

SIDDHARTHA SUPER SPINNING MILLS LTD

CIN-U17115HP1980PLC025940

40th ANNUAL REPORT 2020-2021

Board of Directors

Chairman & Managing Director	Mr. Rajendra Prasad Agarwal
Whole-Time Director	Mr. Ram Gopal Satyanarayan Agarwal
Directors	Mr. Dharmendra Mohandas Goyal Mr. Madangopal Bhairudan Rathi Mr. Vishal Rajendra Prasad Agrwal Ms. Manjushree Balkishan Mohta Mr. Laxmi Narayan Taparia
Company Secretary	Ms. Arshdeep Kaur
Chief Financial Officer	Mr. Harsh Dev Gulati
Auditors	M/s Sarda & Pareek, Chartered Accountants
Cost Auditor	M/S Shakti K & Associates, Cost Accountants
Registered Office	VPO Nihla Khera, Nalagarh, Distt Solan, Himachal Pradesh



SIDDHARTHA SUPER SPINNING MILLS LIMITED

CIN: U17115HP1980PLC025940

Regd. Office: VPO Nihla Khera, Nalagarh, Distt Solan, Himachal Pradesh, 174101.

Email id: siddharthasuper@gmail.com

NOTICE

Notice is hereby given that the 40th Annual General Meeting of the Members of Siddhartha Super Spinning Mills Limited will be held on Thursday, the 30th of September, 2021 at 12.00 Noon at registered office VPO Nihla Khera, Nalagarh, Distt Solan, Himachal Pradesh to transact the following business:

ORDINARY BUSINESS:

1. To receive and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2021 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rajendra Prasad Satyanarayan Agarwal (DIN: 00148620) who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Vishal Rajendra Prasad Agarwal (DIN: 00376242) who retires by rotation and being eligible offers himself for re-appointment.
4. **To consider and if thought fit to pass with or without modification(s) the following Resolution as an Ordinary Resolution:-**

Appointment of Statutory Auditors of the Company

“RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, M/s MRB & Associates, Chartered Accountants (Firm Registration No. 136306W), be and are hereby appointed as the Statutory Auditors of the Company to hold office for a tenure of five years from the conclusion of 40th Annual General Meeting (AGM) till the conclusion of the 45th Annual General Meeting to be held in the year 2026 at such remuneration plus tax, out-of-pocket, travelling expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS:

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

Approval of Remuneration of Cost Auditors of the Company.



“RESOLVED that pursuant to section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditor) Rules, 2014 (including statutory modification(s) or re-enactment thereof for the time being in force), M/s Shakti K & Associates, Cost Accountants, appointed by the Board of Directors of the Company to conduct the audit of cost records of the Company for the financial year ending 31st March, 2022, be paid a remuneration of Rs. 30,000/- plus applicable tax and reimbursement of actual out of pocket expenses.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

1. To consider and if thought fit to pass with or without modification(s) the following Resolution as a Special Resolution:-

To approve the re-appointment of Mr. Rajendra Prasad Satyanarayan Agarwal (DIN: 00148620) as the Managing Director of the Company.

“RESOLVED THAT pursuant to the provisions of Section 164, 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of Companies Act, 2013, consequent to the approval of the Board of Directors of the Company the consent of the members be and is hereby accorded for the re-appointment of Mr. Rajendra Prasad Satyanarayan Agarwal (DIN: 00148620) as the Managing Director of the company for a period of 3 (Three) years w.e.f 29.05.2021 as per the terms and conditions stated below:

1. Duties and responsibilities: He shall serve the company as Chairman & Managing Director and such shall have authority and be responsible for the day to day management of the Company's affairs subject however to the superintendence, control and direction of the Board of Directors of the Company.
2. Salary: Rs. 1,25,000/- per month (Rupees One Lakh Twenty Five Thousand)
3. Leave: Entitled to leave as per the applicable Staff Rules of the Company.
4. Termination: Unless otherwise agreed by the board, this arrangement is terminable by either MD or the Company giving to the other three months' previous notice in writing.

FURTHER RESOLVED THAT Mr. Ramgopal Satyanarayan Agarwal (DIN: 00280901), Whole-Time Director of the company be and are hereby authorized to do all such acts, deeds, things, etc as may be required to comply with all formalities in this regard.”

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

To approve the re-appointment of Mr. Ramgopal Satyanarayan Agarwal (DIN: 00280901) as the Whole-Time Director of the Company.

“RESOLVED THAT pursuant to the provisions of Section 164, 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of Companies Act, 2013, consequent to the approval of the Board of Directors of the Company the consent of the members be and is hereby accorded for the re-appointment of Mr. Ramgopal Satyanarayan Agarwal (DIN: 00280901) as the Whole-Time Director of the company for a period of 3 (Three) years w.e.f 29.05.2021 as per the terms and conditions stated below:



SIDDHARTHA SUPER SPINNING MILLS LTD.

1. Duties and responsibilities: He shall serve the company as Whole-Time Director and such shall have authority and be responsible for the day to day management of the Company's affairs subject however to the superintendence, control and direction of the Board of Directors of the Company.
2. Salary: Rs. 1,00,000/- per month (Rupees One Lakh)
3. Leave: Entitled to leave as per the applicable Staff Rules of the Company.
4. Termination: Unless otherwise agreed by the board, this arrangement is terminable by either MD or the Company giving to the other three months' previous notice in writing.

FURTHER RESOLVED THAT Mr. Rajendra Prasad Satyanarayan Agarwal (DIN: 00148620), Managing Director of the company be and are hereby authorized to do all such acts, deeds, things, etc as may be required to comply with all formalities in this regard.”

**By The Order Of The Board
For Siddhartha Super Spinning Mills Limited**

PLACE: Nalagarh

DATE: 06.09.2021

**Managing Director
Rajendra Prasad Satyanarayan Aggarwal
DIN: 00148620**



NOTES

1. The Register of Members and the Share Transfer books of the Company will remain closed from 24.09.2021 to 29.09.2021 (both days inclusive) for the purpose of Annual General Meeting.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
3. Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Company's Registered Office on all working days of the Company. Members may demand the same.
4. A member entitled to attend and vote at the meeting (who is attending the meeting physically) may appoint a proxy to attend and vote instead of himself/herself and the proxy so appointed need not be a member of the Company. A proxy form attached herewith is to be lodged at the Registered Office of the Company 48 hrs. before the time of the meeting.
5. Copy forwarded to :
 1. Statutory Auditors
 2. M/s Shakti K & Associates, Cost Accountants, Cost Auditors
 3. All the directors of the company.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 5

The Board, in compliance of the Central Government Order in this regard has approved the appointment of M/s Shakti K & Associates, Cost Accountants as Cost Auditor to conduct the audit of cost records for the financial year ending 31st March, 2022 at a remuneration of Rs. 30,000/- plus applicable tax and reimbursement of actual out of pocket expenses.

In accordance with the provisions of the Section 148 of the Companies, 2013 read with the Companies (Audit and Auditors), Rules 2014, and the remuneration payable to the Cost Auditor has to be fixed and determined by the shareholders of the Company.

Accordingly, consent of members is sought by way of an Ordinary Resolution as set out in Item No.5 of the Notice for approve the remuneration payable to the Cost Auditor for the Financial Year ending 31st March, 2022.

None of the Directors and their relatives are concerned or interested in the resolution set out at Item No. 5.

ITEM NO. 6

The growth and success of the Company can be attributed to the sheer dedication and efforts of the Mr. Rajendra Prasad Satyanarayan Agarwal. Despite his senior age he has been operational in the management of the affairs of the Company. The Board of Directors and management of the Company work under his able guidance. Hence, his appointment as the managing director of the Company will bring further success and growth. Pursuant to Section 196 of the Companies Act, 2013 approval of shareholders by way of Special Resolution is required for the appointment of any Director who has attained the age of 70 years. Therefore, resolution set out in Item No. 6 of this notice is put forward for the approval of shareholders as Special Resolution.



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In terms of Section II of Part II of Schedule V of the Companies Act, 2013, payment of remuneration to a managerial person during the financial year when the Company has inadequate profits in excess of the limits specified in the said Schedule requires the approvals of the Nomination and remuneration Committee, Board of Directors and shareholders of the company.

Statement containing required information as per Part II of Section II of Schedule V of the Companies Act, 2013 for Item No.6.

1. GENERAL INFORMATION:

- (i) Nature of Industry: Textile Industry
- (ii) Date of commencement of commercial production: The Company started its commercial operations w.e.f. 13TH August 1980.
- (iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable
- (iv) Financial performance based on given indicators: During the year ending March 31, 2021, the total revenue Rs. 10597.84 Lacs and the net profit after tax Rs. 116.04 lacs.
- (v) Export performance and net foreign exchange collaborations: During the financial year ended on March 31, 2021 there were no export or import of material or finished goods by the company.
- (vi) Foreign investments or collaborators, if any: NIL

2. INFORMATION ABOUT THE APPOINTEE:

(a) Background Details

Mr. Rajendra Prasad Satyanarayan Agarwal, is a promoter director of the company. He is aged 71 years. Mr. Rajendra Prasad Satyanarayan Agarwal has the requisite technical and professional expertise to manage the affairs of the company not only at the grass root level but also the top management. He has been associated with the company and has been closely monitoring and managing the affairs since long.

(b) Past Remuneration

Mr. Rajendra Prasad Satyanarayan Agarwal was previously appointed by the Board of Directors as a Managing Director and has drawn a remuneration of Rs. 15.00 Lakhs for the FY 2020-21.

(c) Job Profile and his Suitability

Mr. Rajendra Prasad Satyanarayan Agarwal is the person responsible for the overall management of the affairs of the company. Being a part of the promoter group, Mr. Rajendra Prasad Satyanarayan Agarwal has been closely involved in the operation of the company for a very long time and understands the hierarchy of operations and affairs of the company. He is instrumental in managing the business operations of the company, help in strategic planning and implementation of the business planning. Under his leadership, the company has been able to identify several markets for its products. Mr. Rajendra Prasad Satyanarayan Agarwal is not only involved into operational planning but is equally involved with the finance management. Subject to the superintendence, control and directions of the



board, the responsibility of the overall company's management in accordance with the company's stated business plans and policies are vested in Mr. Rajendra Prasad Satyanarayan Agarwal. He has all the requisite qualifications, experience and attributes to meet the requirements.

(d) Remuneration Proposed:

It is proposed to pay a remuneration of Rs. 15,00,000/- (Rupees Fifteen Lacs) per annum plus as stated in the resolution in Item No. 6.

Comparative remuneration Profile with respect to Industry, size of the Company, profile of the position and person

Taking into consideration, the size of the company, and the profile of Mr. Rajendra Prasad Satyanarayan Agarwal, the responsibilities shouldered by him, the proposed remuneration package seems to be in commensuration with the remuneration package paid to the managerial position in other companies.

- (a) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personal, if any.

Besides the remuneration proposed, Mr. Rajendra Prasad Satyanarayan Agarwal does not have any other pecuniary relationship of the company.

Mr. Rajendra Prasad Satyanarayan Agarwal, Managing Director is the brother of Mr. Mr. Ramgopal Satyanarayan Agarwal, Whole-Time Director and father of Mr. Mr. Vishal Agarwal, Director of the company.

3. OTHER INFORMATION:

- (a) Reasons of loss or inadequate profits

The company started its operations in the 1980s and has established its position in the market. The performance of the company has been showing tremendous growth over the past several years. There is no loss or inadequate profits in the company but for the purpose of calculating the managerial remunerations, there may be inadequacy of profits.

- (b). Some Steps taken or proposed to be taken for improvement

- (b) Expected increase in productivity and profit in measurable terms.

4. DISCLOSURES:

- (a) The shareholders of the Company shall be informed of the remuneration package of the managerial person:

Details of the remuneration and other perquisites to be paid to Mr. Rajendra Prasad Satyanarayan Agarwal is provided in the resolution No. 6.



(b) Other Disclosures:

As per the resolution

Apart from Mr. Rajendra Prasad Satyanarayan Agarwal, Mr. Vishal Rajendra Prasad Agarwal and Mr. Ram Gopal Agarwal, Directors of the Company being related to Mr. Rajendra Prasad Agarwal are interested in the Resolutions set out in Item No. 6 of the notice.

ITEM NO. 7

The growth and success of the Company can be attributed to the sheer dedication and efforts of the Mr. Ramgopal Satyanarayan Agarwal. The Board of Directors and management of the Company work under his able guidance. Hence, his appointment as the managing director of the Company will bring further success and growth.

Upon the recommendation of the Nomination and Remuneration Committee, the Board of Directors in their meeting dated 20.05.2021, approved the re-appointment of Mr. Ramgopal Satyanarayan Agarwal as the Whole-Time Director of the company to hold office w.e.f. 29.05.2021 for a period of 3 (three) years. Mr. Ramgopal Satyanarayan Agarwal has the technical and professional expertise required in managing the affairs of the company. In the opinion of the Board of Directors, Mr. Ramgopal Satyanarayan Agarwal's association with the company will be extremely beneficial to the company. The appointment is proposed to be made at such remuneration and on such other terms as stated in the resolution in Item No. 7 in the notice.

In terms of Section II of Part II of Schedule V of the Companies Act, 2013, payment of remuneration to a managerial person during the financial year when the Company has inadequate profits in excess of the limits specified in the said Schedule requires the approvals of the Nomination and remuneration Committee, Board of Directors and shareholders of the company.

Statement containing required information as per Part II of Section II of Schedule V of the Companies Act, 2013 for Item No.6.

5. GENERAL INFORMATION:

- (i) Nature of Industry: Textile Industry
- (ii) Date of commencement of commercial production: The Company started its commercial operations w.e.f. 13th August 1980.
- (iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable
- (iv) Financial performance based on given indicators: During the year ending March 31, 2021, the total revenue Rs. 10597.84 Lacs and the net profit after tax Rs. 116.04 lacs.
- (v) Export performance and net foreign exchange collaborations: During the financial year ended on March 31, 2021 there were no export or import of material or finished goods by the company.
- (vi) Foreign investments or collaborators, if any: NIL



6. INFORMATION ABOUT THE APPOINTEE:

(a) Background Details

Mr. Ramgopal Satyanarayan Agarwal, is a promoter director of the company. He is aged 55 years. Mr. Ramgopal Satyanarayan Agarwal has the requisite technical and professional expertise to manage the affairs of the company not only at the grass root level but also the top management. He has been associated with the company and has been closely monitoring and managing the affairs since long.

(b) Past Remuneration

Mr. Ramgopal Satyanarayan Agarwal was previously appointed by the Board of Directors as a Whole-Time Director and has drawn a remuneration of Rs. 12.00 Lakhs for the FY 2020-21

(a) Job Profile and his Suitability

Mr. Ramgopal Satyanarayan Agarwal is the person responsible for the overall management of the affairs of the company. Being a part of the promoter group, Mr. Ramgopal Satyanarayan Agarwal has been closely involved in the operation of the company for a very long time and understands the hierarchy of operations and affairs of the company. He is instrumental in managing the business operations of the company, help in strategic planning and implementation of the business planning. Under his leadership, the company has been able to identify several markets for its products. Mr. Mr. Ramgopal Satyanarayan Agarwal is not only involved into operational planning but is equally involved with the finance management. Subject to the superintendence, control and directions of the board, the responsibility of the overall company's management in accordance with the company's stated business plans and policies are vested in Mr. Ramgopal Satyanarayan Agarwal. He has all the requisite qualifications, experience and attributes to meet the requirements.

(b) Remuneration Proposed:

It is proposed to pay a remuneration of Rs. 12,00,000/- (Rupees Twelve Lacs) per annum plus as stated in the resolution in Item No. 7.

(c) Comparative remuneration Profile with respect to Industry, size of the Company, profile of the position and person

Taking into consideration, the size of the company, and the profile of Mr Mr. Ramgopal Satyanarayan Agarwal, the responsibilities shouldered by him, the proposed remuneration package seems to be in commensuration with the remuneration package paid to the managerial position in other companies.

(d) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personal, if any.

Besides the remuneration proposed, Mr. Ramgopal Satyanarayan Agarwal does not have any other pecuniary relationship of the company.

Mr. Ramgopal Satyanarayan Agarwal, Whole-Time Director is the brother of Mr. Mr. Rajendra Prasad Satyanarayan Agarwal, Managing Director and uncle of Mr. Vishal Agarwal, Director of the company.



7. OTHER INFORMATION:

- (a) Reasons of loss or inadequate profits

The company started its operations in the 1980s and has established its position in the market. The performance of the company has been showing tremendous growth over the past several years. There is no loss or inadequate profits in the company but for the purpose of calculating the managerial remunerations, there may be inadequacy of profits.

- (b) Steps taken or proposed to be taken for improvement

Expected increase in productivity and profit in measurable terms.

8. DISCLOSURES:

- (a) The shareholders of the Company shall be informed of the remuneration package of the managerial person:

Details of the remuneration and other perquisites to be paid to Mr. Ramgopal Satyanarayan Agarwal I is provided in the resolution No. 7.

- (b) **Other Disclosures:**

As per the resolution

Apart from Mr. Ramgopal Satyanarayan Agarwal, Mr. Vishal Rajendra Prasad Agarwal and Mr. Rajendra Prasad Satyanarayan Agarwal, Directors of the Company being related to Mr. Ramgopal Satyanarayan Agarwal are interested in the Resolutions set out in Item No. 7 of the notice.

Additional Information on Directors seeking Re-appointment at the 40th Annual General Meeting Pursuant SS - 2 Secretarial Standards on General Meetings:



SIDDHARTHA SUPER SPINNING MILLS LTD.

Name of Director	Mr. Vishal Ranjendra Prasad Agarwal	Mr. Ram Gopal Satyanarayan Agarwal
Director Identification Number (DIN)	00376242	00280901
Date of appointment	01/02/2013	29/05/2006
Age	46 Years	54 Years
Expertise in specific functional areas	Rich experience in spinning industry	Rich experience in spinning industry
Qualification	C.A	M.Com
Directorship in Listed Companies	NIL	NIL
Committee Membership	Nil	NIL
No. of Board Meetings of Siddhartha Super Spinning Mills Limited 2020-21	Board Meetings held – 6 Board Meetings attended – 6	Board Meetings held – 6 Board Meetings attended – 6
Disclosure of inter-se relationships between Directors and Key Managerial Personnel	Mr. Vishal rajendra Prasad Agarwal is nephew of Mr. Ram Gopal Aggarwal and son of Mr. Rajendra Prasad Satyanarayan Agarwal, Whole-Time Director and Managing Director of the Company.	Mr. Ram Gopal Aggarwal is brother of Mr. Rajendra Prasad Satyanarayan Agarwal, Managing Director of the Company.
Shareholding in Siddhartha Super Spinning Mills Limited	Holds 1271700 Equity Shares of the Company	Nil

SIDDHARTHA SUPER SPINNING MILLS LTD.

Name of Director	Mr. Rajendra ParsadSatyanarayan Agarwal
Director Identification Number (DIN)	00148620
Date of appointment	29.05.2006
Age	71 years
Expertise in specific functional areas	Rich experience in spinning industry
Qualification	L.L.B
Directorship in Listed Companies	NIL
Committee Membership	Member Audit Committee: Siddhartha Super Spinning Mills Limited Member Nomination and Remuneration Committee: Siddhartha Super Spinning Mills Limited Member Stakeholder's Relationship Committee: Siddhartha Super Spinning Mills Limited
No. of Board Meetings of Siddhartha Super Spinning Mills Limited attended during FY 2020-21	Board Meetings held – 6 Board Meetings attended – 6
Disclosure of inter-se relationships between Directors and Key Managerial Personnel	Mr. Rajendra Prasad Satyanarayan Agarwal, is brother of Mr. Ram Gopal Aggarwal, Whole-Time Director of the Companyand father of Mr. Vishal Rajendra Prasad Agarwal, Director of the Company
Shareholding in Siddhartha Super Spinning Mills Limited	Holds 1029965 shares in the Company.

Form No. MGT-11
Proxy form

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

- 1. CIN: U17115HP1980PLC025940
- 2. Name of the company: Siddhartha Super Spinning Mills Limited
- 3. Registered office: VPO Nihla Khera, Nalagarh, Distt. Solan, Himachal Pradesh
- Name of the member (s):
- Registered address:
- E-mail Id:
- Folio No/ Client Id:
- DP ID:

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

1. Name:
Address:
E-mail Id:
Signature:....., or failing him

2. Name:

Address:
E-mail Id:
Signature:.....,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 40th Annual General Meeting of the company, to be held on Thursday, 30th September, 2021 At 12.00 Noon at its Registered Office and at any adjournment thereof in respect of such resolutions as are indicated below:

- Resolution No.
- 1.....
 - 2.....
 - 3.....
 - 4.....
 - 5.....

Signed this..... day of..... 2021.
Affix Revenue Stamp

Signature of shareholder
Signature of Proxy holder(s)



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



SIDDHARTHA SUPER SPINNING MILLS LTD

CIN: U17115HP1980PLC025940

Regd. Office: VPO Nihla Khera, Nalagarh, Distt Solan, Himachal Pradesh, 174101.

Email id: siddharthasuper@gmail.com

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors have pleasure in presenting its 40th Annual Report together with audited statement of accounts for financial year ended 31st March, 2021.

FINANCIAL RESULTS

	2020-2021	(Rs. In Lacs) 2019-2020
Gross Profit before finance cost, Depreciation and Tax.	831.39	953.15
Less: Finance Cost	152.77	195.05
Depreciation & Amortisation	553.92	566.45
Net Profit/(Loss) before tax.	124.70	191.65
Add/Less Transfer From: Exceptional items		
Provision for taxation		
Current Tax	(60.14)	(96.08)
MAT Credit Entitlement	NIL	NIL
Current Tax expense related to prior years	NIL	40.86
Deferred Tax	51.47	22.28
STT	-	-
Net Profit	116.04	158.71
Amount transferred to General Reserve	-	-
Earning per equity share		
Basic	0.91	1.24
Diluted	0.91	1.24

REPORT ON PERFORMANCE

Owing to the global slowdown due to the ongoing crisis of COVID-19 and frequent lockdowns being imposed by the state and central governments, the company has seen decline in its revenue and profitability during the previous financial year i.e. FY 2020-21 compared to the financial year 2019-20. However, your directors are optimistic about the future performance of the company and are hopeful that the subsequent financial year will be more profitable for the company. The consolidated sales and other income for the year under review was Rs. 10605.55 Lakhs and the company booked profit of Rs. 116.04 lakhs during the financial year.



DIVIDEND

For the financial year ending 2020-21 the Board of Directors has decided not to recommend any dividend, instead plough back the profits for the growth and development of the Company.

SHARE CAPITAL

There was no change in the Share Capital of the Company during the year. The Authorized Share Capital of the Company is Rs. 150,000,000/- comprising of 15,000,000 Equity shares of Rs. 10/- each. The Issued, Subscribed, and Paid up Capital of the Company is Rs. 127,500,000/- comprising of 12,750,000 equity shares of Rs. 10/- each. Further, the company has not issued any shares during the year under review.

Increase in Share Capital (Rs.)	Buy Back of Securities	Sweat Equity	Bonus Shares	Employees Stock Option Plan
Nil	Nil	Nil	Nil	Nil

The company has obtained the approval of the shareholders in the 39th Annual General Meeting of the Company held on 30th December, 2020, for the consolidation of 1,000 (One Thousand) equity shares of the Company having face value of Rs. 10/- (Rupees Ten only) each fully paid-up into 1 (One) equity share of face value of Rs. 10,000/- (Rupees Two Thousand Only) each fully paid-up. However, the Board of Directors deemed it appropriate that the said consolidation be deferred and the consolidation of equity shares previously approved by the shareholders be cancelled. The approval of the shareholders for such cancellation was also obtained in the Extra Ordinary General Meeting held on 21.07.2021.

GENERAL RESERVES

No amount was transferred to the General Reserve during the year.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply to the Company as there were no amounts due to be transferred to the fund during the year under review.

DETAILS OF THE PERFORMANCE OF THE SUBSIDIARY/ ASSOCIATE OR JOINT VENTURE

Company does not have any Subsidiary/Joint Ventures/ Associate Companies. Hence, the provisions regarding incorporation of a separate segment for disclosure of the financial positions and performance of the Subsidiary, Associate and Joint Venture companies is not applicable to the company



EXTRACT OF THE ANNUAL RETURN

Extract of the annual return as provided under sub-section (3) of section 92 in form MGT-9 is enclosed as per **Annexure-I**

NUMBER OF MEETINGS OF THE BOARD

During the year under review, Six (6) meetings of the Board of Directors of the Company, One (1) meeting of the Audit Committee (01.09.2020) and One (1) meeting of the Nomination and Remuneration Committee (01.09.2020) and 1 (One) meeting of the Stakeholder Relationship Committee (29.03.2021) was held during the year. One meeting of the Independent Directors was held during the year.

S. No.	Date of Board Meeting	No. of Directors Entitled to attend	No. of Directors attended
1.	18.05.2020	7	6
2.	31.08.2020	7	6
3.	01.09.2020	7	6
4.	13.11.2020	7	6
5.	04.12.2020	7	6
6.	29.03.2021	7	6

COMPOSITION OF THE AUDIT COMMITTEE:

Audit Committee of the Company comprises of three directors namely, Mr. Rajendra Prasad Agarwal, Mr. Laxmi Narayan Taparia, and Mr. Dharmendra Goyal.

Mr. Dharmendra Goyal was the chairman of the Audit Committee.

The company secretary of the company acted as the Secretary of the Audit Committee.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of the provisions of clause (c) of sub-section (3) of Section 134 of Companies Act, 2013, the Board of Directors of the company hereby state that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c. 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;



- d. the directors had prepared the annual accounts on a going concern basis; and
- e. the company being an unlisted company, the provisions for disclosure under this clause regarding internal financial controls to be followed and adequacy of such internal financial controls are not applicable to the company.

- f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

FRAUDS REPORTED BY STATUTORY AUDITORS

During the financial year under review, the statutory auditors have not reported any frauds under sub section (12) of Section 143 of the Companies Act, 2013 other than those which were reportable to the Central Government.

COMPLIANCE WITH THE SECRETARIAL STANDARDS

The company has duly complied with the applicable Secretarial Standards during the financial year 2020-21.

SUMS DUE TO MICRO, SMALL & MEDIUM ENTERPRISES

Details are given as per note 3.4 of the Notes to Accounts of Financial Statements of the Company for the financial year ending 31.03.2021.

DECLARATION OF INDEPENDENCE GIVEN BY INDEPENDENT DIRECTORS

All Independent Directors have given declarations that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178:

The Board has on the recommendation of the Nomination & Remuneration Committee framed a policy for the selection and appointment of Directors, Key Managerial Personnel and Senior Management Personnel and their remuneration. The policy is appended as **Annexure II** to this report.

EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE:

(i) by the auditor in his report; and
(ii) by the company secretary in practice in his secretarial audit report; Not applicable, as the company is not required to get its secretarial audit conducted under the provisions of Section 204 of the Companies Act, 2013.

There are no adverse comments, qualifications and reservations of the Statutory Auditors in their report.



PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**Details of Loans: NIL**

S. No	Date of making loan	Details of Borrower	Amount	Purpose for which the loan is to be utilized by the recipient	Time period for which it is given	Date of BR	Date of SR (if reqd)	Rate of Interest	Security
				NIL					

Details of Investments:- NIL

S. No	Date of investment	Details of Investee	Amount	Purpose for which the proceeds from investment is proposed to be utilized by the recipient	Date of BR	Date of SR (if reqd)	Expected rate of return
				NIL			

Details of Guarantee / Security Provided: NIL

S. No	Date of providing security/guarantee	Details of recipient	Amount	Purpose for which the security/guarantee is proposed to be utilized by the recipient	Date of BR	Date of SR (if any)	Commission
				NIL			

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188:

The company has not entered into any Related Party Transaction covered under the purview of Section 188 of the Companies Act, 2013.

All the related party transactions entered into by the company are in ordinary course of its business and at arm's length basis. The details of these transactions are disclosed in Form No. AOC-2 as per **Annexure III**.

Company's Related Party policy is attached with this report as per **Annexure VI**.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, 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 RELATE AND THE DATE OF THE REPORT:

No material changes and commitments affecting the financial position of the Company have occurred during the period from the end of the financial year and the date of this report.

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

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

(a) Conservation of energy

(i)	the steps taken or impact on conservation of energy	Replacing existing lighting apparatus with led supported lights, replacement of paper tubes with poly carbon tubes, Light weight bobbins are being used, synthetic spindle tapes are used, upgraded electric motors are being used
(ii)	the steps taken by the company for utilizing alternate sources of energy	NIL
(iii)	the capital investment on energy conservation equipment's	No specific capital expenditure was done during the year towards energy conservation, although, continuous efforts are on in this direction.

(b) Technology absorption

(i)	the efforts made towards technology absorption	Upgradation of machinery from time to time
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	Due to upgradation of machinery from time to time the quality and quantity of our products has improved.
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	NA
	(a) the details of technology imported	NA
	(b) the year of import;	NA
	(c) whether the technology been fully absorbed	NA
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	NA
(iv)	the expenditure incurred on Research and Development	No specific expenditure incurred. Although, Research & Development being an ongoing process is being carried out dedicatedly.



(c) Foreign exchange earnings and Outgo

During the year, the Company did not use any foreign exchange by way of expenditure or income.

STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY FOR THE COMPANY INCLUDING IDENTIFICATION THEREIN OF ELEMENTS OF RISK, IF ANY, WHICH IN THE OPINION OF THE BOARD MAY THREATEN THE EXISTENCE OF THE COMPANY:

Company's integrated risk management approach comprises prudential norms, structured reporting and controls. This approach conforms to the company's strategic directions and is consistent with stakeholders' desired total return and the risk appetite.

The management has a proven ability to successfully take on challenges. Efforts are on to become even more proactive in recognizing and managing risks through a more structured framework.

DETAILS ABOUT THE POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES TAKEN DURING THE YEAR:

The provisions of section 135 of the Companies Act 2013 regarding Corporate Responsibility Policy are not applicable to the company.

FIXED DEPOSITS

No Fixed deposits were accepted by the Company during the year under review.

PARTICULARS OF EMPLOYEES

The details of the top ten employees of the company, in terms of the remuneration drawn, as per Rule 5(2) Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 is given as per **Annexure IV**.

However, none of the employees were in receipt of remuneration above the limit prescribed pursuant to Rule 5(20)(i)(ii)(iii) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016.

AUDITORS

The Auditors M/s Sarda & Pareek., Chartered Accountants, were appointed for tenure of 4 (Four) years in the 36th Annual General Meeting of the Company. Pursuant to the provisions of Section 139 of the Companies Act, 2013, the tenure of the statutory auditors comes to end at the ensuing Annual General Meeting of the Company. The Board of Directors extend their sincere appreciation to M/s Sarda & Pareek, Chartered Accountants, for their fruitful association with the company.



The Board of Directors recommends the appointment of M/s MRB & Associates, Chartered Accountants, Mumbai, FRN: 136306W, as the statutory auditors of the company for a tenure of 5 (Five) years until the conclusion of the Annual General Meeting of the Company to be held in the financial year 2026. The chartered accountants have given their consent to be appointed as the statutory auditors of the company and have confirmed that their appointment will be within the provisions of the Companies Act, 2013.

OTHER MATTERS & DISCLOSURES

1) CHANGE IN THE NATURE OF BUSINESS, IF ANY:

Not applicable

2) DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR:

No Directors or Key Managerial Personnel were appointed nor have any one of them tendered their resignation during the year under review.

3) NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR:

Not applicable.

4) 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:

No order has so far been passed by any authority.

5) DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company continues to engage M/s R. Mehndiratta & Associates, as its Internal Auditor. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

Directors and Key Managerial Personnel

Mr. Rajendra Prasad Satyanarayan Agarwal (DIN:00148620), and Mr. Vishal Rajendra Prasad Agarwal (DIN:00376242) Directors of the Company retires by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment.



Formal Annual Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees.

Remuneration Policy

The Board has on the recommendation of the Nomination & Remuneration Committee framed a policy for the selection and appointment of Directors, Key Managerial Personnel and Senior Management Personnel and their remuneration. The policy is appended as **Annexure II** to this report.

Managerial Remuneration:

Details of the top 10 employees of the Company as required pursuant to 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 as per **Annexure IV**

Disclosures about Cost Audit

In terms of the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, M/s Shakti K & Associates, Cost Accountants have been appointed as the Cost Auditors to conduct the audit of the cost records of your company for the Financial Year 2021-22. The remuneration proposed to be paid to them shall be fixed and determined by the shareholders of the Company. In view of this, your approval for payment of remuneration to Cost Auditors is being sought at the ensuing Annual General Meeting. There were no qualifications or special remarks made by the Cost Auditor in their report for the financial year ending 31st March, 2021.

Secretarial Audit Report

The provisions of Section 204 of the Companies Act, 2013 with respect to the Secretarial Audit are not applicable to the company.

Vigil Mechanism

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism/ Whistle Blower Policy of the Company is attached as per **Annexure V**.

During the year, no complaints were received by the Audit Committee or the Board from any employee.



DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

Your Company has zero tolerance policy in case of sexual harassment at workplace and is committed to provide a healthy environment to each and every employee of the company. The Company has in place "Policy for Prevention and Redressal of Sexual Harassment" in line with the requirements of sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (hereinafter referred to as 'the said Act') and Rules made there under. As per the provisions of Section 4 of the said Act, the Board of Directors has constituted the Internal Complaints Committee (ICC) at the Registered Office, Works to deal with the Complaints received by the company pertaining to gender discrimination and sexual harassment at workplace.

Further, as per the provisions of Section 21 & 22 of the said Act, the Report in details of the number of cases filed under Sexual Harassment and their disposal for the financial year under review, is as under:

Sr. No.	No. of cases pending as on the beginning of the financial year under review	No. of complaints filed during the financial year under review	No. of cases pending as on the end of the financial year under review
1.	NIL	NIL	NIL

CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC)

No Insolvency resolution process has been initiated/ filed by a financial or operational creditor or by the company itself under the IBC before the NCLT;

ACKNOWLEDGEMENT

Your Directors convey their sincere thanks to Banks and other concerned agencies for their continued support and co-operation extended to the Company from time to time.

Your Directors further express their deep appreciation for the contribution made by employees at all levels towards the growth of the Company.

BY ORDER OF THE BOARD
SIDDHARTHA SUPER SPINNING MILLS LIMITED

Place: Nalagarh
Dated: 20.08.2021

Managing Director Cum Chairman
DIN: 00148620



Annexure II

REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

1. OBJECTIVE

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto. The Key Objectives of the Committee would be:

- 1.1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- 1.2. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- 1.3. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- 1.4. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- 1.5. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- 1.6. To devise a policy on Board diversity
- 1.7. To develop a succession plan for the Board and to regularly review the plan;

2. DEFINITIONS

- 2.1. Act means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- 2.2. Board means Board of Directors of the Company.
- 2.3. Directors mean Directors of the Company.
- 2.4. Key Managerial Personnel means



- 2.4.1. Chief Executive Officer or the Managing Director or the Manager;
 - 2.4.2. Whole-time director;
 - 2.4.3. Chief Financial Officer;
 - 2.4.4. Company Secretary; and
 - 2.4.5. such other officer as may be prescribed.
- 2.5. Senior Management means Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.
- 2.6. "Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

3. ROLE OF COMMITTEE

- 3.1. Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee

The Committee shall:

- 3.1.1. Formulate the criteria for determining qualifications, positive attributes and independence of a director.
 - 3.1.2. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
 - 3.1.3. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.
- 3.2. Policy for appointment and removal of Director, KMP and Senior Management Appointment criteria and qualifications
- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
 - b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

- a) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

3.2.2. Term / Tenure

- a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

- b) Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.

3.2.3. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

3.2.4. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.



3.2.4. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

3.3. Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel

3.3.1. General:

- a) The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.
- c) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.

Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

3.3.2. Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

1) Remuneration to Managing Director / Whole-time Directors:

- a. The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

b. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

c. Provisions for excess remuneration:

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

2. Remuneration to Non- Executive / Independent Directors:

- a. The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b. All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- c. An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d. Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - i. The Services are rendered by such Director in his capacity as the professional; and
 - ii. In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.
- e. The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Directors (other than Independent Directors).



3) Remuneration to Key Managerial Personnel and Senior Management:

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.
- c) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.
- d) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

4. MEMBERSHIP

- 4.1 The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.
- 4.2 Minimum two (2) members shall constitute a quorum for the Committee meetings.
- 4.3 Membership of the Committee shall be disclosed in the Annual Report.
- 4.4 Term of the Committee shall be continued unless terminated by the Board of Directors.

5. CHAIRPERSON

- 5.1 Chairperson of the Committee shall be an Independent Director.
- 5.2 Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- 5.3 In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- 5.4 Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

6. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.



7. COMMITTEE MEMBERS' INTERESTS

- 7.1 The disclosure of Interest and participation in the meetings by a member of the Committee shall be as per the provisions of the Act and Rules made thereunder from time to time.
- 7.2 The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

8. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

9. VOTING

- 9.1 Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- 9.2 In the case of equality of votes, the Chairman of the meeting will have a casting vote.

10. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be minutes and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

Annexure - III**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 arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis. **NIL**

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

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

SL. No. 1	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Shreedhar Cotsyn Private Limited Common Directors
b)	Nature of contracts/arrangements/transaction	Sale of Yarn
c)	Duration of the contracts/arrangements/transaction	On going
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	As per agreement
e)	Date of approval by the Board	30.05.2019
f)	Amount paid as advances, if any	N.A

SIDDHARTHA SUPER SPINNING MILLS LTD.

SL. No. 2	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Shree Nagani Silk Mills Private Limited Common Directors
b)	Nature of contracts/arrangements/transaction	Payment to Fibre Supplier; Purchase and Sale of store material
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	As per agreement
e)	Date of approval by the Board	18.05.2020
f)	Amount paid as advances, if any	N.A

SL. No.3	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Mrs. K D Agarwal
b)	Nature of contracts/arrangements/transaction	Rent Agreement
c)	Duration of the contracts/arrangements/transaction	On going
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	As per agreement
e)	Date of approval by the Board	18.05.2020
f)	Amount paid as advances, if any	N.A

SL. No.4	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Mrs. Pooja Agarwal
b)	Nature of contracts/arrangements/transaction	Rent Agreement
c)	Duration of the contracts/arrangements/transaction	On going
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	As per agreement
e)	Date of approval by the Board	18.05.2020
f)	Amount paid as advances, if any	N.A

SL. No.5	Particulars	Details
a)	Name (s) of the related party & nature of relationship	M/s SRM Spinners Limited
b)	Nature of contracts/arrangements/transaction	Sale Purchase Agreement
c)	Duration of the contracts/arrangements/transaction	On going
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	As per agreement
e)	Date of approval by the Board	18.05.2020
f)	Amount paid as advances, if any	N.A



SIDDHARTHA SUPER SPINNING MILLS LTD.

SL. No.6	Particulars	Details
a)	Name (s) of the related party & nature of relationship	M/s Himtex Textile Private Limited
b)	Nature of contracts/arrangements/transaction	Sale Purchase Agreement
c)	Duration of the contracts/arrangements/transaction	On going
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	As per agreement
e)	Date of approval by the Board	18.05.2020
f)	Amount paid as advances, if any	N.A

**BY ORDER OF THE BOARD
For Siddhartha Super Spinning Mills Limited**

Place: Nalagarh

Dated: 20.08.2021

Managing Director
DIN: 00148620



Annexure IV

INFORMATION FORMING PART OF THE DIRECTOR'S REPORT PURSUANT TO RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2016. Details of Top Ten Employees of the Company in terms of Remuneration Statement of Particulars of employees pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016

Sl. No.	Name	Designation/ Nature of Duties	Remuneration Received [Rs.]	Qualification & Experience	% of equity shares held	Age in years	Date of commencement of employment	Last employment held	Nature of Employment	Whether relative of any director or manager of the Company, if yes, then name of such director or manager
1.	R.V.B.Singh	President	2253548	B.TECH(TEX.)	-	57	26/05/2018	-	-	-
2.	H.D.Gulati	V.P(Comm)	642007	POST GRADUATE	-	56	01/06/1999	-	-	-
3.	Joy Parikh	MARKETING MANAGER	676800	B.A	-	60	01/04/2007	-	-	-
4.	R.C.Goyal	DGM (SQC)	433641	B.A	-	64	01/12/2012	-	-	-
5.	Naveen Angra	SPG. MANAGER	526066	Diploma Tex.	-	53	21/07/1987	-	-	-
6.	Lalji Singh Yadav	DY. SPG. MANAGER	368964	Diploma	-	57	11/11/2006	-	-	-
7.	Parmatma Singh	Finishing Manager	551308	Diploma	-	53	13/08/2018	-	-	-
8.	Mohit Mittal	Stores Manager	346941	B.A.	-	45	17/01/2019	-	-	-
9.	Ravi Dutt Sharma	Accounts Manager	450289	B.Com	-	56	06/07/1998	-	-	-
10.	Anil Pandey	HR Manager	663158	B.A.	-	60	18/01/2020	-	-	-

BY ORDER OF THE BOARD
For Siddhartha Super Spinning Mills Limited

Place: Nalagarh
Dated: 20.08.2021

Managing Director
DIN: 00148620

Annexure V
VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

1. OBJECTIVE

Siddhartha Super Spinning Mills Limited is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its directors and employees who have concerns about suspected violations of 'Code of Conduct' of the Company, unethical behavior, actual or suspected fraud, to come forward and express these concerns without fear of punishment or unfair treatment. This mechanism aims to provide an avenue for directors and employees to raise concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc.

2. APPLICABILITY

This mechanism applies to all the employees and directors of the Company.

3. MECHANISM

The Vigil mechanism is formulated in line with the requirement of Clause 49 (Corporate Governance) of Listing Agreement with Stock Exchanges, amended vide Circular no. CIR/CFD/POLICY CELL/2/2014 dated 17th April 2014 issued by Securities and Exchange Board of India (SEBI) read with requirements under Section 177(9) of the Companies Act, 2013, inter alia to provide opportunity to employees / directors to access in good faith, the Vigil Officer (in appropriate cases, the Audit Committee directly) in case, they observe unethical or improper practices (not necessarily a violation of law) and to secure those concerned from unfair termination and unfair prejudicial employment practices. It was recommended by Audit Committee and was approved by Board of Directors of the Company.

4. DEFINITIONS

4.1 "Annual Report" includes Balance Sheet, Statement of Profit and Loss, Cash Flow Statement, Directors Report, Corporate Governance Report, Auditors' Report and any other document annexed or attached or forming part of the Report to the members of the Company.

4.2 "Audit Committee" is the committee which is constituted pursuant to Section 292A of the Companies Act, 1956 corresponding to Section 177 of the Companies Act, 2013 read with Clause 49 of the Listing Agreement with Stock Exchanges.

4.3 "Company" means, "Siddhartha Super Spinning Mills Limited."

4.4 "Complainant" is someone who makes a Protected Disclosure under this mechanism.

4.5 'Director' means a member of the Board of Directors of the Company.



4.6 “Disciplinary Action” means any action that can be taken on the completion of /during the investigation proceedings including but not limiting to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit, considering the gravity of the matter.

4.7 “Employee” means every employee on permanent rolls of the Company at its various business locations.

4.8 “Good Faith” - An employee or a director is said to communicate in „good faith“ if there is a reasonable basis for the communication in writing of the existence of waste or of a violation or has observed unethical or improper practices. “Good Faith” is lacking when the employee or a director does not have personal knowledge of a factual basis for the communication or where the employee or the director knew or reasonably should have known that the communication about the unethical or improper practices is malicious, false or frivolous.

4.9 “Internal Circular” is a communication made on behalf of the Company by an authorized person which is addressed to the employees or to the directors of the Company through any mode including but not restricted to e-mail, fax, phone, notice board, inter office memo, etc.

4.10 “Mechanism or This mechanism” means, “Vigil mechanism.”

4.11”Protected Disclosure” means a concern raised by a written communication made in good faith that discloses or demonstrates information that may indicate evidence of unethical behavior, actual or suspected fraud or violation and improper activity. Protected Disclosures should be factual and not speculative in nature.

4.12 “Right of Access or Right of Approach” The right to an employee or to a director to give a written communication to the Vigil Officer or to the Audit Committee, as the case may be, for the alleged misconduct or unethical or improper practice which an employee or a director has observed or have found.

4.13”Subject” means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation under this mechanism.

4.14 “Unfair Termination and Unfair Prejudicial Employment Practices” means to threaten, or otherwise discriminate or retaliate against an employee in any manner that effects the employee's employment, including compensation, rights, immunities, promotions or privileges.

4.15 “Vigil Officer” means an officer who is appointed, authorized or designated by the Audit Committee for the purpose of processing and investigating (to the extent of this policy) into the protected disclosures and may include Auditors of the Company.



5. SCOPE

The following stakeholders of the Company are eligible to make Protected Disclosures under the mechanism.

- Employees of the Company
- Directors on the Board of Directors of the Company.

A person belonging to any of the above mentioned categories can avail of the channel provided by this mechanism for raising an issue covered under this mechanism.

The mechanism covers malpractices and events which have taken place/ suspected to take place involving:

1. Abuse of authority.
2. Breach of contract.
3. Negligence causing substantial and specific danger to public health and safety.
4. Manipulation of company data/records.
5. Financial irregularities, including fraud or suspected fraud or deficiencies in Internal Control and check or deliberate error in preparations of Financial Statements or Misrepresentation of financial reports.
6. Any unlawful act whether Criminal/ Civil.
7. Pilferation of confidential/propriety information.
8. Deliberate violation of law.
9. Wastage/misappropriation of company funds, property or manpower.
10. A deliberate violation of any accounting principles, policies and regulations, reporting of fraudulent financial information to the shareholders, the government or the financial markets or any conduct that results in violation law, legal duties, code of conduct designed to protect the interest of employees / directors of the Company. However, this should not be merely technical or minimal in nature.
11. Breach of Company policy or failure to implement or comply with any approved Company policy.

EXCEPTIONS

- a) Any complaint or submission made under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013 will be out of the scope of this policy.



b) Any matter related to inter personal issues with colleagues, grievances against the Company with regard to service conditions, organizational policies, terms and conditions of employment, etc. would be reported through existing organizational channels and would not be covered under this mechanism.

c) Reporting information which he / she does not have an authorization to access.

6. GUIDING PRINCIPLES

To ensure that this mechanism is adhered to, and to assure that the concern will be acted upon seriously, the Company will: 1. Ensure that the Complainant and/or the person processing the Protected Disclosure is not victimized for doing so 2. Treat victimization as a serious matter, including initiating disciplinary action on such person/(s) 3. Ensure complete confidentiality 4. Not attempt to conceal evidence of the Protected Disclosure 5. Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made 6. Provide an opportunity of being heard to the persons involved especially to the Subject.

7. GUIDELINES

7.1 Internal Policy

The Policy of Vigil Mechanism is an internal policy to make protected disclosures in good faith and to raise concerns to be appropriately dealt by the Vigil Officer or the Audit committee as the case may be.

7.2 Prohibition

The Vigil Mechanism prohibits Company from taking any action which may lead to unfair termination or unfair prejudicial employment practices (i.e. threaten, demote, relocate, etc.) against its employees / directors for making Protected Disclosure in Good Faith. However, this policy does not protect an employee from an adverse action which occurs before a violation or waste report is communicated or from misconduct, poor job performance or subjection to a reduction in workplace unrelated to a communication made pursuant to the Vigil Mechanism.

7.3 Reporting Authority

Protected Disclosures concerning –

- a) The employees at the levels of Vice President and above should be addressed to the Chairman of the Audit Committee of the Company; and
- b) Other employees should be addressed to the Vigil Officer.



7.4 Anonymous Allegation

Complainants must put their names to allegations as follow-up questions and investigation may not be possible unless the source of the information is identified. **Disclosures expressed anonymously will ordinarily NOT be investigated.**

7.5 Rights & Duties of Complainants

- a) Bring to early attention of the Company any improper practice, covered in the scope of this policy, they become aware of. Delay in reporting may lead to loss of evidence and also financial loss for the Company.
 - b) The reporting should be in writing along with all necessary evidences.
 - c) Avoid anonymity when raising a concern.
 - d) The complainant, if employee shall be free to submit the protected disclosure to his or here supervisor, if deemed fit or otherwise can directly approach to the Vigil Officer without informing to the supervisor. However, directors may directly approach to Audit Committee for reporting any violation or other genuine concerns or grievances.
 - e) The protected disclosure can be e-mailed or posted to the Vigil Officer or Chairperson of Audit Committee at the below mentioned address:-
 - i) Company Secretary
Vigil Officer,
Vigil Mechanism (Siddhartha Super Spinning Mills Limited)
VPO Nihla Khera Nalagarh, Distt Solan, Himachal Pradesh.
 - ii) The Chairperson,
Audit Committee
Siddhartha Super Spinning Mills Limited
VPO Nihla Khera Nalagarh, Distt Solan, Himachal Pradesh.
 - f) In exceptional circumstances, the employee may submit the protected disclosure directly to the Chairperson of the Audit Committee at the above stated address or any address which may be notified from time to time.
 - g) Intent of the mechanism is to bring genuine and serious issues to the fore and it is not intended for petty disclosures. Malicious allegations by employees may attract disciplinary action
 - h) A Complainant has the right to protection from retaliation. But this does not extend to immunity for involvement in the matters that are the subject of the allegations and investigation.
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- i) Protection under this Mechanism would not mean protection from disciplinary action arising out of false or bogus allegations made by a complainant knowing it to be fake or bogus or with a malafide intention.
- j) In case, a complainant makes repeated protected disclosures, which have been subsequently found to be frivolous, baseless or reported otherwise than in good faith, the Audit Committee may take suitable action against such Complainant.
- k) Maintain confidentiality of the subject matter of the disclosure and the identity of the persons involved in the alleged Malpractice. It may forewarn the Subject and important evidence is likely to be destroyed.

7.6 Rights of A Subject

- a) Subjects have right to be heard and the Vigil Officer or the Committee must give adequate time and opportunity for the subject to communicate his/her say on the matter
- b) Subjects have the right to be informed of the outcome of the investigation and shall be so informed in writing by the Company after the completion of the inquiry/ investigation process

7.7 Rights and Duties of Vigil Officer

- a) Receive, oversee any protected disclosure made or reported under this Mechanism.
- b) To notify employee / director of their protections and obligations under this Vigil Mechanism.
- c) To conduct the enquiry in strict confidentiality and in a fair, unbiased manner to ensure complete fact finding
- d) To appoint any external agency in order to conduct proper inquiry. e) Forward the Vigil report to the Chairperson of the Audit Committee / Audit Committee upon review and report the outcome of the inquiry and to recommend appropriate action, if any. f) To ensure appropriate action.

7.8 Rights and Duties of Audit Committee

a) Maintenance of Register of Complaints

Audit Committee shall maintain a register for registration of complaints received under this policy. Each complaint shall bear a unique number. The Audit Committee may ask significant evidence while registering the complaints.

b) Determination of Nature of Complaints

Audit Committee shall determine the nature of Complaints keeping in view the requirements of various applicable laws.



The complaints may be determined in two broad categories:-

- i) Reporting on unethical or improper practices
- ii) Any wrongful action taken by the management against the employee who has approached Audit Committee as above.

The Audit Committee shall appropriately and expeditiously investigate all the complaints received under this policy, investigating the merits of the protected disclosure and determining the necessary course of action.

Further, the Chairperson and/or the Committee, as the case may be, shall have the authority to call for any information or documents and may examine any employee / director, etc for determining the correctness of the complaints.

c) Essential Factors

While determining the protected disclosure, the following factors may be considered:

- i) Accuracy of the information furnished;
- ii) Nature and quality of evidence;
- iii) Existence of relevant laws and rules;
- iv) Whether the action appears to be isolated or systematic;
- v) History of previous assertions regarding the subject matter;
- vi) What are the avenues available for addressing the matter;
- vii) Seriousness or significance of the protected disclosure and
- viii) Cost and benefit of potential investigation.

d) Objectivity and Independence

The Audit Committee should be objective and independent of influence in conducting interviews and reviewing relevant documents associated with protected disclosures under this policy.

e) Maintenance of Confidentiality

The Committee shall maintain confidentiality of the complainant and the witnesses who provide information.

f) Referral to Committee or Officials

Make referrals to appropriate committee or officials on discovery of reasonable cause to believe that Company's policy, regulation etc. have been violated and follow up until appropriate corrective action has been taken.



g) Time Frame for Redressal of Complaints

The Vigil Officer and / or the Audit Committee, as the case may be, would complete all the formalities and would resolve the matter generally within 45 days from the date of filing of the complaints and make a detailed written record of the Protected Disclosure. Any extension in respect thereof would be in writing along with necessary justification.

h) Reporting to Board of Directors of the Company

The Vigil Officer shall submit its report to the Audit Committee and the Audit Committee shall submit its report including the report of the Vigil Officer before the meeting of Board of Directors of the Company.

i) Safeguards to Complainant

The Committee shall provide adequate safeguards against victimization of person who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee in appropriate and exceptional circumstances.

7.9 Actions Prohibited by the Vigil Mechanism

The Company shall not –

- a) Threaten, discriminate or retaliate against an employee (or director as the case may be) in any manner that affects the employee's employment (i.e. compensation, rights, immunities, promotions or privileges) when an employee engages in an activity protected by the Mechanism.

This does not preclude a supervisor from taking appropriate action against an employee for misconduct, poor job performance, or a reduction in the workforce etc. within the policy of the Company.

- b) Adverse action against an employee / director who participates or gives information in an investigation, or hearing or in any form or inquiry initiated by the Vigil Officer or the Audit Committee.

7.10 Disqualifications

The following instances would constitute a violation of this Mechanism:

- a) Bringing to light personal matters regarding another person which are in no way connected with the Organisation.
- b) Reporting information which he / she does not have an authorisation to access.
- c) Protection under this Mechanism would not mean protection from disciplinary action arising out of false or bogus allegations made by a complainant knowing it to be false or bogus or with a malafide intention.



- d) In case, a complainant makes repeated Protected Disclosures which have been subsequently found to be frivolous, baseless or reported otherwise than in good faith, the Audit Committee may take suitable action against such complainant including reprimand.

7.11 Rights against Adverse Action

- a) An employee who alleges adverse action under the Mechanism may approach the Audit Committee or Board of Directors within 30 days, for appropriate relief, if any adverse action is taken against a complainant in violation of this Mechanism.
- b) The complainant has the burden of proof in establishing that he / she has suffered an adverse action for an activity protected under this Mechanism.
- c) The management of the Company shall have an affirmative defense, if it can establish by a preponderance of the evidence that the adverse action taken against the employee was due to employee misconduct, poor job performance or a reduction of workforce etc. unrelated to a communication made pursuant to Vigil Mechanism.
- d) A director, who alleges adverse action (complainant) under the Vigil Mechanism, may approach the Audit Committee or Board of Directors preferably within 30 days, for appropriate relief at the earliest, if any adverse action has been taken against the director in violation of this Mechanism.

7.12 Remedies

The Vigil Officer or the Audit Committee rendering judgment under this Mechanism may order any or all of the following remedies –

- a) Order an injunction to restrain continued violation of the provisions of the Vigil Mechanism.
- b) Reinstate the employee to the same position or to an equivalent position.
- c) Reinstate full fringe benefits and retirement service benefits.
- d) Order compensation for lost wages, benefits and any other remuneration.

7.13 Notification

All employees shall be notified of the existence and contents of this policy through the departments head. The Audit Committee and the Board of Directors once adopting this policy shall make themselves aware of the contents and respective obligations and duties which it encompasses for a complainant director.

7.14 Disclosure

The Vigil Mechanism as adopted by the Board and amended from time to time shall be available at the web site of the Company. The details of establishment of this Mechanism shall be disclosed by the Company in the Board's Report.



7.15 Annual Affirmation on the Compliance

The Company shall annually affirm that it has not denied any personnel, access to the Vigil Officer or the Audit Committee of the Company, as the case may be and that it has provided adequate safeguard to “Complainants” from unfair termination and other unfair prejudicial employment practices.

7.16 Access to Reports and Documents

All reports and records associated with Disclosures are considered confidential information and access will be restricted to the Complainant, the Vigil Officer, the Audit Committee and Board of Directors. Disclosures and any resulting investigations, reports or resulting actions will generally not be disclosed to the public except as required by any legal requirements or regulations or by any corporate mechanism in place at that time.

7.17 Retention of Documents

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of 07 years.

7.18 Amendment Modification etc.

The Board of Director shall alter amend or modify the clauses of the above Vigil Mechanism from time to time in line with the requirements of the SEBI Guidelines or the Companies Act 2013 or any other rules, regulations etc. which may be applicable from time to time.

Annexure VI

POLICY ON RELATED PARTY TRANSACTIONS

1. INTRODUCTION

This policy regarding the review and approval of Related Party Transactions has been adopted by the Company's Board of Directors, upon the recommendations of the Audit Committee in order to set forth the materiality threshold and the manner of dealing with Related Party Transactions, to ensure compliance with requirements of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges. The Audit Committee will review the same from time to time and recommend to the Board of Directors, the amendments, if any, required in the Policy. This Policy applies to transactions between the Company and one or more of its Related Parties. It provides a framework for governance and reporting of Related Party Transactions.



2. OBJECTIVE

This policy is intended to ensure due and timely identification, approval, disclosure and reporting of transactions between the Company and any of its Related Parties in compliance with the applicable laws and regulations as may be amended from time to time. The provisions of this Policy are designed to govern the approval process and disclosure requirements to ensure transparency in the conduct of Related Party Transactions in the best interest of the Company and its shareholders and to comply with the statutory provisions in this regard.

3. DEFINITIONS

1. **“ARM'S LENGTH TRANSACTION”** means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.

2. **“ACT”** means the Companies Act, 2013 and the rules and regulations notified thereunder.

3. **“AUDIT COMMITTEE”** means the Committee of the Board constituted from time to time under the provisions of Section 177 of the Companies Act, 2013.

4. **“BOARD”** means the Board of Directors of Siddhartha Super Spinning Mills Limited, as constituted and defined under the Companies Act, 2013.

5. **“Control”** shall have the same meaning as defined in paragraph 10 of the Accounting Standard 18.

6. **Key Managerial Personnel (KMP)** means "Key managerial personnel" as defined under the Companies Act, 2013 and paragraph 10 of the Accounting Standard 10 and includes —

(i) The Chief Executive Officer or the Managing Director or the Manager; (ii) The Company Secretary; (iii) The Whole-time Director; (iv) The Chief Financial Officer; and (v) Such other officer as may be prescribed.

7. **“MATERIAL RELATED PARTY TRANSACTION”** means a Related Party Transaction which individually or taken together with previous transactions during the financial year, exceeds **ten percent** of the annual consolidated turnover of the Company as per the last audited financial statements of the Company or such limits as may be prescribed either in the Companies Act, 2013 or the Listing Agreement whichever is stricter from time to time.

8. **“POLICY”** means Related Party Transaction Policy.

9. **“RELATED PARTY”** means related party as defined under the provisions of Companies Act, 2013 as amended from time to time, which is as follows-

An entity shall be considered as related to the Company, if –

(i) Such entity is a related party under Section 2(76) of the Companies Act, 2013; OR

(ii) Such entity is a related party under the applicable accounting standards.



10. "RELATIVE" means a relative as defined in paragraph 10 of Accounting Standard 18 and as per Section 2(77) of the Companies Act, 2013, with reference to any person, means anyone who is related to another, if —

- (i) they are members of a Hindu undivided family
- (ii) they are husband and wife or
- (iii) one person is related to the other in the following manner –
 - a) Father, including step-father
 - b) Mother including step-mother
 - c) Son including step-son
 - d) Son's wife
 - e) Daughter
 - f) Daughter's husband
 - g) Brother, including step-brother
 - h) Sister, including step-sister

11. "RELATED PARTY TRANSACTION" means a transfer of resources, services or obligations between a Company and a related party regardless of whether a price is charged and includes - a) Sale, purchase or supply of any goods or materials; b) Selling or otherwise disposing of, or buying property of any kind; c) Leasing of property of any kind; d) Availing or rendering of any services; e) Appointment of any agent for purchase or sale of goods, materials, services or property; f) Related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and g) Underwriting the subscription of any securities or derivatives thereof, of the Company.

12. "TRANSACTION" with a related party shall be construed to include a single transaction or a group of transactions.

The terms **Director, Chief Financial Officer, Company Secretary** shall have the same meaning as assigned under the Companies Act, 2013.

4. POLICY

All transactions with the Related Parties must be reported by the Company to the Audit Committee. The Audit Committee shall review and approve all Related Party Transactions in accordance with this Policy. In the case of regular / repetitive transactions which are in the normal course of business of the Company, the Committee may grant standing pre – approval / omnibus approval, details whereof are given in a separate section of this Policy. In exceptional cases, where a prior approval is not taken due to an inadvertent omission or due to unforeseen circumstances, the Committee may ratify the transactions in accordance with this Policy.

Related Party Transactions Approval Matrix

- a) No transaction with a Related Party shall be entered into by the Company unless it is approved by the appropriate authority. The table below lists the approval matrix applicable to such transactions.

Nature of Transactions	Approving Authority	Rationale
All Transactions with Related Parties	Audit Committee	Requirement under Section 177 of the Act and the Listing Agreement
Related Party Transactions as defined under Section 188 (1) of the Act, which are not in the ordinary course of business OR not at arm's length	Board of Directors and shareholders of the Company by way of Ordinary Resolution	Requirement under Section 188 of the Act read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014
All Material Related Party Transactions (regardless of whether they are in the ordinary course and/or on arm's length terms)	Board of Directors and shareholders of the Company by way of Ordinary Resolution	Requirement under the Listing Agreement

- b. All entities falling under the definition of related parties shall abstain from voting in General Meeting, irrespective of whether the entity is a party to the particular transaction or not.

4.1 IDENTIFICATION OF RELATED PARTY TRANSACTIONS

Every Director and Key Managerial Personnel will be responsible for providing a declaration containing the following information to the Company Secretary on an annual basis:

- Names of his / her Relatives;
- Partnership firms in which he / she or his / her Relative is a partner;
- Private Companies in which he / she is a member or Director;
- Public Companies in which he / she is a Director and holds along with his/her Relatives more than 2% of paid up share capital;
- Any Body Corporate whose Board of Directors, Managing Director or Manager is accustomed to act in accordance with his / her advice, directions or instructions; and
- Persons on whose advice, directions or instructions, he / she is accustomed to act (other than advice, directions or instructions obtained from a person in professional capacity).

Every Director and the Key Managerial Personnel will also be responsible to update the Company Secretary of any changes in the above relationships, directorships, holdings, interests and / or controls immediately on him / her becoming aware of such changes.



The Company Secretary shall be responsible to maintain an updated database of information pertaining to Related Parties. The functional / business heads / Chief Financial Officer /Company Secretary/ shall have access to the updated database.

Every Director, Key Managerial Personnel, Functional / Business heads / Chief Financial Officer will be responsible for providing prior Notice to the Company Secretary of any **potential Related Party Transaction**, involving him/her or his/her relative. They will also be responsible for providing additional information about the transaction that the Board / Committee may request, for being placed before the Committee and the Board. It will be preferable to receive such notice of any potential Related Party Transaction well in advance so that the Audit Committee / Board has adequate time to obtain and review information about the proposed transaction.

The Company Secretary in consultation with the Chief Financial Officer may refer any potential related party transaction to any external legal/transfer pricing expert and the outcome or opinion of such exercise shall be brought to the notice of the Audit Committee. Based on this Notice, the Company Secretary will take it up for necessary approvals under this Policy.

4.2 REVIEW AND APPROVAL OF RELATED PARTY TRANSACTION

All Related Party Transactions shall be subject to the prior approval of the Audit Committee whether at a meeting or by resolution by circulation or through electronic mode. A member of the Committee who (if) has a potential interest in any Related Party Transaction will not remain present at the meeting or abstain from discussion and voting on such Related Party Transaction and shall not be counted in determining the presence of a quorum when such Transaction is considered.

4.2.1 CONSIDERATION BY THE COMMITTEE IN APPROVING THE PROPOSED TRANSACTIONS

While considering any transaction, the Committee shall take into account all relevant facts and circumstances including the terms of the transaction, the business purpose of the transaction, the benefits to the Company and to the Related Party, and any other relevant matters.

Prior to the approval, the Committee shall, *inter-alia*, consider the following factors to the extent relevant to the transaction:

- a. Whether the terms of the Related Party Transaction are in the ordinary course of the Company's business and are on an arm's length basis;
- b. The business reasons for the Company to enter into the Related Party Transaction and the nature of alternative transactions, if any;

- c. Whether the Related Party Transaction includes any potential reputational risks that may arise as a result of or in connection with the proposed Transaction; and
- d. Whether the Related Party Transaction would affect the independence or present a conflict of interest for any Director or Key Managerial Personnel of the Company, taking into account the size of the transaction, the overall financial position of the Director, Key Managerial Personnel or other Related Party, the direct or indirect nature of the Director's interest, Key Managerial Personnel's or other Related Party's interest in the transaction and the on-going nature of any proposed relationship and any other factors the Committee deems relevant.

4.2.2 Determining whether a transaction is in the ordinary course of business operations

Related Party Transactions that are part of regular operative activities, and connected financial activities, of any organization in similar business and size shall be considered to be in the ordinary course of business operations.

Following are some of the criteria that may be considered for determining whether the transaction is in the ordinary course of business:

- **Nature:** Whether the scope of the transaction is generally consistent with the Company's business activities and whether the Company enters into, or can enter into, similar transactions with a third party.
- **Frequency:** Whether the transaction is of a nature regularly carried out by the Company, is an important indication that classifies the transaction to be within the Company's ordinary course of business operations.
- **Size of transaction:** Whether the transaction value is within the reasonable range for similar types of other transactions. An exceptionally large value transaction should invite closer scrutiny.

These are not exhaustive criteria and the Company will assess each transaction considering its specific nature and circumstances.

4.2.3 Determining whether a transaction is at arm's length

As per section 188 (1) of the Act, the expression –arm's length transaction means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.

In addition to evaluating whether the transaction results in a conflict of interest on the basis of the transfer pricing report or any other document determining the market value of the



consideration of the transaction, the Company should also consider the additional tests such as those listed below:

- whether the transaction is commercially negotiated;
- whether the transaction is necessary for business opportunities for growing new or existing markets; and
- any other matters the Company considers relevant.

4.2.4 APPROVAL BY CIRCULAR RESOLUTION OF THE COMMITTEE

In the event the Company Management determines that it is impractical or undesirable to wait until a meeting of the Committee to enter into a Related Party Transaction, such transaction may be approved by the Committee by way of circular resolution in accordance with this Policy and statutory provisions for the time being in force. Any such approval must be ratified by the Committee at its next scheduled meeting.

4.2.5 STANDING PRE-APPROVAL / OMNIBUS APPROVAL BY THE COMMITTEE

In the case of regular / repetitive transactions which are in the normal course of business of the Company, the Committee may grant standing pre-approval / omnibus approval. While granting the approval, the Audit Committee shall satisfy itself of the need for the omnibus approval and that same is in the interest of the Company. The Audit Committee may grant omnibus approval for Related Party Transactions subject to the following conditions –

- i) The Audit Committee shall lay down the criteria for granting the omnibus approval in line with the instant policy and such approval shall be applicable in respect of transactions which are repetitive in nature.
- ii) It shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the company.
- iii) Such omnibus approval shall specify –
 - (a) Name of the related party
 - (b) Nature of the transaction
 - (c) Period of the transaction
 - (d) Maximum amount of the transactions that can be entered into
 - (e) Indicative base price / current contracted price and formula for variation in price, if any
 - (f) Such other conditions as the Audit Committee may deem fit.
- iv) The Audit Committee shall review atleast on a quarterly basis, the details of the Related Party Transactions entered into by the Company pursuant to each of the omnibus approval given.



- iv) The Audit Committee shall review atleast on a quarterly basis, the details of the Related Party Transactions entered into by the Company pursuant to each of the omnibus approval given.
- v) The omnibus approval shall be valid for a period of one year and fresh approval shall be obtained after the expiry of one year.

Such transactions will be deemed to be pre-approved and may not require any further approval of the Audit Committee for each specific transaction.

Further, where the need of the related party transaction cannot be foreseen and all prescribed details are not available, Committee may grant omnibus approval subject to the value per transaction not exceeding Rs.1,00,00,000/- (Rupees One Crore only). The detailsof such transaction shall be reported at the next meeting of the Audit Committee for ratification.

4.2.6 APPROVAL BY THE BOARD

If the Committee determines that a Related Party Transaction should be brought before the Board, or if the Board in any case elects to review any such matter or it is mandatory under any law for Board to approve the Related Party Transaction, then the Board shall consider and approve the Related Party Transaction at a meeting and the considerations set forth above shall apply to the Board's review and approval of the matter, with such modification as may be necessary or appropriate under the circumstances.

4.2.7 APPROVAL OF MATERIAL RELATED PARTY TRANSACTIONS

All Material Related Party Transactions shall require approval of the shareholders through special resolution and all entities falling under the definition of related parties shall abstain from voting in General Meeting, irrespective of whether the entity is a party to the particular transaction or not.

4.2.8 TRANSACTIONS NOT IN ORDINARY COURSE OF BUSINESS OR NOT AT ARM'S LENGTH

All Related Party Transactions in excess of the limits prescribed under the Companies Act, 2013, which are not in the Ordinary Course of Business or not at Arms' Length shall also require the prior approval of the shareholders through Ordinary resolution and the Related Parties shall abstain from voting on such resolution.

4.2.9 EXEMPTIONS

Notwithstanding the foregoing, the following Related Party transactions shall not require approval of Audit Committee or Shareholders:-

- (I) Any transaction that involves the providing of compensation to a director or Key Managerial Personnel in connection with his or her duties to the Company or any of its subsidiaries or associates, including the reimbursement of reasonable business and travel expenses incurred in the ordinary course of business and travel expenses incurred in the ordinary course of business.

(ii) Any transaction in which the Related Party's interest arises solely from ownership of securities issued by the Company and all holders of such securities receive the same benefits pro rata as the Related Party.

(iii) Related Party disclosure requirements as laid down in this Policy do not apply in circumstances where providing such disclosures would conflict with the Company's duty of confidentiality as specifically required in terms of a statute or by any regulator or similar competent authority.

4.2.10 RELATED PARTY TRANSACTIONS NOT PREVIOUSLY APPROVED

In the event the Company becomes aware of a Related Party Transaction that has not been approved or ratified under this Policy, the transaction shall be placed as promptly as practicable before the Committee or Board or the Shareholders as may be required in accordance with this Policy for review and ratification.

The Committee or the Board or the Shareholders shall consider all relevant facts and circumstances respecting such transaction and shall evaluate all options available to the Company, including but not limited to ratification, revision, or termination of such transaction, and the Company shall take such action as the Committee deems appropriate under the circumstances.

A Related Party Transaction entered into without approval under this Policy shall not be deemed to violate this Policy, or to be invalid or unenforceable, so long as the transaction is approved or ratified as soon as reasonably practical after the Company becomes aware of such transaction.

5. DISCLOSURE AND REPORTING OF RELATED PARTY TRANSACTIONS

Every Related Party Transaction entered into by the Company shall be referred to in the Board's report to the shareholders along with justification for entering into such transaction. The Company Secretary and the Chief Financial Officer shall be, responsible for such disclosure. The Company Secretary shall also make necessary entries in the Register of Contracts required to be maintained under the Companies Act, 2013.

6. SCOPE LIMITATION

In the event of any conflict between the provisions of this Policy and of the Listing Agreement / Companies Act, 2013 or any other statutory enactments, rules, the provisions of such Listing Agreement / Companies Act, 2013 or statutory enactments, rules shall prevail over this Policy.

7. DISSEMINATION OF POLICY

Either this Policy or the important provisions of this policy shall be disseminated to all functional and operational employees and other concerned persons of the Company and shall be hosted on the intra-net and website of the Company and web link thereto shall be provided in the annual report of the Company.



INDEPENDENT AUDITOR'S REPORT

To the Members of

Siddhartha Super Spinning Mills Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Siddhartha Super Spinning Mills Ltd.** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss and Statement of Cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at March 31, 2021, and profit 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 Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Directors Report and its annexures, 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 on the other information obtained prior to the date of this auditor's report, 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 Standalone 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 standalone 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

1. 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.
2. 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 an adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
4. 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.

5. 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.

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

We communicate with those charged to governance regarding, among other matters, the planned scope and timing of the audit and significant audit finding, 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 to governance, we determine those matters that were most significant in the audit of standalone financial statements for the current period. We describe these matters in the auditor's report unless the 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 reanably be expected to outweigh the public interest benefits of such communication.

Other Matter

Further to the continuous spreading of COVID -19 across India, there were restrictions for the movement throughout the country. This has resulted in restrictions on a physical visit to the client locations and the need for carrying out alternative audit procedures as per the Standards on Auditing prescribed by the Institute of Chartered Accountants of India (ICAI).

As a result of the above, the entire audit was carried out based on remote access of the data as provided by the management. This has been carried out based on the advisory on "Specific Considerations while conducting Distance Audit/ Remote Audit/ Online Audit under current Covid-19 situation" issued by the Auditing and Assurance Standards Board of ICAI. We have been represented by the directly generated by the accounting system of the Company without any further manual modifications.

We bring to the attention of the users that the audit of the financial statements has been performed in the aforesaid conditions.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. 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 1**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure 2**".
 - g. In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **SARDA & PAREEK**
Chartered Accountants
FRN no. 109262W / W100673

Gaurav Sarda
Partner
Membership No. 110208

Mumbai,
August 20, 2021.
UDIN: 21110208AAAANV3270



ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT

Annexure referred to in Independent Auditors' Report of even date to the members of Siddhartha Super Spinning Mills Ltd. on the standalone financial statements for the year ended March 31, 2021.

1. Fixed Assets

a. Maintenance of Records

- The Company has generally maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment (PPE);

b. Physical verification

There is a regular programme of physical verification of all fixed assets, annually which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In our opinion and as per the information given by the Management, the discrepancies observed were not material and have been appropriately accounted in the books.

c. Title Deeds

The Title deeds of all the Immovable properties disclosed in the Financial Statements are held in the name of the Company

In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company.

2. Inventory

a. Physical Verification

In our opinion, physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion, the coverage and procedures of physical verification of inventory followed by the management are adequate in relation to the size of the Company and the nature of its business. The Company has maintained proper records of inventory. No material discrepancies have been noticed on physical verification between physical stock and book records. In case any discrepancies have been observed they have been properly dealt with.

3. Investment Made, Loans or Advances Given.

- a. In our opinion and according to the information and explanations given to us, the Company has not granted any loan, secured or unsecured, during the year, to any companies, firms and limited Liability Partnerships or other parties covered in the register maintained in section 189 of the Companies Act, 2013.

In view of the above reporting under clause (iii) (a), (b) and (c) is not applicable.

4. Loans, Investments, Guarantees or Securities falling under Section 185 and 186 of the Companies Act.

In our opinion and according to the information and explanations given to us, the Company has not provided any loans, investments, guarantees and security to parties covered under section 185 or 186 of the Companies Act, 2013.

In view of the above reporting under clause (iv) is not applicable.



5. Deposits Accepted

In our opinion and according to the information and explanations given to us, during the year, the company has not accepted deposits from the public in terms of the provisions of section 73 to 76 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014, as amended and other relevant provisions of the Act and no deposits are outstanding at the year end.

In view of the above reporting under clause (v) is not applicable.

6. Maintenance of Cost Records

We have broadly reviewed the books of account maintained by the company pursuant to the order made by the Central Government for the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of these records.

7. Depositing Statutory Dues

- a. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Customs Duty, Cess and other material statutory dues applicable to it.
- b. According to the records examined by us and information and explanations given to us, no undisputed dues payable in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Customs Duty and Cess were in arrears, as at March 31, 2021 for more than six months from the date they became payable.

8. Default in Repayment of Loan or Other Borrowings

In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of the loans or other borrowings or in the payment of interest thereon to any lender.

In view of the above, reporting under clause (ix) (b), (c), (d), (e) and (f) is not applicable.

9. Moneys Raised

During the year the company has not raised money through initial public offer or further public offer (including debt instruments).

10. Fraud Reported or Noticed

As represented to us by the management and based on our examination of the books and records of the Company in accordance with the generally accepted auditing practices in India, we have neither come across any material fraud on or by the Company noticed or reported during the year nor we have been informed of any such case by the management that causes the financial statements to be materially misstated.

11. Managerial Remuneration

In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

12. Nidhi Company

The Company is not a chit fund or a Nidhi/Mutual benefit fund/society.

In our opinion and according to the information and explanations given to us, the Company is not a nidhi company and therefore the reporting under clause (xiii) is not applicable.

13. Transaction with Related Parties

In our opinion and according to the information and explanations given to us the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable Indian accounting standards.

14. Preferential Allotment / Private Placement

According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, reporting under clause (xiv) of the order is not applicable.

15. Non-Cash Transactions

In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of Section 192 of the Companies Act, 2013 and reporting under clause (xv) is not applicable.

16. Applicability of Section 45-IA of Reserve Bank of India Act, 1934

In our opinion and according to the information and explanations given to us, the Company is not required to register under Section 45 – IA of the Reserve Bank of India Act, 1934. Hence, Clause 3 (xvi) of the Order is not applicable to the Company

For **SARDA & PAREEK**

Chartered Accountants

FRN no. 109262W / W100673

Gaurav Sarda

Partner

Membership No. 110208

Mumbai,

August 20, 2021.

UDIN: 21110208AAAANV3270



ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

Annexure Referred to in Independent Auditors' Report on the Standalone Financial Statements of Even date to the members of **Siddhartha Super Spinning Mills Ltd.** for the year ended March 31, 2021.

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

We have audited the internal financial controls over financial reporting of **Siddhartha Super Spinning Mills Ltd.** ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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



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

Meaning of Internal Financial Control over Financial Reporting

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

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 March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **SARDA & PAREEK**

Chartered Accountants

FRN no. 109262W / W100673

Gaurav Sarda

Partner

Membership No. 110208

Mumbai,

August 20, 2021.

UDIN: 21110208AAAANV3270



SIDDHARTHA SUPER SPINNING MILLS LTD.

Balance Sheet as at 31st March, 2021

(Amount in Rupees)

Particulars		Note No.	As at March 31, 2021	As at March 31, 2020
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	4	127500000	127500000
	(b) Reserves and surplus	5	67030032	55426361
			194530032	182926361
2	Non-current liabilities			
	(a) Long-term borrowings	6	174401015	154693563
	(b) Long-term provisions	7	46183826	45470359
	(c) Other Non Current Liabilities	8	0	0
			220584841	200163922
3	Current liabilities			
	(a) Short-term borrowings	9	79129535	92552454
	(b) Trade payables			
	Total outstanding dues of micro enterprises and small enterprises	10	2961075	5113727
	Total outstanding dues of creditors other than micro enterprises and small enterprises		12099972	65521941
	(c) Other current liabilities	11	27029600	29447287
	(d) Short-term provisions	12	11686262	15698141
			132906444	208333550
	TOTAL		548021317	591423833
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	13	252160217	300424177
	(ii) Work in Progress		0	4868208
			252160217	305292385
	(b) Non-current investments	14	50000	50000
	(c) Long-term loans and advances	15	10317662	18190023
	(d) Deferred Tax assets		22476784	17329340
			32844446	35569363
2	Current assets			
	(a) Inventories	16	165431222	184272297
	(b) Trade receivables	17	40617627	33786911
	(c) Cash and cash equivalents	18	31109001	400495
	(d) Short-term loans and advances	19	25858804	32102382
			263016654	250562085
	TOTAL		548021317	591423833
	See accompanying notes forming part of the financial statements			

In terms of our report attached.

For Sarda & Pareek
Chartered Accountants

GAURAV SARDA
Partner
Membership No. 110208
Firm Regn. No. 109262W

Place : NALAGARH
Date : 20.08.2021

For and on behalf of the Board of Directors

R.P.AGARWAL
Managing Director
DIN:00148620

H.D.GULATI
CFO & V.P.Finance

M.G.RATHI
Director
DIN:00283612

ARSHDEEP KAUR
Company Secretary

R.G.AGARWAL
W.T.Director
DIN:00280901



Statement of Profit and Loss for the year ended 31st March 2021

(Amount in Rupees)

Particulars		Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
1	Revenue from operations (gross) - Indigenou	20	1059784098	1341820692
	Revenue from operations (net)		1059784098	1341820692
2	Other income	21	771031	1991660
3	Total revenue (1+2)		1060555129	1343812352
4	Expenses			
	(a) Cost of materials consumed	22a	570007027	802413662
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	22b	26184944	7302406
	(c) Employee benefits expense	23	160559481	188629348
	(d) Finance costs	24	15276785	19505285
	(e) Depreciation and amortisation expense	13	55391655	56645219
	(f) Stores & Spares	25	67468889	79489811
	(g) Power & Fuel	25	106214682	132660418
	(h) Other expenses	25	46981471	38001703
	Total expenses		1048084934	1324647852
5	Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)		12470195	19164500
6	Tax expense:			
	(a) Current tax expense for current year		(6013968)	(9607671)
	(b) Mat Credit Entitlement		0	0
	(c) Earlier years excess provision		0	4086175
	(d) Net current tax expense		(6013968)	(5521496)
	(e) Deferred tax		5147445	2227560
			(866524)	(3293936)
7	Profit / (Loss) for the year (5 ± 6)		11603671	15870564
8	Earnings per share (of Rs 10/- each):			
	(a) Basic / Diluted		0.91	1.24
	See accompanying notes forming part of the financial statements			

In terms of our report attached.

For and on behalf of the Board of Directors

For Sarda & Pareek
Chartered AccountantsGAURAV SARDA
Partner
Membership No. 110208
Firm Regn. No. 109262WR.P.AGARWAL
Managing Director
DIN:00148620M.G.RATHI
Director
DIN:00283612R.G.AGARWAL
W.T.Director
DIN:00280901H.D.GULATI
CFO & V.P.FinanceARSHDEEP KAUR
Company SecretaryPlace : NALAGARH
Date : 20.08.2021

CASH FLOW STATEMENT FOR COMPANIES OTHER THAN FINANCE COMPANIES

SIDDHARTHA SUPER SPINNING MILLS LTD.

Cash Flow Statement for the year ended 31st March, 2021

(Amount in Rupees)

Particulars	For the year ended		For the year ended	
	March 31, 2021		March 31, 2020	
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		12470195		19164500
<u>Adjustments for:</u>				
Depreciation and amortisation	55391655		56645219	
(Profit) / loss on sale / write off of assets	182968		(736219)	
Finance costs				
Interest Payment	12166948		17564386	
Bank commission and Guarantee Charges	3020269		1618896	
Interest income	(773076)		(860359)	
	69988764	69988764	74231923	74231923
Operating profit / (loss) before working capital changes		82458959		93396423
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Inventories	18841075		(6664357)	
Trade receivables	(6830716)		4321006	
Short-term loans and advances	6243578		(2346268)	
Long-term loans and advances	7872361		2555663	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Trade payables	(55574621)		12192196	
Other current liabilities	(2417687)		(953788)	
Short-term provisions	(4011879)		3395500	
Long-term provisions	713467		2928032	
Other Non-current liabilities	0		0	
	(35164422)	(35164422)	15427984	15427984
Cash flow from extraordinary items		47294537		108824407
		0		0
Cash generated from operations		47294537		108824407
Net income tax (paid) / refunds		6013968		5521496
Net cash flow from / (used in) operating activities (A)		41280569		103302911
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	(3380895)		(26239477)	
Proceeds from sale of fixed assets	938440		1166699	
Expenditure on non-current investment	0		2697000	
- Others	773076		860359	
	(1669379)	(1669379)	(21515419)	(21515419)
Cash flow from extraordinary items		0		0
		(1669379)		(21515419)
Net income tax (paid) / refunds		0		0
Net cash flow from / (used in) investing activities (B)		(1669379)		(21515419)

SIDDHARTHA SUPER SPINNING MILLS LTD.

C. Cash flow from financing activities				
Proceeds from long-term borrowings	19707452		(42675437)	
Net increase / (decrease) in working capital borrowings	(13422919)		(38140011)	
Interest Payment	(12166948)		(17564386)	
Bank commission and Guarantee Charges	(3020269)		(1618896)	
	(8902684)	(8902684)	(99998730)	(99998730)
Net cash flow from / (used in) financing activities (C)		(8902684)		(99998730)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		30708506		(18211238)
Cash and cash equivalents at the beginning of the year		400495		12213162
Cash and cash equivalents at the end of the year		31109001		(5998076)
Reconciliation of Cash and cash equivalents with the Balance Sheet:				
Cash and cash equivalents as per Balance Sheet (Refer Note 17)		31109001		400495
Net Cash and cash equivalents (as defined in AS 3 <i>Cash Flow Statements</i>) included in Note 17		31109001		400495
Cash and cash equivalents at the end of the year *		31109001		400495
* Comprises:				
(a) Cash on hand		101541		70094
(b) Balances with banks				
(i) In current accounts		31007460		330401
(ii) In deposit accounts with original maturity of less than 12 months		0		0
		31109001		400495
Notes:				
(i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.				
(ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.				
See accompanying notes forming part of the financial statements				
In terms of our report attached.				
	For and on behalf of the Board of Directors			
For Sarda & Pareek				
Chartered Accountants				
	R.P.AGARWAL	M.G.RATHI	R.G.AGARWAL	
	Managing Director	Director	W.T.Director	
	DIN:00148620	DIN:00283612	DIN:00280901	
GAURAV SARDA				
Partner				
Membership No. 110208				
Firm Regn. No. 109262W				
	H.D.GULATI		ARSHDEEP KAUR	
	CFO & V.P.Finance		Company Secretary	
Place NALAGARH				
Date : 20.08.2021				



Notes forming part of the financial statements

Accounting Policies for the year ended March 31, 2021

Note Particulars

1 Corporate information

The Company is manufacturing various types of yarn From Man Made fibre . The plant is located at village Nihla Khera Nalagarh Distt. Solan Himachal Pradesh. CIN No. U17115HP1980PLC025940

2 Basis of preparation

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) and applicable accounting standards as per section 133 of the companies act 2013 ("the Act") read with rule 7 of companies (Accounts) rules 2014. The financial statements have been prepared on accrual basis under the historical cost convention except the income which are not ascertainable at the end of the year. The accounting policies adopted in preparation of financial Statement are consistent with those of Previous Year.

2.1 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP 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.

2.2 Inventories

Inventories are valued as follows :

Raw material, Packing material, WIP, Store and Spares, Dyes & chemicals - At Cost on FIFO basis.

Finished Goods - At Cost or Net Relisable Value whichever is lower

Stock of Waste - Net Relisable Value

Net Realisable Value is the estimated selling price in the ordinary course of business less estimated cost of Completion and estimated cost necessary to make the sales

2.3 Revenue recognition

Sales are recognised on transfer of significant risks and rewards of ownership to the buyer, which happens at the delivery of goods to customers. Sales excludes sales tax, value added tax, sales returns and trade discounts.

Goods transferred on consignment basis are recognised after receiving the final sale bill to the third party from the agent.

Interest subsidy on term loan for import of machinery under TUFF is accounted on Receipt basis.



Interest on Term Loan is net of subsidy received from under TUFF.

Dividend Income is recognised on Receipt basis

2.4 Other income

Interest income is accounted on time proportion basis taking into account the amount outstanding and applicable interest rate.

2.5 Tangible fixed assets & Depreciation

Fixed Assets are stated at cost less accumulated depreciation. The cost of Fixed assets includes CENVAT, other incidental Exp and interest on borrowing attributable to acquisition of qualifying fixed assets up to the date, the assets is ready for its intended use.

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Straight Line Method (SLM) as per rate prescribed in Schedule II to the Companies Act, 2013. Depreciation on addition during the period is calculated on pro rata basis from the date of such addition or upto the date on which such asset has been sold, discarded, demolished or destroyed.

The depreciation has been provided on triple shift basis.

Capital Work in progress:

Projects under which assets are not ready for their intended use and other capital work in progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

2.6 Investments

Short term Investment are valued at cost or market value whichever is lower. Long term Investments are valued at cost.

The provision on long term investment is made for dimunition other than temporary.

2.7 Employee benefits

Employee benefits include provident fund, gratuity fund, Leave encashment.

Defined contribution plans

The Company's contribution to provident fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested.



The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes. However the company has not funded the Gratuity Liability

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service.

2.8 Borrowing costs

Borrowing costs include interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to purchase of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets.

2.9 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

For and on behalf of the Board of Directors

R.P.AGARWAL
Managing Director
DIN:00148620

M.G.RATHI
Director
DIN:00283612

R.G.AGARWAL
W.T.Director
DIN:00280901

H.D.GULATI
CFO & V.P.Finance

ARSHDEEP KOUR
Company Secretary



SIDDHARTHA SUPER SPINNING MILLS LTD.
Notes forming part of the financial statements
Note 4 Share capital

(Amount in Rupees)

Particulars	As at March 31, 2021		As at 31 March, 2020	
	Number of shares	Amount (Rs.)	Number of shares	Amount (Rs.)
(a) Authorised Equity shares of Rs. 10/- each with voting rights	15000000	150000000	15000000	150000000
(b) Issued Equity shares of Rs.10/- each with voting rights	12750000	127500000	12750000	127500000
(c) Subscribed and fully paid up Equity shares of Rs. 10/-each with voting rights	12750000	127500000	12750000	127500000
Total				

Refer Notes (i) to (v) below

Notes:
(i) Rights of Equity Shareholders

The Company has only one class of Equity Shares having par value of Rs.10/- each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amount to various stakeholders of the company.

(ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue	Bonus / Buy Back	Closing Balance
Equity shares with voting rights				
Year ended 31 March, 2021				
- Number of shares	12750000	0	0	12750000
- Amount (Rs)	127500000	0	0	127500000
Year ended 31 March, 2020				
- Number of shares	12750000	0	0	12750000
- Amount (Rs)	127500000	0	0	127500000

(iii) Disclosure for the aggregate number allotted as fully paid up without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date:

Particulars	Year (Aggregate No. of Shares)				
	2020-21	2019-20	2018-19	2017-18	2016-17
Equity Shares :					
Fully paid up pursuant to contract(s) without payment being received in cash	0	0	0	0	0
Fully paid up by way of bonus shares	0	0	0	0	0
Shares bought back	0	0	0	0	0

(iv) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2021		As at 31 March, 2020	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
SH. R.P.AGARWAL	1029965	8.08	1029965	8.08
VISHAL AGARWAL	1271700	9.97	1271700	9.97
SH. BALKISHAN MOHTA (HUF)	1267500	9.94	1267500	9.94
MANJUSHREE MOHTA	2334895	18.31	2334895	18.31
MADAN GOPAL RATHI,	1066600	8.37	1066600	8.37
BEENA RATHI	1266700	9.93	1266700	9.93
DINESH RATHI	930000	7.29	930000	7.29
EKTA MOHTA	637000	5.00	637000	5.00
POOJA AGARWAL	746095	5.85	746095	5.85
MUKESH RATHI	700000	5.49	700000	5.49
RAM KRUPA PROPERTIES PVT LTD	1200000	9.41	1200000	9.41

(v) The Company is a stand alone company and does not have any holding company.

Notes forming part of the financial statements**Note 5 Reserves and surplus**

Particulars	As at March 31, 2021	As at 31 March, 2020
	Rs	Rs
(a) Capital reserve		
Opening balance	22950000	22950000
Add: Additions during the year	0	0
Less: Utilised / transferred during the year	0	0
Closing balance	22950000	22950000
(b) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	32476361	16605797
Add: Profit / (Loss) for the year	11603671	15870564
Closing balance	44080032	32476361
Total	67030032	55426361

SIDDHARTHA SUPER SPINNING MILLS LTD.**Notes forming part of the financial statements****Note 6 Long-term borrowings**

Particulars	As at March 31, 2021	As at March 31, 2020
	Rs	Rs
(a) Term loans		
From banks		
Secured	97000000	77292548
(b) Deferred payment liabilities		
Unsecured Electricity Duty Payable	77401015	77401015
Total	174401015	154693563

Notes forming part of the financial statements

Note 6 Long-term borrowings (contd.)

Particulars					
Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:					
Particulars	Terms of repayment and security	As at March 31, 2021		As at March 31, 2020	
		Secured	Unsecured	Secured	Unsecured
		Rs	Rs	Rs	Rs
Term loans from banks:					
State Bank of India	Hypthocation on Plant & Machinery	97000000	0	77000000	0
Vehicle Loans from Banks	Vehicles	0	0	292548	0
Total - Loans from banks		97000000		77292548	

Note 1 :-

Term loan from Scheduled Bank of Rs. 97000000

Term Loan Repayable		SBI TL-814	SBI TL-130
Less than one year	0	0	0
one year to five year	97000000	65000000	32000000
five years and above	0	0	0
TOTAL	97000000	65000000	32000000

1. Security: Term Loan from Bank has been secured by giving 1st pari passu charge on Plant & Machinery and other fixed assets (excluding land and building) Existing & proposed to purchase/created out of the banks proposed term loan and company margin.
2. Collateral securities: Charge of land measuring 99 Bigha 15 Bishwas situated at village Nihla Khara Nalagarh Distt Solan HP.
3. Equitable Mortgage on the Residential place & Offices own by some of the Directors & their relatives and personal Gurantees by some of the Directors/Promotors.
4. There is no default in repayment of the above mentioned loan instalments or interest by the Company

There is no default in repayment of the above mentioned loan instalments or interest by the Company

Note 2 :-

Vehicle loan from Scheduled Bank on hypothecation of Motor Car

Loan Repayable		AXIS BANK
		CAR
Less than one year	292548	292548
one year to five year	0	0
five years and above	0	0
TOTAL	292548	292548

There is no default in repayment of the above mentioned loan instalments or interest by the Company

Note 3 :-

Director of Industries H.P. have granted deferment from payment of electricity duty from original due date for a period of 5 years from the date of notification by MPP and Power Deptt. as per letter No. Ind.Dev.F(41)Sick/SSS M dt. 2nd August 2008. The duty payable amounting to Rs 77401015 has been shown as unsecured loans interest free. Further, we have filed the petition in the HP High Court for seeking the waiver of this amount, the Honable High Court has given stay order for the recovery of this deferred amount.



SIDDHARTHA SUPER SPINNING MILLS LTD.
Notes forming part of the financial statements

Note 7 Long-term provisions

Particulars	As at March 31, 2021	As at March 31, 2020
	Rs.	Rs.
Provision for employee benefits:		
(i) Provision for gratuity (net)	43257090	42572531
(ii) Provision for other employee benefits (<i>Leave Due Payable</i>)	2926736	2897828
Total	46183826	45470359

Note:8 Other Non Current Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
	Rs	Rs
Creditors for Capital Goods	0	0
Total	0	0

SIDDHARTHA SUPER SPINNING MILLS LTD.
Notes forming part of the financial statements

Note 9 Short-term borrowings

Particulars	As at March 31, 2021	As at March 31, 2020
	Rs	Rs
(a) Loans repayable on demand		
From banks		
Secured	79129535	77552454
	79129535	77552454
From other parties		
Secured		
Unsecured	0	15000000
Total	79129535	92552454
Notes:		
(i) Details of security for the secured short-term borrowings:		

SIDDHARTHA SUPER SPINNING MILLS LTD.

Particulars	Nature of security	As at March 31, 2021	As at March 31, 2020
		Rs	Rs
Loans repayable on demand from banks: SBI CC Baddi	Stock of Finished Goods, Raw Material, Packing Material and Work in Progress	78213547	75817530
Interest Payable on Term Loan (SBI)		623440	539644
Vehicle Loan from Axis Bank repayable in next 12 Months	Hypthopcation on Vehicle.	292548	675437
Interest Payable on ICD		0	519843
	TOTAL	79129535	77552454

Note1.

Cash Credit Facility:

1. CC Facility is taken from State Bank Of India a Schduled Bank.
2. CC Limit has been secured by giving 1st charge (hypothecation) over current assets of the company consisting of raw material, stock-in-transit, stock-in-process, finished goods, stores & spares,book debts, bills etc. lying in factory premises/sales depost and offices (both present and future, Hypothecation of Stock & Receivables.
3. Collateral Securities by Equitable mortgage of factory land measuring 37 bigha 2 biswa and building thereupon at village Nihla Khera,Nalagarh Distt Solan. (H.P.)
4. Personal Gurantees by Directors.

SIDDHARTHA SUPER SPINNING MILLS LTD.

Notes forming part of the financial statements

Note 10 Trade payables

Particulars	As at March 31, 2021	As at March 31, 2020
	Rs	Rs
Trade payables: Other than Acceptances	15061047	70635668
Total	15061047	70635668

Notes:

Detail of Trade Payables

Particulars	As at March 31, 2021	As at March 31, 2020
	Rs	Rs
Raw Material Creditors	0	51829090
Store Creditors (SME)	2961075	5113727
Store Creditors (Others)	5310253	9906666
Other Creditors	6789719	3786185
TOTAL	15061047	70635668



Notes forming part of the financial statements**Note 11 Other current liabilities**

Particulars	As at March 31, 2021	As at March 31, 2020
	Rs	Rs
Income received in advance (Unearned revenue)		
Advances from Debtors	2346200	638685
T.D.S. (Cont.)	17771	20874
T.D.S. (Salary)	162500	147900
T.D.S. (Professional)	44118	38328
T.D.S. (Comm)	100869	72232
T.D.S. (Interest)	6718	89961
T.C.S.Payable (Scrap)	10307	1994
T.C.S.Payable (Sale)	111645	0
H.P.Entry Tax Payable	0	8557871
Lease Rent Payable	834709	794961
H.P.Goods Tax Payable	113581	31955
Wages Payable	5965580	4801905
Salary Payable	1486181	1726342
Un-Paid Salary	37264	113691
Unpaid Wages	1836427	1485893
Unpaid Bonus	34756	85535
Unpaid Exgratia	0	725186
Provident Fund Payable	1288121	1275680
E.S.I. Payable	293476	268380
Refreshment Coupens	93997	81303
Power Payable	12245380	8488611
Total	27029600	29447287

Notes forming part of the financial statements**Note 12 Short-term provisions**

Particulars	As at March 31, 2021	As at March 31, 2020
	Rs	Rs
(a) Provision for employee benefits:		
Provision for bonus	4800000	4800000
(b) Provision - Others:		
Provision for Tax	6810248	9607671
Tax Deducted/Collected at Source	(525078)	(307217)
Advance Tax Deposited	(5500000)	(3000000)
Provision - other (Outstanding Expenses)	6101092	4597687
	6886262	10898141
Total	11686262	15698141

SIDDHARTHA SUPER SPINNING MILLS LTD.
Notes forming part of the financial statements

Note 13 Fixed assets

FIXED ASSETS
Tangible Assets

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at March 31, 2020	Addition/ Transfer During The Year	Adjustment During The Year	As at March 31, 2021	Till The Last Year	For The Year	Written Back During The Year	Total	As at March 31, 2021	As at March 31, 2020
	1	2	3	4	5	6	7	9	10	11
	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.
Land & Site development (Free Hold)	578032			578032	0	0		0	578032	578032
Road & Fences	2182673			2182673	2073540	0		2073540	109133	109133
Building	101192313			101192313	65316788	2332844		67649632	33542681	35875525
Plant & Machinery	715856074	7628849	6622585	716862338	459498216	51716675	5501177	505713714	211148624	256357858
Computer	3263667	533475		3797142	3131739	167780		3299519	497623	131928
Furniture & Fixture & Office Equipments	7249383	86779		7336162	6338216	146647		6484863	851299	911167
Vehicle	11057076			11057076	4596542	1027709		5624251	5432825	6460534
Total	841379218	8249103	6622585	843005736	540955041	55391655	5501177	590845519	252160217	300424177
Work in Progress	4868208	0	4868208	0	0	0	0	0	0	4868208
Previous Year	828617550	21371269	8609601	841379218	492488943	56645219	8179121	540955041	300424177	336128607

Notes:-

1 The company has taken 2.1.3 bighas land on lease from H.P.Govt on '11. '11. '1983 for a period of 99 years and the lease rent is renewed after every five years. Current renewal period is '15.02.2019 to 14.02.2024 vide Deputy Commissioner Solan's office order no.SK/9-84/80-14799 dt.26.10.2020. The value of the land on lease considered nil in the gross block.

2 Plant and Machinery is hypothecated against Term Loan from State Bank Of India SWE Branch Baddi and Vehicles are hypothecated against Vehicle Loan taken from Axis Bank.

3 GST/Cenvat Credit & VAT if any has not been capitalized during the year. Hence Depreciation has not been charged on the same.

Notes forming part of the financial statements**Note 14 Non-current investments**

Particulars	As at March 31, 2021		As at March 31, 2020	
	Unquoted	Total	Unquoted	Total
Non Trade				
Investments (At cost):				
Unquoted Shares (at cost)				
Shivalik Solid Waste Management Ltd	50000	50000	50000	50000
5000 Shares of Rs. 10 each fully paid up				
(Previous Year 5000 shares @ Rs.10/-)				
Total - Trade (A)	50000	50000	50000	50000

SIDDHARTHA SUPER SPINNING MILLS LTD.**Notes forming part of the financial statements****Note 15 Long-term loans and advances**

Particulars	As at March 31, 2021	As at March 31, 2020
	Amount	Amount
Security deposits		
Unsecured, considered good	5077896	5077896
HPSEB Rs 4987896/=		
CDSL Rs 90000/=		
Other loans and advances		
Unsecured, considered good		
Bank Deposits (Maturity more than 12 months)	4742847	5893671
Intrest Accrued On Bank Deposits	496919	901040
MAT credit entitlement	0	6317416
Capital Advance (Machinery Creditors)	0	0
Total	10317662	18190023

Notes:

FDR worth Rs 3280896/= have been pledged as margin money of Bank Gurantees for EPCG Licenses and Rs 515298/= have been pledged as margin money of Bank Gurantees in favour of Govt of Himachal Pradesh for 2/3 of H.P.Entry tax stayed by Hon'ble High Court of Himachal Pradesh and Rs 847500/= for HPSEB for contract demand enhancement. FDR worth Rs. 20000/= has been kept as security with Excise & Sale Tax deppt. H.P.

BANK DEPOSITS

TOTAL

4742847

Maturity

WITHIN 12 MONTHS

0

Maturity

MORE THAN 12 MONTHS

4742847

Notes forming part of the financial statements**Note 16 Inventories**

(At lower of cost and net realisable value)

Particulars	As at March 31, 2021	As at March 31, 2020
	Amount	Amount
(a) Raw materials	106217818	96688130
(b) Work-in-process (Refer Note below)	23434321	26893548
(c) Finished goods (other than those acquired for trading)	29817204	52449796
(d) Stores and spares	2434384	3408410
(e) Others	3527495	4832413
Total	165431222	184272297

Note1: Details of inventory of work-in-process

Particulars	As at March 31, 2021	As at March 31, 2020
Product Yarn	23434321	26893548

(e) Others		
Dyes and Chemicals	2323921	3140938
Packing Material	1018074	1406680
Fuel Material	0	6170
Stock of Waste	185500	278625
TOTAL	3527495	4832413

SIDDHARTHA SUPER SPINNING MILLS LTD.**Notes forming part of the financial statements****Note 17 Trade receivables**

Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivables outstanding for a period not exceeding six months from the date they were due for payment		
Unsecured, considered good	40617627	33786911
Doubtful	0	0
	40617627	33786911
	40617627	33786911
Trade receivables outstanding for a period exceeding six months		
Unsecured, considered good	0	0
Doubtful	0	0
	0	0
Total	40617627	33786911

Notes forming part of the financial statements

Note 18 Cash and cash equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
	Rs	Rs
(a) Cash on hand	101541	70094
(b) Balances with banks		
(i) In current accounts (see note below)	31007460	330401
(c) Other Bank Balances		
FDR with Banks (Maturity within 12 months)	0	0
Total	31109001	400495

Note:

Particulars	As at March 31, 2021	As at March 31, 2020
	Rs	Rs
Detail of Balances with banks		
SBI Nalagarh c/a 65008189154	979684	301563
SBI Baddi c/a 32936099601	30022338	22987
PNB Nalagarh c/a	5438	5851
TOTAL	31007460	330401

Notes forming part of the financial statements

Note 19 Short-term loans and advances

Particulars	As at March 31, 2021	As at March 31, 2020
	Rs	Rs
(a) Prepaid expenses - Unsecured, considered good (For e.g. Insurance premium, Annual maintenance contracts, etc.)	1785664	1120475
(b) Loans and advances to employees Unsecured, considered good including officers	930739	796297
(c) Balances with government authorities Unsecured, considered good		
(i) TED refund Receivable against EPCG Licenses	0	(99355)
(ii) ITC of GST Receivable	21105336	27511470
Sub Total (c)	21105336	27412115
(d) Other Loans and advances		
Advance Against Exps.	696156	992633
Advances to Store Creditors	1340909	1007110
Advances to Raw Material Creditors	0	773752
Claim Receivable from R.M.Suppliers	0	0
Sub Total (d)	2037065	2773495
Total	25858804	32102382

Note 19 Short-term loans and advances (contd.)

Particulars		
Note: Short-term loans and advances include amounts due from:		
Particulars	As at March 31, 2021	As at March 31, 2020
	Rs	Rs
Directors	0	0
Other officers of the Company	393915	386088
	393915	386088

Notes forming part of the financial statements

Note 20 Revenue from operations

	Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
		Amount	Amount
(a)	Sale of products Indigenous (Refer Note (i) below)	1042527629	1325325615
(b)	Sale of products Fibre (Refer Note (ii) below)	16366231	15018553
		1058893860	1340344168
(c)	Other operating revenues (Refer Note (iii) below)	890238	1476524
	Total	1059784098	1341820692

Note:

	Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
		Rs	Rs
(i)	Sale of products comprises: Indigenous		
	<u>Manufactured goods</u>		
	Direct Sale		
	Product - MM YARN	983553438	1264775223
	Export through third party		
	Product - MM YARN	53587420	54934480
	Waste Sale		
	Product - MM WASTE	5386771	5615912
	Total - Sale of manufactured goods	1042527629	1325325615
(ii)	Sale of products - Fibre		
	Polyster Fibre	16366231	15018553
		16366231	15018553
(iii)	Other operating revenues comprise:		
	Sale of scrap	890238	1476524
	Total - Other operating revenues	890238	1476524
	TOTAL	1059784098	1341820692

Notes forming part of the financial statements

Note 21 Other income

	Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
		Rs	Rs
(a)	Interest income (Refer Note (i) below)	773076	860359
(b)	Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii) below)	(2045)	1131301
	Total	771031	1991660

Note:

	Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
		Rs	Rs
(i)	Interest income comprises:		
	Interest from banks on:		
	Deposits	382949	514411
	Interest on loans and advances (Intt. On security deposit with HPSEB & others)	308372	345948
	Interest on late payment from debtors	81755	0
	Total - Interest income	773076	860359

Note 20 Other income (contd.)

Note	Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
		Rs	Rs
(ii)	Other non-operating income comprises:		
	Profit on sale of fixed assets.	(182968)	736219
	Miscellaneous income	15700	91135
	Sundry Balances Written Back	433	17539
	Insurance Claim Received	0	277658
	Dividend Received	164790	8750
	Total - Other non-operating income	(2045)	1131301

SIDDHARTHA SUPER SPINNING MILLS LTD.

Notes forming part of the financial statements

Note 22.a Cost of materials consumed

Particulars	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
		Rs		Rs
Opening stock		98094810		87477406
Add: Purchases (Fibre+Packing Material)		572111512		786787023
Purchases (Yarn)		7036597		23701378
Job work exps		0		2542665
		677242919		900508472
Less: Closing stock		107235892		98094810
Cost of material consumed		570007027		802413662
Material consumed comprises:				
Raw material 1:				
Opening Stock				
Raw Material				
Acrylic Fibre	2852871		9648916	
Polyster Fibre	91396442		76250112	
Viscose Fibre	2438817	96688130	596547	86495575
		96688130		86495575
Add.: Purchases:-				
Acrylic Fibre	13378281		34858600	
Polyster Fibre	544274302		729432317	
Viscose Fibre	0	557652583	4206406	768497323
Total		654340713		854992898
Closing Stock				
Raw Material				
Acrylic Fibre	3016415		2852871	
Polyster Fibre	103043582		91396442	
Viscose Fibre	157821	106217818	2438817	96688130
Net Consumed		548122895		758304768
Packing Material				
Opening Stock		1406680		981831
Add: Purchase		14458929		18289700
Total		15865609		19271531
Less: Closing Stock		1018074		1406680
Net Consumed		14847535		17864851

Note 22.b Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
		Rs		Rs
<u>Inventories at the end of the year:</u>				
Finished goods		29817204		52449796
Work-in-progress		23434321		26893548
Stock of Waste		185500		278625
		53437025		79621969
<u>Inventories at the beginning of the year:</u>				
Finished goods		52449796		54068241
Work-in-progress		26893548		32682040
Stock of Waste		278625		174094
		79621969		86924375
Net increase / (decrease)		(26184944)		(7302406)

Notes forming part of the financial statements

Note 23 Employee benefits expense

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	Rs	Rs
Salaries and wages	150336858	177368717
Contribution to P.F. & ESI	8805956	10308567
Staff welfare expenses	1416667	952064
Total	160559481	188629348

Note 24 Finance costs

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	(a) Interest expense on: (i) Borrowings from Banks/FI	12166948
(b) Other borrowing costs Bank Commission and Guarantee Charges & Bank Processing Charges	3020269	1618896
(c) Interest on Raw Material	89568	322003
Total	15276785	19505285

Note 25 Other expenses

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	Other Expenses	
Consumption of Stores & Spares	67468889	79489811
Power & Fuel	106214682	132660418
Rent - Office	878400	439208
Rent - Land on Lease	874457	794961
Repairs to Building	1611426	1909473
Repair to Machinery	544083	927607
Audit Fees	177000	177000
Audit Expenses	101000	101704
Insurance	1707744	1386577
Rates & Taxes, Exclude Tax on Income	504400	46696
H.P. TAX	1915819	1876272
H.P.Entry Tax	855789	0
Rebate & Discount	0	34496
Selling commission	12376669	5904297
Selling expenses	18059355	16802879
Miscellaneous Expenses (Refer note (ii) below)	7375329	7600533
TOTAL (1+2)	46981471	38001703

SIDDHARTHA SUPER SPINNING MILLS LTD.

Notes forming part of the financial statements

Other Expenses Include Auditor's Remuneration As Under		
Audit Fees	125000	125000
Tax Audit Fees	25000	25000
Other Expenses (IGST)	27000	27000
Total	177000	177000

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(ii) DETAILS OF MISCELLANEOUS EXPENSES:-		
ADVERTISEMENT	35010	254275
AGM EXPENSES.	47702	8100
BOOKS & PERIODICALS	6410	17340
COMPUTER EXP.	110512	54145
CONVEYANCE	1196536	1693507
COVID-19 EXPS	1658443	0
DONATION	0	131000
CERTIFICATION CHARGES	7500	133070
CORPORATE SOCIAL RESPONSIBILITY	11000	25000
FURNITURE & GEN. REPAIR	212316	230664
FILING FEES (ROC)	20500	28660
GARDENING EXP.	140895	168437
GENERAL EXPENSES	1016230	1269182
INTEREST & PENALTY	20218	233426
LEGAL & PROFESSIONAL FEE	379170	243365
MEMBERSHIP FEE	80331	34131
OFFICE EXP.	89209	81614
POSTAGE & TELEGRAMS	102069	170716
PRINTING & STATIONARY	239247	237834
TELEPHONE	133802	167804
TESTING FEE	35491	40031
TRAVELLING (DIRECTORS)	549256	819674
TRAVELLING (OTHERS)	130336	85536
TRUCK EXPENSES	734270	545248
VEHICLE EXPENSES	418876	927774
MISCELLANEOUS EXPENSES	7375329	7600533

Interest Expenses

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Bank Commission	24287	29477
Bank Processing & Guarantee Charges	2995982	1589419
Interest on Vehicle Loan	58771	116393
Interest on Working Capital	5463238	5971758
Interest on Term Loan (SBI)	5681465	10898632
Interest on Term Loan (SBI) Additional	590542	0
Interest on Covid Loan (SBI)	305124	0
Interest ICD	67808	577603
Interest Raw Material	89568	322003
	15276785	19505285

SIDDHARTHA SUPER SPINNING MILLS LTD.

Notes forming part of the financial statements

Consumption of Stores & Spares

Particulars		For the year ended 31st March, 2021		For the year ended 31st March, 2020
Power		101289394		124437365
Fuel Material				
Opening Stock		6170		149827
Add: Purchase		4919118		8079396
Total		4925288		8229223
Less: Closing Stock		0		6170
Net Consumed		4925288		8223053
Power & Fuel		106214682		132660418
Consumable Store				
Opening Stock		3408410		4448703
Add: Purchase:-				
Stores	27997930		21683769	
Tint & Mixing Chem.	4527764		6307306	
ETP Chemicals	2624923	35150617	2925565	30916640
Total		38559027		35365343
Less: Closing Stock		2434384		3408410
Net Consumed		36124643		31956933
Dyes & Chemical				
Opening Stock		3140938		2684972
Add: Purchase		30527229		47988844
Total		33668167		50673816
Less: Closing Stock		2323921		3140938
Net Consumed		31344246		47532878
Stores, Dyes & Chemicals Consumed		67468889		79489811

Employees Benefit Expenses

Particulars		For the year ended 31st March, 2021		For the year ended 31st March, 2020
		RS.		RS.
Director's Remuneration	3666000		3900000	
Director's Gratuity	187500		187500	
		3853500		4087500
Salary		25211542		31686418
Wages	55133239		73382540	
Less House Rent	64523	55068716	63358	73319182
Contractor Bill		6135017		6908057
Exgratia		37357330		43611091
Trainee Stipend		14720831		4515175
Diwali Exps.		28850		710560
Refreshment Exps.		103255		147236
Bonus		4900035		4480147
Gratuity		2957782		7903351
Total		150336858		177368717
Staff Welfare		889205		715612
Staff Recruitment		527462		236452
Total		1416667		952064
Contribution to P.F.				
Employer's Contribution to E.P.F.		6169465		7010598
Adm. Charges P.F.		281991		341972
E.S.I. Employer's		2354500		2955997
Total		8805956		10308567
Total		160559481		188629348

SIDDHARTHA SUPER SPINNING MILLS LTD.

Notes forming part of the financial statements

SIDDHARTHA SUPER SPINNING MILLS LTD.**Notes on Accounts for the year ended March 31, 2018****3. Notes on Accounts**

3.1	Contingent liabilities and commitments (to the extent not provided for)	As at March 31, 2021	As at March 31, 2020
(i)	Contingent liabilities (a) Claims against the Company not acknowledged as debt No provision has been made for Rs. 2.87 Lacs pertaining to the compensation Order passed by the Sub-Judge, Nalagarh. Since the management has filed an appeal against this Order, with the High Court. Same amount has been deposited in the High Court and shown under current assets loans and advances.	2.87 Lacs	2.87 Lacs
	(b) TED Refund against EPCG Licenses for which the bank guarantee has been given to DGFT for the purchase of Machinery against which export obligation is pending .	151.0 Lacs	211.0 Lacs
	(c) The petition is pending with the H'ble High Court Shimla regarding electricity duty payable. The matter is Sub Judicious and liability will not crystallize in the ensuing year & is long term nature.	774.0 Lacs	774.0 Lacs
(ii)	Commitments (a) Estimated amount of contracts remaining to be executed on capital account and not provided for.	Nil	79.22 Lacs

3.2 DEFERRED TAX

On the basis of prudence and in accordance with the AS-22 the Company has complied with the provision of AS - 22 and created deferred tax assets after assuring the reasonable certainty regarding the profitability in future years. The working is provided as under-

PARTICULARS	As at March 31, 2021	As at March 31, 2020
Nature	Tax	Tax
BONUS PAYABLE	1,335,360	1,322,544
GRATUITY PAYABLE	12,034,122	11,730,009
LEAVE SALARIES PAYABLE	814,218	798,439
LEASE RENT	232,216	219,036
ELECTRICITY DUTY PAYABLE	16,424,549	16,266,917
TOTAL DEFERRED TAX ASSETS (A)	30,840,465	30,336,944
Wdv of depreciable assets as per Companies Act	252,160,217	300,424,177
Wdv of depreciable as per IT Act	222,096,660	253,213,380
Difference in wdv due to differential rate of depreciation	8,363,681	13,007,605
TOTAL DEFERRED TAX LIABILITY (B)	8,363,681	13,007,605
NET DEFERRED TAX ASSETS(A-B)	22476784	17329339

3.3 The company has only business segment, hence segment reporting as per AS-17, is not applicable to the company.

3.4 Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. The Company has not identified the parties falling under the provision of the act however the company has taken cognizance of the same and is in the process of identification of such parties.

3.5 Trade Receivable and Trade Payables are subject to third party Confirmations. In the opinion of the Board, any of the assets other than fixed assets and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion.

SIDDHARTHA SUPER SPINNING MILLS LTD.

Notes forming part of the financial statements

3.6 Basic and Diluted Earning per share as per AS-20

Particulars	As at March 31, 2021	As at March 31, 2020
1 Number of Equity Shares at the beginning of the year	12750000	12750000
2 Number of Equity Shares at the end of the year	12750000	12750000
3 Weighted average number of Equity Shares outstanding during the year	12750000	12750000
4 Face Value of Each equity Share Rs.	10	10
5 Profit/Loss after Tax attributable to Equity Share holders	11603671	15870564
6 Basic / Diluted Earning Per Share [5/3]	0.91	1.24

3.7 Provisions Created by the Company

Nature	opening balance	addition	utilisation	closing balance
BONUS PAYABLE	4800000	4800000	4800000	4800000
GRATUITY PAYABLE	42572531	3145282	2460723	43257090
LEAVE DUE	2897828	28908	0	2926736
TOTAL	50270359	7974190	7260723	50983826

3.8 Interst Capitalisation

Note	Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	Details of borrowing costs capitalised as per AS - 16		
	Borrowing costs capitalised during the year - as fixed assets / intangible assets	0	152448

3.9 Related party transactions**3.9.a Details of related parties:**

Description of Relationship	Names of Related Parties
Key Management Personnel (KMP)	Sh. R.P.Agarwal - Managing Director Sh M.G.Rathi - Director Sh. R.G. Agarwal - Whole Time Director
Company in which KMP / Relatives of KMP can exercise significant influence	Shree Nagani Silk Mills Pvt.Ltd. Mumbai Directors are Interested Shreedhar Cotsyn Pvt.Ltd. Mumbai Smt. K.D.Agarwal Smt. Pooja Agarwal
	Directors

Note: Related parties have been identified by the Management.



SIDDHARTHA SUPER SPINNING MILLS LTD.

Notes forming part of the financial statements

3.9b Details of Related Party transactions during the year ended 31 March, 2021 and balances outstanding as at 31 March, 2021:

	KMP	Entities in which KMP / relatives of KMP have significant influence	Total	Bal at the end of the year
<u>Reimbursement:</u>				
Shree Nagani Silk Mills P.Ltd Mumbai (on behalf of the Company)				
i) Sale of Store Material		1.18 Lacs (NIL)	1.18 Lacs (NIL)	NIL (NIL)
ii) Payment to Fibre Supplier on our behalf		169.59 lacs (191.80 lacs)	169.59 lacs (191.80 lacs)	NIL (NIL)
iii) Payment for Interest		3.79 Lacs (NIL)	3.79 Lacs (NIL)	NIL (NIL)
iv) Purchase of Store Material		5.90 Lacs (NIL)	5.90 Lacs (NIL)	NIL (NIL)
Shreedhar Cotsyn Pvt.Ltd. Mumbai (on behalf of the Company)				
i) Sale of yarn		600.51 lacs (616.87 lacs)	600.51 lacs (616.87 lacs)	-22.42 Lacs (NIL)
ii) Payment to Party		100.00 Lacs (NIL)	100.00 Lacs (NIL)	NIL (NIL)
SRM Spinners Ltd. Bhilwara (on behalf of the Company)				
i) Sale of yarn & Dyed Fibre & payment made		163.08 lacs (125.80 lacs)	163.08 lacs (125.80 lacs)	NIL (NIL)
Himtex Textile Pvt Ltd Una (on behalf of the Company)				
i) Sale of yarn, Fibre & Store material		25.37 lacs (101.52 lacs)	25.37 lacs (101.52 lacs)	NIL (NIL)
iv) Purchase of Raw Material		52.52 Lacs (NIL)	52.52 Lacs (NIL)	NIL (NIL)
<u>Managerial Remuneration</u>				
Sh. R.P.Agarwal	23.71 lacs (25.15 Lacs)		23.71 lacs (25.15 Lacs)	NIL (NIL)
Sh. R.G.Agarwal	14.82 Lacs (15.72 Lacs)		14.82 Lacs (15.72 Lacs)	NIL (NIL)
<u>Mumbai office Rent</u>				
Smt. K.D.Agarwal	4.39 Lacs (2.20 Lacs)		4.39 Lacs (2.20 Lacs)	NIL (NIL)
Smt. Pooja Agarwal	4.39 Lacs (2.20 Lacs)		4.39 Lacs (2.20 Lacs)	NIL (NIL)
Note: Figures in bracket relates to the previous year				



3.10 Details of consumption of indigenous items

Indigenous	For the year ended 31st March, 2021	
	Rs	%
Raw materials	570007027 (802413662)	100 100
Components & Spares	67468889 (79489811)	100 100
Total	637475916 (881903473)	100 100

3.11 Earnings in foreign exchange @:

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Export of goods calculated on FOB basis	nil	nil
Royalty, know-how, professional and consultation fees		
Interest and dividend		
Other income, indicating the nature thereof.		

3.12 During the year the company has made export sale out of India.

SIDDHARTHA SUPER SPINNING MILLS LTD.

Notes forming part of the financial statements

	As at March 31, 2021	As at March 31, 2020
Export Sale during the Year for USD NIL (Last Year for USD NIL)	-	-
Export Sale through 3rd Party as Deemed Export (Rs)	53,587,420	54,934,480

3.13 The Company also reclassified the previous year figures in accordance with the requirements applicable in the current year, wherever necessary.

