17,800	34,37,56,461
Unsecured, considered doubtful			
		37,56,17,800	34,37,56,461
Trade receivables outstanding for a period exceeding than six months from the date they are due for payment		20,86,750	16,81,815
<b>Total</b>		<b>37,77,04,550</b>	<b>34,54,38,276</b>

**NOTE-18**  
**CASH AND CASH EQUIVALENTS:**

Particulars	Annexure No.	As at 31/03/2021	As at 31/03/2020
		Amount(Rs.)	Amount(Rs.)
Cash:			
Cash on Hand		6,37,714	28,49,458
Balances with Banks:			
State Bank Of India		4,54,59,625	15,55,994
State Bank Of India M36729809858		6,59,604	7,60,253
Bank Of Baroda 77970200000422		830	830
<b>Total</b>		<b>4,67,57,772</b>	<b>51,66,535</b>



**NOTE-19****SHORT TERM LOANS AND ADVANCES :**

Particulars	Annexure No.	As at 31/03/2021	As at 31/03/2020
		Amount(Rs.)	Amount(Rs.)
(a) Loans and advances to related parties			
(b) Other loans and advances		19,68,100	17,48,500
<b>Total</b>		<b>19,68,100</b>	<b>17,48,500</b>

**NOTE-20****OTHER CURRENT ASSETS:**

Particulars	Annexure No.	As at 31/03/2021	As at 31/03/2020
		Amount(Rs.)	Amount(Rs.)
Advances to suppliers		19,91,96,407	14,27,87,668
TDS receivable		6,85,782	5,75,616
Excess Tds Paid F.Y. 2019-20		95,061	1,73,340
TCS Receivable		7,66,497	-
Advance tax Current Year		26,00,000	25,00,000
I.C. 7% Interest Subsidy		2,23,05,330	1,11,47,530
I.C. Output GST On Yarn Subsidy		2,80,43,417	5,51,48,442
I.C. Power Tariff Subsidy		20,24,000	20,21,000
TUF 2% Interest Benefit		95,31,365	95,31,365
Vat Refund Receivable Claim Earlier Years		-	29,00,831
Mat Receivable A.Y. 15-16		5,53,532	5,53,532
Mat Receivable A.Y. 16-17		47,19,449	47,19,449
Mat Receivable A.Y. 17-18		47,60,730	47,60,730
Mat Receivable A.Y. 18-19		27,61,563	27,61,563
Mat Receivable A.Y. 19-20		38,47,970	38,47,970
Mat Receivable A.Y. 20-21		11,76,829	11,76,829
Prepaid Insurance		9,34,443	11,72,992
Deferred Factory Licence fees		10,600	21,200
IGST Receivable		12,14,189	-
<b>Total</b>		<b>28,52,27,164</b>	<b>24,58,00,057</b>

**NOTE-21****CONTINGENT LIABILITIES AND COMMITMENTS**

Particulars	Annexure No.	As at 31/03/2021	As at 31/03/2020
		Amount(Rs.)	Amount(Rs.)
Bank Guarantee		2,21,53,036	2,21,53,036
<b>Total</b>		<b>2,21,53,036</b>	<b>2,21,53,036</b>





**SUSTAINABLE SPINNING & COMMODITIES PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2020**

**NOTE - 22**

**REVENUE FROM OPERATIONS:**

Particulars	As at 31/03/2021	As at 31/03/2020
Domestic Sales	1,69,48,92,607	1,73,28,38,173
Other Operating Revenues	-	-
<b>TOTAL</b>	<b>1,69,48,92,607</b>	<b>1,73,28,38,173</b>

**NOTE - 23**

**OTHER INCOME:**

Particulars	As at 31/03/2021	As at 31/03/2020
F.D. Interest Income	6,31,725	6,93,790
GST Subsidy income	3,69,69,477	3,81,46,531
Cash discount	-	9,75,662
TED Claim of DGFT	-	3,57,21,623
Late Payment Interest Income	8,98,637	48,968
Packing & Forwarding Charges on Sales	2,35,540	1,95,122
Commission income	3,02,26,132	1,12,28,701
Foreign Exchange Gain/Loss	593	-
Rate Difference	38,385	-
<b>TOTAL</b>	<b>6,90,00,489</b>	<b>8,70,10,397</b>

**NOTE - 24**

**COST OF MATERIAL CONSUMED:**

Particulars	As at 31/03/2021	As at 31/03/2020
Raw Materials:		
Opening Stock	2,61,49,000	3,20,14,000
Add: Purchases	1,18,19,38,159	1,36,21,96,248
Less: Closing Stock	1,48,98,230	2,61,49,000
<b>TOTAL</b>	<b>1,19,31,88,929</b>	<b>1,36,80,61,248</b>



**NOTE - 25****PURCHASE OF STOCK-IN-TRADE**

Particulars	As at 31/03/2021	As at 31/03/2020
Purchases	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**NOTE - 26****CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK -IN-TRADE**

Particulars	As at 31/03/2021	As at 31/03/2020
<b>Inventories at the end of the year:</b>		
Stock-in-trade	-	-
Work-in-progress	-	-
Packing Material	-	-
Finished Goods	12,07,97,010	12,68,44,000
<b>TOTAL</b>	<b>12,07,97,010</b>	<b>12,68,44,000</b>
<b>Inventories at the beginning of the year:</b>		
Stock-in-trade	-	-
Work-in-progress	-	-
Packing Material	-	-
Finished Goods	12,68,44,000	5,37,55,400
<b>TOTAL</b>	<b>12,68,44,000</b>	<b>5,37,55,400</b>
<b>Net (Increase) / Decrease</b>	<b>60,46,990</b>	<b>(7,30,88,600)</b>

**NOTE-27****EMPLOYEE BENEFITS EXPENSES:**

Particulars	As at 31/03/2021	As at 31/03/2020
Salaries, Wages & Bonus	7,71,25,373	7,72,74,093
Contribution to provident & other funds	7,27,200	5,75,551
Employee Benefit Expenses	15,16,449	1,37,721
Remuneration to Directors	-	3,60,000
<b>TOTAL</b>	<b>7,93,69,022</b>	<b>7,83,47,365</b>





**NOTE-28****FINANCE COSTS:**

Particulars	As at 31/03/2021	As at 31/03/2020
Interest Expenses	5,44,69,969	5,98,74,433
Bank charges	41,42,726	37,27,591
Other Interest Expense	16,23,568	9,02,234
<b>TOTAL</b>	<b>6,02,36,263</b>	<b>6,45,04,258</b>

**NOTE-29****DEPRECIATION AND AMORTIZATION EXPENSES :**

Particulars	As at 31/03/2021	As at 31/03/2020
Depreciation on Tangible Assets	10,54,57,955	12,80,64,937
<b>TOTAL</b>	<b>10,54,57,955</b>	<b>12,80,64,937</b>



**NOTE-30****OTHER EXPENSES:**

Particulars	As at 31/03/2021	As at 31/03/2020
<b>Direct Expenses:</b>		
Factory Expense	17,373	74,622
Loading - Unloading Expense	28,236	85,920
Packing Material	2,08,87,641	2,01,16,835
Water Expenses	5,70,887	5,57,115
Freight & Transportation Expenses	21,53,513	16,66,275
Lubricant, Oil And Grease	9,21,332	10,23,099
PGVCL Expense	16,67,32,473	16,75,92,468
<b>Total(a)</b>	<b>19,13,11,455</b>	<b>19,11,16,334</b>
<b>Administration Expenses:</b>		
Insurance Expenses	26,53,477	12,62,305
Building Repairing Expense	15,81,481	3,59,787
Audit Fees	55,000	1,42,500
Bad Debts	3,02,85,794	-
Donation Expenses	4,55,000	2,55,025
Lab Testing Expense	6,26,796	4,06,668
Vat/Cst Expense	1,02,000	-
Office Expenses	5,04,894	2,38,831
LEI Expenses	3,000	4,500
Professional Fees	5,46,470	2,86,667
Technical Services And Consultancy	5,43,648	15,96,469
Loan Processing Fees (Solar Project)	-	3,19,820
Organic Cotton Inspection/Certificate Igst 18%	8,48,606	10,21,030
Repairing Expenses	15,01,422	2,97,140
Electrical Expense	7,45,585	5,79,229
Fire Protection Expense	1,93,650	24,250
Canteen Expenses	45,31,260	39,49,574
Keyman Insurance Exp	90,22,501	57,00,000
FOB Expense	2,643	12,035
GST Expense	1,70,003	2,55,787
GPCB Expense A/c.	-	1,77,000
Interest On MAT Income Tax	85,331	2,46,880
Income Tax Assessment A.Y. 2017-18	2,02,88,980	58,90,350
ROC Expenses	34,000	45,700
Round Off Account	95	8
Stationery Expense	37,132	9,356
Surveillance Fees	2,37,000	2,20,660
TDS Interest	77,569	98,114
TCS Interest	29,548	-
Parts Expense	2,07,58,376	1,55,27,650
Weight Shortage	-	3,750
Courier Expense	37,578	47,649
Membership Fees	7,375	-
Quality Allowance	-	10,00,000
Laboure Exp	3,41,753	1,13,667
Professional Tax	42,900	-
Security Service	42,000	-
Cash Discount	46,740	-
Custom Duty	4,329	-
<b>Total(b)</b>	<b>9,64,43,935</b>	<b>4,00,92,401</b>
<b>Selling &amp; Distribution Expenses:</b>		
Advertisement Expense	1,70,628	1,49,296
Commission Expense	61,42,325	25,18,144
<b>Total(c)</b>	<b>63,12,953</b>	<b>26,67,440</b>
<b>TOTAL(a+b+c)</b>	<b>29,40,68,343</b>	<b>23,38,76,175</b>





**SUSTAINABLE SPINNING & COMMODITIES PRIVATE LIMITED**

**Deferred Tax Calculation**

**Financial Year: 2020-21**

**Tax Applicable :**

**28.60%**

WDV as per Companies Act except the value of Land  
Value of Land

66,96,36,369	25.00
1,45,20,410	2.50
<u>68,41,56,779</u>	<u>1.10</u>
<u>10,54,57,956</u>	

WDV as per Income Tax  
Value of Land

57,29,77,872
<u>1,45,20,410</u>
<u>58,74,98,282</u>

Depreciation as per Companies Act, 2013

Depreciation as per Income tax Act

<u>7,98,09,533</u>
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Preliminary Expense as Per Companies Act, 2013

Preliminary as per Income tax Act

<u>21,43,500</u>
------------------

If Depreciation as per Incometax act is higher than Companies act = Deferred tax Liability

If Depreciation as per Companies act is higher than Incometax act = Deferred tax asset

Difference between depreciation & Preliminary as per It act & Companies act

(2,35,04,923)

DTA / DTL during the year

(67,22,408) DTA

Deferred tax asset / Deferred tax liability as on 01/04/2020  
Add: / Less: DTA/DTL during the year

3,42,61,991 DTL

Deferred tax liability / Deferred tax asset as on 31/03/2021

(67,22,408) DTA

2,75,39,583 DTL



**NOTE: 31**

**SIGNIFICANT ACCOUNTING POLICIES:**

**1Basis of Accounting:**

The accounts of the Company have been prepared using historical cost convention and on the basis of going concern, with revenue recognized and expenses accounted on accrual basis, unless otherwise stated, as per the Accounting Standard issued by the Institute of Chartered Accountants of India and the relevant provisions of The Companies Act 2013.

**2 Fixed Assets:**

a) Fixed Assets are stated at cost of acquisition less accumulated depreciation. All cost attributable to bring the fixed assets to a making condition are capitalized. When assets are sold or discarded, their cost and accumulated depreciation are removed from the accounts and any gain or loss resulting there from is included in Profit And Loss Account.

b) None of the fixed assets have been revalued during the year.

**3 Depreciation:**

a) There is no intangible fixed asset on last day of the year under review.

b) Depreciation on fixed assets is provided on **WDV method** and in the manner Prescribed in schedule II to The Companies Act, 2013.

Fixed Assets are stated at cost, less accumulated depreciation.

Depreciation on solar plant not provided during the year being plant not put to use in the current year.

**4Valuation of Inventories:**

Inventories have been valued at Cost and Net Realizable Value whichever is lower. Cost comprises costs of purchase, conversion cost and cost incurred in bringing the inventories to present location.

The same has not been physically verified by us and we relied upon certificate provided by the Management.

Company does not maintain stock of Spares & Parts. It purchases when the same is required, so amount of Spare parts has been charged to P & L A/c. There are no such Spares and Parts which have useful life more than a year so company does not capitalize it.





#### **5 Employee Benefit:**

All employee benefits payable within twelve months of rendering of services are classified as short term benefits. Benefits include salaries, wages, awards, ex-gratia, performance pay, etc. and are recognized in the period in which the employee renders the related service. Liability on account of encashment of leave, Bonus to employee is considered as short term compensated expense provided on actual.

As per Accounting Standard- 15: Employee Benefits issued by the Institute of Chartered Accountants of India, Company is required to assess its gratuity liability each year on the basis of actuarial valuation and make provision for gratuity liability. However, company has not provided for gratuity liability in the financial Statement.

#### **6 Investments:**

Long Term Investment are stated at cost.

There is investment in Fixed deposit amounted to Rs.72,03,129.00 as on 31.03.2021. There is a deposit of Rs. 44,163.00 of The Gujrat Gas, 3,19,808.00 deposit of The cotton corporation of India and Rs.24,82,891.00 of Earnest Money for Pgvcl Bg.

#### **7 Revenue Recognition:**

a) Income are recognized when services are rendered and are recorded net of trade discounts and rebates.

b) Other items of revenue recognized are in accordance with the Accounting Standard 'Revenue Recognition' - (AS-9) issued by The Institute of Chartered Accountant of India.

Accordingly other income is recognized when no significant uncertainty as to its determination or realization exists.

#### **8 Expenses:**

Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities.

#### **9 Foreign Currency Transactions :**

There is no foreign exchange transaction during the year.

#### **10 Government Grant:**

Power Subsidy: Rs. 1,08,43,000/-

Interest subsidy: Rs. 2,43,13,601/-

SGST subsidy: Rs. 3,69,69,477/-



GST subsidy have been shown as income.

Interest and Power Subsidy has been shown by netting off the respective expense

**11 Taxes on Income:**

- a) Tax expense comprises both current and deferred taxes.
- b) Provision is made for income tax liability which is likely to arise on the results for the year at the current rate of tax in accordance with the provisions of the Income Tax Act, 1961.
- c) In accordance with Accounting Standard 'Accounting For Taxes On Income' - (AS-22) issued by The Institute of Chartered Accountant of India, amount of the deferred tax for timing difference between book profit and tax profit for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the balance sheet date.

**12 Borrowing Cost:**

There is no borrowing cost during the year for qualifying asset.

**13 Earnings per Share:**

In determining operating and total earnings per share, the Company considers the net profit after tax. The number of shares used in the computing basic earning per share is the weighted average number of shares outstanding during the period.

**14 Contingent Liability/Assets:**

Company has Bank Gurantee of Rs. 2,21,53,036. is for PGVCL.

**NOTES FORMING PARTS OF ACCOUNTS:**

The adoption of Revised Schedule VI requirements has significantly modified the presentation and disclosures which have been complied with in this financial statement. Previous year's figures have been regrouped / reclassified, whenever necessary to confirm to the current year presentation.

1. Contingent liabilities not provided: Rs. NIL (Previous Year Rs. NIL)
2. Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. Nil (Previous year Rs. Nil).
3. Previous year figures are regrouped / rearranged, whenever Necessary/ practicable to conform to current year's presentation based on new Schedule -VI notified by the Ministry of Corporate affairs. Further, the figures are rounded off to the nearest rupees Value.





4.(a) Related parties disclosures, as required by Accounting Standard -18 are given Below :

1.	<b><u>Directors and their relatives</u></b>	<b><u>Directors:</u></b> 1) MinajbanuHusenalinarsinh 2) MohamedhasanainHusenaliNarsinh 3) HusenaliYusufalinarsinh 4) FatemaMohmadhasneinNarsinh <b><u>Related Parties :</u></b> 1) Milan Ginning Pressing Private Limited 2) Pratham Paper Products Pvt Ltd 3) MAH Textiles LLP
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Note: A related party is as identified by the company and relied upon by the auditors.

(b) Transactions carried out with related parties referred to above, in ordinary Course of business:

Sr.no.	Party name	Nature of Transactions	Amount(Rs.)
1	Milan Ginning Pressing Private Limited	Purchase	1,03,48,52,976
2	Milan Ginning Pressing Private Limited	Sale	1,12,10,38,246
3	MAH Textiles LLP	Sale	21,76,34,343
4	MAH Textiles LLP	Purchase	4,15,02,510
5	Pratham Paper Products Pvt Ltd	Purchase	22,41,036

5. Confirmation of balances received / to be received from debtors, unsecured loan, creditors and loans and advances are required to be reconciled whenever necessary and suitably adjusted and we rely upon Management for the same.

6. Deferred Tax :

Consequent to the issuance of Accounting Standard 22 'Accounting for Taxes on Income' the Institute of Chartered Accountant of India, the Company has recognized the deferred tax liability as under

Particular	31/03/2021	31/03/2020
Deferred Tax Liability	34,261,991	44,644,914
Less: (Deferred Tax Assets)/		



Liability	(6,722,408)	(10,382,923)
Net Deferred Tax Liability	27,539,583	34,261,991

**Further Total MAT credit is available as under:**

MAT credit entitlement for AY15-16 - Rs.5,53,532.00  
MAT credit entitlement for AY 16-17 - Rs.47,19,449.00  
MAT credit entitlement for AY 17-18 - Rs.47,60,730.00  
MAT credit entitlement for AY 18-19 - Rs.27,61,563.00  
MAT credit entitlement for AY 19-20 - Rs.38,47,970.00  
MAT credit entitlement for AY 20-21 - Rs.11,76,829.00

**Total MAT credit available for AY 2021-22- Rs. 1,78,20,073**

**7. Remuneration:**

Details of expenditure incurred on employees who were in receipt of remuneration at the rate not less than Rs. 24,00,000/- per annum or Rs. 2,00,000/- per month when employed for the part of the year : NIL, For the previous year : NIL

**8. Remuneration to Auditors:**

Particular	2020-21	2019-20
Audit	30,000	NIL

9. Government Grant of Rs. 2,28,12,550/- shown as Deferred Grant under the head Reserve and Surplus in books of account has not been treated as proportionate revenue income in current year's profit & loss account due to conditions linked with exports has not been fulfilled during the year.

11. Sundry creditors due to Small Scale & Ancillary industrial undertaking are NIL.  
[Previous Year - NIL]





12. There is no adjustment required to be made to the profits or loss for complying with ICDS notified u/s 145(2).

ICDS	Name of ICDS	Disclosure
1	Accounting Policies	There is no Change in Accounting Policies.
2	Valuation of Inventories	As lower of the cost or Net Realizable value
3	Construction Contract	-
4	Revenue Recognition	Revenue is recognized when there is reasonable certainty of its ultimate collection
5	Tangible Fixed Assets	Fixed Assets Purchase During the Year has been stated at cost and all incidental expenses for bringing the asset put to use has been capitalised
7	Government Grants	Power Subsidy: Rs. 1,08,43,000/- Interest subsidy: Rs. 2,43,13,601/- SGST subsidy: Rs. 3,69,69,477/-  GST subsidy have been shown as income. Interest and Power Subsidy has been shown by netting off the respective expense
9	Borrowing Costs	There is no borrowing cost during the year for purchase of qualifying asset.
10	Provisions, Contingent Liability & Assets	Company has Bank Gurantee of Rs. 2,21,53,036 is for PGVCL.



13. The Following amounts are being remitted directly by Government of India on account of PMRPY and PMPRPY in F.Y 2020-21:

Sr.No.	Month	Employer Share (Rs.)	Pension Fund (Rs.)
1	April	8250	18750
2	May	7700	17500
3	June	7700	17500
4	July	7700	17500
5	August	7700	17500
6	September	7700	17500
7	October	7700	17500
8	November	7700	17500
9	December	7700	17500
10	January	6050	13750
11	February	6050	13750
12	March	6050	13750

14. There was a demand of Income tax of Rs. 26179330/- wide notice no. ITBA/AST/S/156/2019-20/1020598362(1) for A.Y. 2017-18 for which we have agreed to pay 10% immediately and 90% as 24 equal installments from January 2020 to December 2021. Liability of the remaining amount has been created in books as on 31/03/2021.

15. Due to covid, Interest on Cash Credit Account of Rs. 35,44,669 & Rs 23,66,156 in case of State Bank of India and Indian Bank respectively for the period April 2020 to July 2020 has been allowed to be repaid by the bank as installment by creating separate term loan account for the repayment, which is repaid by March 2021.

For, Parekh Parekh & Associates  
Chartered Accountants  
FRN -132988W

SUSTAINABLE SPINNING & COMMODITIES (P) LTD

*S.P. Parekh*  
CA Sunny Parekh  
Partner  
M. No- 131188  
UDIN: 21131188AAAAJB8373



*Husenali Y Narsinh*  
Director  
Husenali Y  
Narsinh  
DIN:00102874

*Mohammad Hasnein Narsinh*  
Director  
Mohammad Hasnein  
Narsinh  
DIN:00082026

*Kritika Sharma*  
Company Secretary  
Kritika Sharma  
M. No - A41222

Place: Ahmedabad  
Date: 30/10/2021

Place: Limbdi  
Date: 30/10/2021