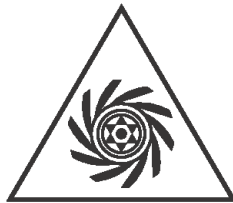


**30<sup>th</sup>  
Annual Report  
2021-22**



**VIPPY SPINPRO LIMITED**



<b>Board of Directors</b>	:	Shri Piyush Mutha (Managing Director) Shri Praneet Mutha (Director) Shri Mangalore Maruthi Rao (Whole Time Director) Shri Subhash Kocheta (Independent Director) (cessation w.e.f. 08.02.2022) Shri Raghuram Krishnamurthy (Independent Director) Smt. Deepa Sudhir Mekal (Independent Director/Woman Director) Shri Manish Jhanwar, (Independent Director) (Appointed w.e.f. 02.05.2022)
<b>Chief Financial Officer</b>	:	Shri Hassan Ali
<b>Company Secretary</b>	:	Ms. Ayushi Solanki
<b>Auditors</b>	:	M/s R.S. Bansal & Co. Chartered Accountants
<b>Bankers</b>	:	HDFC Bank Limited
<b>Registered Office</b>	:	414, City Centre, 570, M.G. Road, Indore-452001(M.P.) Phone: 0731-2546710
<b>Works Office</b>	:	14-A, Industrial Area A.B. Road, Dewas-455001(M.P.) Phone Nos.: 07272-258251/258252/405352 Fax No. 07272-400121
<b>Registrar &amp; Share Transfer Agent</b>	:	Ankit Consultancy Pvt. Ltd. 60, Electronic Complex Pardeshipura, Indore-452010 (M.P.) Email: ankit_4321@yahoo.com Ph. 0731-2551745-46 Fax. 0731-4065798

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## NOTICE

Notice is hereby given that the 30<sup>th</sup> Annual General Meeting of the Members of the Company will be held on Saturday, 17<sup>th</sup> day of September, 2022 at 11:30 A.M. through two-way Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") for which purposes the registered office of the Company situated at 414, City Center, 570, M.G. Road, Indore – 452001 (M. P.) shall be deemed as the venue for the Meeting and the proceedings of the Annual General Meeting shall be deemed to be made there at, to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statement of the Company for the year ended 31<sup>st</sup> March, 2022 and Reports of the Board of Directors and Auditors thereon, and in this regard, to consider, and if thought fit, to pass, with or without modification(s), if any, the following resolutions as an Ordinary Resolution:

**"RESOLVED THAT** the Audited Financial Statement of the Company for the financial year ended 31<sup>st</sup> March, 2022 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."

2. To appoint a Director in place of Shri Mangalore Maruthi Rao (DIN-00775060) who retires by rotation and being eligible, offers himself for re-appointment, and in this regard, to consider, and if thought fit, to pass, with or without modification(s), if any, the following resolutions as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri Mangalore Maruthi Rao (DIN-00775060), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

3. To Re-appoint Auditor and fix their remuneration and in this regard, to consider, and if thought fit, to pass, with or without modification(s), if any, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** subject to the provisions of section 139,142 and other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s R.S. Bansal & Co., Chartered Accountants (Firm Registration No.000939C) retiring auditors of the Company, be and is hereby re-appointed as Auditors of the Company for the second term, to hold office for a term of 5 years from the conclusion of this 30<sup>th</sup> Annual General Meeting (AGM) until the conclusion of the 35<sup>th</sup> AGM of the Company, at such remuneration and out of pocket expenses as may be decided by the Board of Directors of the Company.

### SPECIAL BUSINESS

4. To ratify the remuneration of Cost Auditors for the financial year ending 31<sup>st</sup> March, 2023, and in this regard, to consider, and if thought fit, to pass with or without modification(s), if any, the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s M. Goyal & Co., Cost Accountants, Jaipur (Registration No.000051) appointed as Cost Auditors of the Company by the Board of Directors of the Company, to conduct the audit of Cost Records of the Company for the financial year ending 31<sup>st</sup> March, 2023, be paid the remuneration of Rs. 30,000/- (Rupees Thirty Thousand Only) in addition to out of pocket and/or travelling expenses as may incur in carrying out their duties as Cost Auditors, and the same is hereby ratified and approved;



**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.”

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modifications or re-enactments thereof, for the time being in force), the consent of the Members be and is hereby accorded for the re-appointment of Shri Piyush Mutha (DIN-00424206), as a Managing Director for the period of One (1) year with effect from 01.04.2022 to 31.03.2023 on the terms and conditions of appointment including remuneration as mentioned in the statement annexed to the notice convening this meeting;

**RESOLVED FURTHER THAT** the remuneration as set out in the statement be paid as maximum remuneration to Shri Piyush Mutha;

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to increase, reduce, alter or vary the terms of remuneration in such manner from time to time as the Board may deem fit;

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution the Board of Directors be and is hereby authorised to do all such act, deeds, matters and other things, as they may in their absolute discretion deem necessary expedient usual and proper.”

**Place: Dewas**

**Date: 16<sup>th</sup> May, 2022**

**CIN: L01710MP1992PLC007043**

**Regd. Office: 414, City Centre, 570, M.G. Road,**

**Indore- 452001 (M.P.) Tele: 0731-2546710**

**Email: [admin@vippyspinpro.com](mailto:admin@vippyspinpro.com),**

**Website: [www.vippyspinpro.com](http://www.vippyspinpro.com)**

**By Order of the Board of Directors  
For Vippy Spinpro Limited**

**Piyush Mutha  
Managing Director  
DIN: 00424206**



## Notes:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated 08<sup>th</sup> April, 2020, Circular No. 17/2020 dated 13<sup>th</sup> April, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated 05<sup>th</sup> May, 2020, General circular No. 02/2021 dated 13<sup>th</sup> January, 2021 and General Circular No. 02/2022 dated 05<sup>th</sup> May, 2022, SEBI Circular dated 12<sup>th</sup> May, 2020, 15<sup>th</sup> January, 2021 and 13<sup>th</sup> May, 2022 physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 8, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 8, 2020, April 13, 2020 and May 5, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.vippyspinpro.com](http://www.vippyspinpro.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 20/2020 dated May 5, 2020 and MCA Circular No. 02/2021 dated 13<sup>th</sup> January, 2021.
8. The recorded transcript of the forthcoming AGM on 17<sup>th</sup> September, 2022, shall also be made available on the website of the Company [www.vippyspinpro.com](http://www.vippyspinpro.com).
9. All documents referred to in the accompanying Notice and the Statement can be obtained for inspection by writing to the Company at its email ID [admin@vippyspinpro.com](mailto:admin@vippyspinpro.com) till the date of AGM.



10. The Register of Directors and Key Managerial Personnel, the Register of Contract or Arrangements, has been made available electronically for inspection by the members during the AGM. Members seeking to inspect such documents can send their requests to [admin@vippspinpro.com](mailto:admin@vippspinpro.com).
11. The register of members and share transfer books will remain closed from Sunday, 11<sup>th</sup> September, 2022 to Saturday, 17<sup>th</sup> September, 2022 (both days inclusive) for the purpose of Annual General Meeting.
12. Members are requested to notify immediately any change of address to their depository Participant (DPs) in respect of their electronic share accounts and to the Company's Registrar and Share Transfer Agent (RTA), M/s. Ankit Consultancy Pvt. Ltd., 60, Electronic Complex, Pardeshipura, Indore-452010(M.P.), in respect of their physical share folio, if any.
13. Members who are holding shares in demat mode are requested to notify any change in their residential address, Bank A/c details and/ or email address immediately to their respective Depository Participants.
14. The SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the Registrar and Share Transfer Agents.
15. Pursuant to the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on Corporate Governance, the information about the Directors proposed to be appointed/ re-appointed at the Annual General Meeting is given in the Annexure to the Notice.
16. A Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Businesses specified above is annexed hereto.
17. Corporate Members intending to send their authorized representative are requested to send a duly certified copy of Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
18. Mr. Shilpesh Dalal, Practising Company Secretary (Membership No. F5316, COP No. 4235) appointed as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process in a fair and transparent manner.
19. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.vippspinpro.com](http://www.vippspinpro.com), and website of National Securities Depository Limited (NSDL) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com) not later than 48 hours of the conclusion of the Meeting.
20. Pursuant to Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Rules made thereunder, Shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form SH.13.
21. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated 8<sup>th</sup> April, 2020, 13<sup>th</sup> April, 2020 and 5<sup>th</sup> May, 2020 the Company is providing facility for voting by electronic means for all its Members to enable them to cast their vote electronically and the business may be transacted through such e-voting.

A member may exercise his/her vote at the Annual General Meeting by electronic means and the Company may pass any resolution by electronic voting system in accordance with the provisions of the aforesaid Rule.

For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorize agency.



The facility of casting votes by a member using remote e-voting system as well as e-voting on the day of the AGM will be provided by NSDL.

The Member attending the AGM who have not already cast their vote by remote e-voting on the day of the AGM will be provided by NSDL.

The Members who have cast their vote by remote e-voting prior to the meeting may also attend the AGM but shall not be entitled to cast their vote again.

22. The remote e-voting period commence on Wednesday, 14<sup>th</sup> September, 2022 at 09.00 A.M. and ends on Friday, 16<sup>th</sup> September, 2022 at 5.00 P.M.

Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., Saturday, 10<sup>th</sup> September, 2022, may opt for remote e-voting and cast their vote electronically.

A person, whose name is recorded in the register of members or in the register of beneficial owner maintained by the depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting or e-voting at the Meeting.

Once the vote on a Resolution is cast by the Member, the Member shall not be allowed to change it subsequently or cast the vote again.

Members may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again.

At the end of remote e-voting period, the facility shall forthwith be blocked

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

The remote e-voting period begins on Wednesday, 14<sup>th</sup> September, 2022 at 09:00 AM and ends on Friday, 16<sup>th</sup> September, 2022 at 05:00 PM. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Saturday, 10<sup>th</sup> September, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 10<sup>th</sup> September, 2022.

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

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

**Step 1:** Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>

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


**Step 1:** Access to NSDL e-Voting system

- A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated 09<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.



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

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in demat mode with NSDL.</p>	<ol style="list-style-type: none"> <li>Existing <b>IDEAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the <b>“Beneficial Owner”</b> icon under <b>“Login”</b> which is available under 'IDEAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on <b>“Access to e-Voting”</b> under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDEAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select <b>“Register Online for IDEAS Portal”</b> or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon <b>“Login”</b> which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App <b>“NSDL Speede”</b> facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div data-bbox="695 987 914 1117" style="text-align: center;"> <p>NSDL Mobile App is available on</p>  </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</li> </ol>





<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
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**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

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

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	<ul style="list-style-type: none"> <li>8 Character DP ID followed by 8 Digit Client ID</li> <li>For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.</li> </ul>
b) For Members who hold shares in demat account with CDSL.	<ul style="list-style-type: none"> <li>16 Digit Beneficiary ID</li> <li>For example if your Beneficiary ID is 12***** then your user ID is 12*****</li> </ul>
c) For Members holding shares in Physical Form.	<ul style="list-style-type: none"> <li>EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***</li> </ul>



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

## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

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

**General Guidelines for shareholders**

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

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [admin@vippyspinpro.com](mailto:admin@vippyspinpro.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [admin@vippyspinpro.com](mailto:admin@vippyspinpro.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 09<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.



## INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [admin@vippyspinpro.com](mailto:admin@vippyspinpro.com). The same will be replied by the company suitably.
6. The shareholder who intends to register themselves as Speaker Shareholder shall send e-mail on [admin@vippyspinpro.com](mailto:admin@vippyspinpro.com).

**Place: Dewas**

**Date: 16<sup>th</sup> May, 2022**

**CIN: L01710MP1992PLC007043**

**Regd. Office: 414, City Centre, 570, M.G. Road,**

**Indore- 452001 (M.P.) Tele: 0731-2546710**

**Email: [admin@vippyspinpro.com](mailto:admin@vippyspinpro.com),**

**Website: [www.vippyspinpro.com](http://www.vippyspinpro.com)**

**By Order of the Board of Directors  
For Vippy Spinpro Limited**

**Piyush Mutha  
Managing Director  
DIN: 00424206**

**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013****ITEM NO. 4**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the M/s M. Goyal & Co., Cost Accountants, Jaipur (Registration No.000051) as Cost Auditors of the company to conduct the audit of Cost Records of the Company for the financial year 2022-2023 at a remuneration of Rs. 30,000/- (Rupees Thirty Thousand Only) in addition to out of pocket and/or travelling expenses as may incur in carrying out their duties as Cost Auditors. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the Members of the Company.

None of the Directors/Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise in the aforementioned resolution.

The Board of Directors recommends the said resolutions set out at item no. 4 of the notice for your approval by Ordinary Resolution.

**ITEM NO. 5**

The Nomination and Remuneration Committee has considered and approved the terms, conditions including remuneration and recommended to the Board of Directors for the re-appointment of Shri Piyush Mutha (DIN-00424206) as a Managing Director for the period of One (1) year with effect from 01.04.2022 to 31.03.2023. The Board of Directors has considered that under his dynamic leadership, initiatives and directions, the Company has benefited in its overall operations since he is Managing Director of the Company. He is the key factor behind the overall growth and success of the Company. His devotion, vision and experience are essential for the continuing growth of the Company. The Board of Directors at their meeting held on 31<sup>st</sup> March, 2022, subject to approval of members in ensuing Annual General Meeting, approved re-appointment of Shri Piyush Mutha as a Managing Director on the following terms and conditions including remuneration:

1. Basic Salary: Maximum of Rs.10,00,000/- (Rupees Ten Lakh) per month.
2. Perquisites:
  - i. Expenses pertaining to Gas, Electricity, Water, furnishings and other utilities including repairs will be borne/reimbursed by the Company on actual and subject to maximum Rs. 3,00,000/- per annum.
  - ii. Medical Reimbursement: Reimbursement of medical expenses including insurance premium for medical incurred for self and his family not exceeding Rs. 2,00,000/- per annum.
  - iii. Club Fees: Fees in respect of two clubs not exceeding Rs. 50,000/- per annum.
  - iv. Personal Accident Insurance: Premium not exceeding Rs.25,000/- per annum.
  - v. Assignment of Insurance Policy: Assignment of Insurance Policy in favour of Shri Piyush Mutha, if any, subject to maximum amount Rs. 5,00,000/-.
  - vi. Contribution to Provident Fund, Superannuation Fund to the over and above the tax exemption limit under the Income Tax Act, 1961.

All the above perquisites shall be interchangeable, i.e. any excess in a particular perquisite & benefit may be permissible by a corresponding reduction in one or more of the other perquisite(s).
  - vii. Other following perquisites which shall not be considered in computing the value of perquisites:
    - (a) Mobile & Telephone: Free Mobile & Telephone facility at residence for official use.
    - (b) Car(s) with Driver(s): Free Use of Car(s) with Driver(s) for official use.



3. In addition to the perquisites as aforesaid, Shri Piyush Mutha shall also be entitled to the following benefits which shall not be considered for the purpose of calculation of maximum permissible remuneration:
  - (a) Contribution to Provident Fund, Superannuation Fund to the extent not taxable under the Income Tax Act, 1961 and Gratuity as per rules of the Company.
  - (b) Encashment of leave at the end of tenure to the extent not taxable under Income Tax Act, 1961.
4. Reimbursement of expenses: Reimbursement of all expenses incurred by Shri Piyush Mutha during the course of and in connection with the business of the Company.
5. Sitting Fees: No Sitting Fee shall be paid to Shri Piyush Mutha for attending the Meetings of Board of Directors of the Company or any Committees thereof;
6. Shri Piyush Mutha shall be entitled to get any loan from the Company as per rules of the Company.

Shri Piyush Mutha is interested in the resolution set out at item no. 5 of the Notice as a Managing Director and also interested to the extent of his shareholding interest in the Company. Shri Praneet Mutha, Director, being relative is interested in the resolution and also interested to the extent of his shareholding interest in the Company.

The Promoter and Promoter Group, Piyush Mutha HUF, and Mrs. Usha Mutha, Mrs. Priti Mutha & Mr. Parth Mutha being relatives of Shri Piyush Mutha, are interested to the extent of shareholding interest in the Company.

Save and except the above none of the other Directors/Key Managerial Personnel of the Company and their relatives are, in any way concerned or interested, financially or otherwise in the aforementioned resolution.

The Board of Directors recommends resolution, as set out in item no. 5 of the notice for your approval by Special Resolution as required in section II of Part II of Schedule V of the Companies Act, 2013 because the said remuneration exceeds the limits as specified in Section II of Part II of Schedule V of the Companies Act, 2013.

The statement containing required information as required in Section II of Part II of Schedule V of the Companies Act, 2013.

## **I. GENERAL INFORMATION**

1. Nature of Industry: The Company is engaged in manufacturing of cotton yarn.
2. Date or expected date of commencement of commercial production:
 

The Company had commenced commercial production on 18<sup>th</sup> October, 1993.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable
4. Financial performance based on given indicators:

**(Rs. In Lakhs)**

<b>Financial year ended</b>	<b>31<sup>st</sup> March, 2022</b>	<b>31<sup>st</sup> March, 2021</b>
<b>Income</b>		
Revenue from Operations	13942.78	8757.39
Other Income	106.93	37.88
<b>Total Revenue</b>	<b>14049.70</b>	<b>8795.27</b>
Less: Expenses other than Finance cost and Depreciation	12257.22	8064.54
<b>Profit before finance cost, depreciation &amp; amortization, and tax</b>	<b>1792.48</b>	<b>730.73</b>
Less: Finance Costs	25.83	31.29



Less: Depreciation and amortization expenses	133.65	156.05
Profit before Tax	1633.00	543.40
Less: Tax Expenses	416.11	146.63
Profit after tax for the year	1216.89	396.77
Other Comprehensive Income/(Loss) for the year	7.28	11.21
<b>Total Comprehensive Income for the year</b>	<b>1224.18</b>	<b>407.98</b>

5. Foreign Investments or Collaborators if any: N.A.

## II. INFORMATION ABOUT THE APPOINTEE

1. **Background Details:** Shri Piyush Mutha is an MBA and B.E. Shri Piyush Mutha is Director of the Company since 01<sup>st</sup> April, 1992. He is a Managing Director of the Company since 01<sup>st</sup> May, 2001. He has over 29 years of experience in the industry and business. He is skillfully steering the Company business during his tenure.
2. **Past Remuneration:** The total remuneration including perquisites paid to Shri Piyush Mutha during the period 01.04.2020-31.03.2021 and 01.04.2021-31.03.2022 was Rs. 10776186/- & Rs. 11300555/- respectively.
3. **Recognition or awards:** Nil.
4. **Job Profile and his suitability:** Shri Piyush Mutha exercises substantial power of management subject to the superintendence, control and direction of the Board of Directors of the Company. He is responsible for the operations and affairs of the Company. He has rich experience in conceptualizing, planning, directing and implementing business decision and translates them in terms of business growth. Under his dynamic leadership, initiatives and directions, the Company has benefited in its overall operations. He is the key factor behind the overall growth and success of the Company. His devotion, vision and experience are essential for continuing growth of the Company. Taking into consideration his qualifications and experience, Shri Piyush Mutha is best suited for the responsibilities assigned to him.
5. **Remuneration Proposed:** As stated in the explanatory statement at item no. 5 of the notice.
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, the profile of the appointee, the remuneration proposed is commensurate with the remuneration packages paid to similar level appointees in similar cotton yarn companies operating in India.
7. **Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:** Shri Piyush Mutha is one of the promoters of the Company and he is holding 8.89% shares of the Company. Apart from this, he doesn't have any other pecuniary transactions with Company except by way of drawing remuneration during employment with the Company. Shri Piyush Mutha is interested as a Managing Director and also interested to the extent of his shareholding interest in the Company. Shri Praneet Mutha, Director, being relative is interested and also interested to the extent of his shareholding interest in the Company.

The Promoter and Promoter Group, Piyush Mutha HUF, and Mrs. Usha Mutha, Mrs. Priti Mutha & Mr. Parth Mutha being relatives of Shri Piyush Mutha, are interested to the extent of shareholding interest in the Company.

## III. OTHER INFORMATION

1. **Reasons of loss or inadequate profits:** external and unexpected circumstances beyond the control of management, viz, general economic meltdown, fluctuation in price of raw material, sharp volatility in the prices of textiles products and other factors putting pressure on profits of the Company.



1. Steps taken or proposed to be taken for improvement: Company has taken the following steps for improvement in performance:
  - (i) Development of New Export Markets
  - (ii) Focus on Value added product
  - (iii) Training program for employees
  - (iv) Continuous product development and cost reduction
2. Expected increase in productivity and profits in measurable terms: With the aforesaid measures taken by the Company, the productivity and profitability of the Company is expected to increase in coming years.

#### IV. DISCLOSURES

The required disclosures have been made in Report on Corporate Governance forms part of Director's Report.

**Place: Dewas**

**Date: 16<sup>th</sup> May, 2022**

**CIN: L01710MP1992PLC007043**

**Regd. Office: 414, City Centre, 570, M.G. Road,**

**Indore- 452001 (M.P.) Tele: 0731-2546710**

**Email: admin@vippyspinpro.com,**

**Website: www.vippyspinpro.com**

**By Order of the Board of Directors  
For Vippy Spinpro Limited**

**Piyush Mutha  
Managing Director  
DIN: 00424206**





Details of the Director seeking appointment/re-appointment in the Annual General Meeting as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as follows:

**1.) Shri Piyush Mutha**

Name of Director	Shri Piyush Mutha
Director Identification Number	00424206
Date of Birth	23.04.1969
Nationality	Indian
Date of Appointment	01.04.1992
Qualification	MBA & BE
Expertise in specific functional area	He has over 29 year's experience in the cotton industry and business. He has rich experience in conceptualizing, planning, directing and implementing business decisions.
Disclosure of relationship between directors inter-se	He is brother of Shri Praneet Mutha, Director of the Company
Name of other listed companies in which he holds directorship	NIL
Chairmanship/Memberships of Committees of the other listed companies in which he is Director	NIL
Number of Shares held in the Company	521750

**2.) Shri Mangalore Maruthi Rao**

Name of Director	Shri Mangalore Maruthi Rao
Director Identification Number	00775060
Date of Birth	30.01.1938
Nationality	Indian
Date of Appointment	28.10.2002
Qualification	B.Sc. in Textile
Expertise in specific functional area	He has over 58 year's practical experience in the area of textiles.
Disclosure of relationship between directors inter -se	NIL
Name of other listed companies in which he holds directorship	NIL
Chairmanship/Memberships of Committees of the other listed companies in which he is Director	NIL
Number of Shares held in the Company	NIL

**DIRECTORS' REPORT**

Dear Members,

Your Directors have pleasure in presenting the 30<sup>th</sup> Annual Report together with the Audited Financial Statement of the Company for the financial year ended 31<sup>st</sup> March, 2022.

**FINANCIAL HIGHLIGHTS****(Rs. in Lakhs)**

<b>Particulars</b>	<b>2021-22</b>	<b>2020-21</b>
<b>Income</b>		
Revenue from Operations	13942.78	8757.39
Other Income	106.93	37.88
<b>Total Revenue</b>	<b>14049.70</b>	<b>8795.27</b>
Less: Expenses other than Finance cost and Depreciation	12257.22	8064.54
<b>Profit before finance cost, depreciation &amp; amortization, and tax</b>	<b>1792.48</b>	<b>730.73</b>
Less: Finance Costs	25.83	31.29
Less: Depreciation and amortization expenses	133.65	156.05
<b>Profit before Tax</b>	<b>1633.00</b>	<b>543.40</b>
<b>Less: Tax Expenses</b>		
Current Tax	426.30	150.54
Deferred Tax (Assets)/Liabilities	(4.24)	(3.91)
<b>Profit for the year</b>	<b>1216.89</b>	<b>396.77</b>
Other Comprehensive Income	7.28	11.21
<b>Total Comprehensive Income</b>	<b>1224.18</b>	<b>407.98</b>
<b>Earning per equity share</b>		
Basic	20.73	6.76
Diluted	20.73	6.76

**PERFORMANCE REVIEW & COMPANY AFFAIRS**

The Company's total revenue for the year under review amounted to Rs. 14049.70 Lakhs as compared to Rs. 8795.27 Lakhs of the previous year. The Profit before Tax for the year under review amounted to Rs. 1633.00 Lakhs as compared to Rs. 543.40 Lakhs of the previous year. The Profit after Tax for the year under review amounted to Rs. 1216.89 Lakhs as compared to Rs. 396.77 Lakhs of the previous year. The Company is engaged in the manufacturing of cotton yarn for different applications by Rotor Spinning.

During the year under review the Board of Directors of the Company in their meeting held on 29<sup>th</sup> day of July, 2021 have decided a plan for modernization cum expansion programme in its unit located at 14- A, Industrial Area, AB Road, Dewas (MP)-455001. The Cost of Project is estimated at ₹ 5000 Lakhs which is proposed to be funded by way of Term loan of ₹ 3350 Lakhs and balance from Internal Accruals.

The proposed capacity expansion will increase the Company production capacity by 3500 MT (Approx). Earlier the capacity was proposed to be added by September 2022, but then Company received a communication from Manufacturer/Supplier of main machinery regarding delay in delivery of machinery due to non-availability of electronic components and this will lead to delay in addition of the proposed capacity.



Company is in active discussion with the manufacturer and the same will be update on BSE, as and when further clarity on the delivery schedule is ascertained.

**GLOBAL PANDEMIC – COVID-19**

In the starting of March, 2021, the State government and District administration authorities again imposed lockdown due to sudden resurgence of Covid-19 which was continue till the mid of June 2021. But this time, the Industrial Sector is allowed to operate and the Company's business is not expected to impact as much as compared to the last financial year since the Company's plant is operational. Your Board is confident about the adequate management of the liquidity and its ability to meet its obligation in the ordinary course of business.

**RESERVES**

There is no amount proposed to be transferred to any Reserve.

**DIVIDEND**

With a view of conserving resources, your Directors do not recommended any dividend for the year under review.

**LISTING OF THE SHARES**

The Equity Shares of the Company are presently listed at BSE Ltd. Further the Company has paid listing fees to BSE Ltd. for the year 2022-2023.

**DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of provisions of Section 134 (3) (c) read with Section 134 (5) of the Companies Act, 2013, your Directors state that:

- in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2022, the applicable accounting standards read with requirements set out under schedule III to the act have been followed and there are no material departures from the same;
- the Directors have 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 as at 31<sup>st</sup> March, 2022 and of the profit of the Company for the year ended on that date;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts on a going concern basis;
- the Directors, have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**DIRECTORS & KEY MANAGERIAL PERSONNEL**

With propound grief, we regret to inform you the sudden demise of Shri Subhash Kocheta, Non- Executive Independent Director of the Company on Tuesday 08<sup>th</sup> February 2022. He was appointed on the Board of the Company in the year 2003 as an Executive Director. Further he served as Independent director of the Company from the year 2014 till 08.02.2022.

He was having vast experience of 41 years in the area of finance, trade and industry. His Knowledge background was very beneficial for the Company and His immense contribution in the Company's success can never be forgotten.

All the directors and employees of the company convey deep sympathy, sorrow and condolences to his family.

During the year under review, Shri Piyush Mutha (DIN-00424206) was re-appointed as a Managing Director of the Company for a period of one (1) years w.e.f. 01.04.2022, subject to approval of members in ensuing Annual General Meeting.



During the year under review, the members have approved re-appointment of Smt. Deepa Sudhir Mekal (DIN: 0522280) as an Independent Director of the Company for a Second Term of 5 consecutive years w.e.f. 01.04.2022.

The Company has received the necessary declarations from each Independent Director under Section 149 (7) of the Act that he/she meets the criteria of independence laid down in Section 149(6) of the Act and Regulation 16 (1) (b) read with Regulation 25(8) of the SEBI Listing Regulations. The Board have taken on record these declarations after undertaking the due assessment of the veracity of the same.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Shri Mangalore Maruthi Rao (DIN-00775060), retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for his re-appointment. The Board recommends his re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on date are- Shri Piyush Mutha, Managing Director, Shri Mangalore Maruthi Rao, Whole Time Director, Shri Hassan Ali, Chief Financial Officer and Ms. Ayushi Solanki, Company Secretary.

#### **DECLARATION BY INDEPENDENT DIRECTORS**

The Company has received declaration from all the Independent Directors of the Company confirming that they meet criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Listing Regulations and are independent of the management.

#### **BOARD EVALUATION**

The Company has duly approved Nomination and Remuneration policy prescribing inter-alia the criteria for appointment, remuneration and performance evaluation of the directors. As mandate by Section 134 & 178 read with Schedule IV of the Act and Regulation 25 of the SEBI (LODR) Regulations, 2015 as applicable on the Company. The Independent Director in their separate meeting held on 03<sup>rd</sup> January, 2022 have reviewed the performance of Non-Independent Directors and Board as a whole along with review of quality, quantity and timeliness of flow of information between Board and management and expressed their satisfaction over the same.

Further, the Board, in its meeting held on 31<sup>st</sup> March, 2022 also reviewed the performance of the Board, its Committees and all Individual Directors of the Company and expressed its satisfaction over the performance of the Board its Committees and Individual Directors. Furthermore Board is of the opinion that Independent Directors of the Company are person of high repute, integrity & possess the relevant expertise & experience in their respective field.

#### **INSURANCE**

Assets of the Company are adequately insured.

#### **DEPOSIT**

During the year under review, your Company has not accepted any deposits from public, pursuant to Section 73 and 74 of the Companies Act, 2013 & the Deposit Rules made there under.

#### **NO DEFAULTS**

The Company has not defaulted in payment of interest and/or repayment of loans to any of the financial institutions and/or banks during the year under review.

#### **SUBSIDIARIES, ASSOCIATE & JOINT VENTURE COMPANIES**

Company does not have any subsidiaries, associates companies & joint venture companies.

**RELATED PARTY TRANSACTIONS**

The Company has not entered into any material contracts, with the related parties during the year 2021-22 and other contracts or arrangements were in the ordinary course of business on arm's length basis. Therefore, there is no particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 which needs to disclose in the prescribed form AOC-2 and may be treated as not applicable. However, the particulars of contracts or arrangement with related parties have been disclosed in the note no. 40 of the financial statements for the year ended under review.

**INTERNAL FINANCIAL CONTROLS**

The Company has in place adequate internal financial controls with reference to financial statements. All the transactions are properly authorized and recorded. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting in financial statements. The Internal Audit is conducted by outside auditing firms which evaluate the functioning and quality of internal controls and check; and provides assurance of its adequacy and effectiveness. The Internal Audit Reports are actively reviews by the Audit Committee and adequate remedial measures, if any, are taken. The Internal Audit Reports are also reviews by the Board of Directors periodically. During the year, no reportable material weaknesses in the design or operations were observed.

**DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT PLAN**

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. Your Company recognizes that the risk is an integral part of business and is committed to managing the risk in proactive and efficient manner. The Company had adopted Risk Management Policy to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management.

The management is however, of the view that none of the risks may threaten the existence of the Company as robust Risk mitigation mechanism is put in place to ensure that there is nil or minimum impact on the Company in case of any of these risks materialize. The risk management framework is reviewed periodically by the Board and Audit Committee. The details of risks and other concerns are included in the Management Discussion and Analysis Report which is the part of this Report.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

In terms of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Management Discussion and Analysis Report is appended to and forms part of this Report.

**CORPORATE GOVERNANCE**

The Company has always strived to maintain appropriate standards of good Corporate Governance. The Report on Corporate Governance as stipulated under Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Report. The requisite certificate from Company Secretary in Practice confirming compliance of the conditions of Corporate Governance is attached to report on Corporate Governance.

**PARTICULARS OF LOAN GIVEN, INVESTMENTS MADE, GUARANTEE GIVEN UNDER SECTION 186 OF COMPANIES ACT, 2013**

During the year, there are no loans given, investments made, guarantee given or security provided by the Company under Section 186 of the Companies Act, 2013.



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**CONSERVATION OF ENERGY, TECHNICAL ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO**

The Particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo as required to be disclosed under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, are provided in ANNEXURE –I to this Report.

**ANNUAL RETURN**

In compliance with the provision of sec 92 (3) & sec 134 (3) (a), the annual return of the company for the financial year ended 31<sup>st</sup> March, 2022 has been uploaded on the website of the company and the web link of the same is <https://www.vippyspinpro.com/annualreturn.php>

**MEETING OF DIRECTORS**

During the year under review, our Board met twelve (12) times. The details of the number of meetings of the Board during the year forms part of the Report on Corporate Governance. During the year under review One (1) meeting of Independent Directors was held on 03<sup>rd</sup> January, 2022.

**COMMITTEES OF THE BOARD**

The Board of Directors has the following committees:

1. Audit Committee
2. Stakeholders Relationship Committee
3. Nomination & Remuneration Committee
4. Corporate Social Responsibility Committee

The details of the committees along with their composition, number of the meetings and attendance at the meetings are provided in the Report on Corporate Governance.

**NOMINATION & REMUNERATION POLICY**

Pursuant to Section 178 of the Companies Act, 2013, the rules made there under and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has a policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management Personnel and for determination of their remuneration. The salient features of Nomination & Remuneration Policy are stated in the Corporate Governance Report. The Nomination & Remuneration Policy duly approved by the Board has been posted on the Company's website [www.vippyspinpro.com](http://www.vippyspinpro.com) and annexed herewith as ANNEXURE-II to this Report.

**VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The Company has a Vigil Mechanism / Whistle Blower Policy to report genuine concerns or grievances. The vigil mechanism provides for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. Besides, as per the requirement of SEBI (Prohibition of Insider Trading) Regulations as amended by SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company ensures to make employees aware of such Whistle –Blower Policy to report instances of leak of unpublished price sensitive information. This policy may be accessed on the Company's website, at weblink: <http://www.vippyspinpro.com/Whistle-Blower-Policy.pdf>

**PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

The information in accordance with the provisions of section 197 (12) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as ANNEXURE -III to this Report.

**CORPORATE SOCIAL RESPONSIBILITY**

In accordance with the requirement under Section 135 of Companies Act, 2013, and the rules made thereunder, read with schedule VII of the Companies Act, 2013, the Company has constituted CSR Committee and framed Policy for



CSR indicating the activities to be undertaken by the Company. The CSR policy of the Company is annexed herewith as ANNEXURE- IV. The Company had undertaken CSR activities in the areas of promoting education, Health Care including Preventive Health Care.

The Annual Report on CSR activities, as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed herewith as ANNEXURE- V to this Report.

## **CREDIT RATINGS**

The details on Credit Rating are set out in Corporate Governance Report, which forms part of this report.

## **AUDITORS**

### **Statutory Auditors**

M/s R.S. Bansal & Co., Chartered Accountants (Firm Registration No.000939C), were appointed as Statutory Auditors of the Company at the Annual General Meeting held on 27<sup>th</sup> September, 2017, for a term of 5 consecutive years.

The Auditors Report does not contain any qualification, reservation or adverse remark or disclaimer, and no explanation on part of the Board of Directors is called for.

The tenure of M/s R. S. Bansal & Co., Chartered Accountants Statutory Auditors of the Company is expiring at the conclusion of ensuing Annual General Meeting. The Board has based on the recommendation of Audit Committee of the Company has proposed to re-appointment of M/s R. S. Bansal & Co., Chartered Accountants as Statutory Auditors of the Company for a period of five consecutive years from the conclusion of 30<sup>th</sup> Annual General Meeting till the conclusion 35<sup>th</sup> Annual General Meeting to be held for the financial year 2027-28.

### **Cost Auditor**

The Board of Directors have appointed M/s M. Goyal & Co., Cost Accountants, Jaipur, (Registration No.000051) as Cost auditors of the Company to conduct audit of the cost accounting records of the Company for the year 2022-23. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, the Board seeks ratification at the ensuing Annual General Meeting of the remuneration payable to the cost Auditors for the financial year 2022-23.

### **Secretarial Auditor**

The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2022 issued by M/s Shilpesh Dalal & Co., Practising Company Secretary is annexed herewith as ANNEXURE-VI to this report. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer, and no explanation on part of the Board of Directors is called for.

The Board re-appointed M/s Shilpesh Dalal & Co. Practising Company Secretary, to conduct Secretarial Audit for the year 2022-23.

### **Internal Auditor**

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014, M/s R.K. Saklecha & Associates, Chartered Accountants was appointed as an Internal Auditor of the Company for the financial year 2022-23.

## **PREVENTION OF SEXUAL HARASSMENT POLICY**

The Company has a Prevention of Sexual Harassment Policy in force in terms of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The objective of this policy is to ensure a safe, secure



and friendly work environment where employees will deliver their best without any inhibition, threat of fear. The company has constituted Internal Complaints Committee as per the requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No complaints were reported during the year under review under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## **COMPANY POLICY FOR PROMOTION OF EMPLOYMENT OF YOUTH COMING FROM THE UNDER-PRIVILEGED/DISADVANTAGED SECTION OF THE SOCIETY**

The people are recruited in the Company on the basis of their qualification/eligibility and merits without any discrimination against their gender, religion, caste, colour, ancestry, marital status, nationality and disability, and among equally qualified individuals, preference are given to people from the disadvantaged groups. The Company also conducts training programme from time to time for up-skilling, training of employees from socially disadvantaged sections of society.

## **ENVIRONMENT & SOCIAL CONCERN**

Your Company is committed to build business with save energy and save environment. In line of this, the Company had set up the wind mill and solar panels that generates electricity and contributed to displace emissions from the nation's coal-fired power plants and eliminates the nation's major source of acid rain, reduce total emissions of CO<sub>2</sub>.

Your Company is committed to the sustainable use of all natural resources and minimizes waste at source and recycles where possible. Considering the scarcity of natural resources, the Company continue to maintain "Rain Water Harvesting System" at the factory premises at Dewas. The 8040 sq. meters of roof area has been covered under the rain water harvesting and approx. 8763.60 cubic meters of water has been collected at factory premises at Dewas, resulting in saving water and recharging the five bore wells consequently.

In memory of founder Late Shri Prakash Mutha, Every year Company was involved in inspirable activities but this year due to Covid-19 and social distancing norms Company has provided financial assistance to the meritorious students for education purpose Total 30 Students got such benefit during the year.

## **MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY**

There are no material changes and commitments, affecting the financial position of the Company which have occurred after 31<sup>st</sup> March, 2022 till the date of this report.

There has been no change in the nature of the business of the Company.

## **COMPLIANCE WITH SECRETARIAL STANDARDS**

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India. The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

## **GENERAL**

Yours Directors state that no disclosures or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- Details relating to deposits covered under chapter V of the Companies Act, 2013
- Issue of shares during the year
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

Your Directors further state that:





- The accounts and cost records as required to be made and maintained by the Company as specified under sub-section (1) of Section 148 of the Companies Act, 2013, were made and maintained by the Company during the year 2021-22.
- In terms of the provisions of Section 134(3)(ca) of the Companies Act, 2013, there were no fraud committed against the Company by any person under Section 143(12) during the year 2021-22. Further that there were no frauds which needs to be reported by the Auditors of the Company to the Central Government.

**ACKNOWLEDGEMENTS**

Your Directors would like to gratefully acknowledge all stakeholders of the Company viz: customers, dealers, suppliers, banks, shareholders and other business associates for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company's well-being.

**Place: Dewas**  
**Date: 16<sup>th</sup> May, 2022**

**For and on behalf of the Board of Directors**  
**Vippy Spinpro Limited**

**Piyush Mutha**  
**Managing Director**  
**(DIN-00424206)**

**Pranet Mutha**  
**Director**  
**(DIN-00424250)**

**ANNEXURE-I****Details of conservation of energy, technology absorption, foreign exchange earnings and outgo****a) Conservation of energy**

(i)	the steps taken or impact on conservation of energy	(a) 125 KVVR Power Capacitor i.e. 5 Nos old capacitor replaced by new for maintain the Power Factor. (b) 105 Nos old tube lights were replaced with energy saving LED tubes light. (c) Installed 7.5 KW Drive on M53 Motor (Trash Suction) in OE- 10 and reduce frequency. It is running 40 Hz in place of 50 Hz. (d) Replaced old and jointed 185 mm <sup>2</sup> Hydrant system cable with new approx. 310 Mtrs. to reduce cable loss.
(ii)	the steps taken by the company for utilizing alternate sources of energy	NIL
(iii)	the capital investment on energy conservation equipments	NIL

**b) Technology absorption**

(i)	the efforts made by the Company towards technology absorption	NIL
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	NIL
(iii)	The information regarding imported technology (imported during the last three years)-	NIL
	(a) the details of technology imported	NIL
	(b) the year of import	NIL
	(c) whether the technology been fully absorbed	NIL
	(d) if not fully absorbed, areas wh ere absorption has not taken place, and the reasons thereof	NIL
(iv)	the expenditure incurred on Research and Development	NIL

**c) Foreign exchange earnings and Outgo**

Particulars	Year ended 31.03.2022 (Rs. in Lakhs)
Foreign exchange earned in terms of Actual inflows (FOB) basis	331.05
Foreign exchange outgo in terms of Actual outflows basis	61.34

**Place: Dewas**  
**Date: 16<sup>th</sup> May, 2022**

**For and on behalf of the Board of Directors**  
**Vippy Spinpro Limited**

**Piyush Mutha**  
**Managing Director**  
**(DIN-00424206)**

**Praneet Mutha**  
**Director**  
**(DIN-00424250)**

**ANNEXURE-II****NOMINATION & REMUNERATION POLICY****INTRODUCTION**

The Nomination and Remuneration Policy adopted by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee in compliance of Section 178 of the Companies Act, 2013, read along with applicable rules thereto & Regulation 19 of SEBI (LODR) Regulations, 2015 as amended from time to time.

The Policy has been formulated by Nomination and Remuneration Committee & approved by the Board of Directors.

**APPLICABILITY**

This policy is applicable to:

- a. Directors (Executive, non-Executive and Independent)
- b. Key Managerial Personnel (KMP)
- c. Senior Management Personnel
- d. Other employees as may be decided by the Committees ("NRC")

**BRIEF OVERVIEW UNDER COMPANIES ACT 2013 and SEBI (LODR) Regulations, 2015**

{Section 178 & Companies [Meetings of Board and its Powers] Rules 2014 and Regulation 19 of SEBI (LODR) Regulations, 2015}

- Constitution of the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half shall be independent directors .
- The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and senior management personnel i.e. employees at one level below the Board including functional heads.
- The Nomination and Remuneration Committee shall, while formulating the policy ensure that:—
  - the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
  - relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- Such policy shall be disclosed in the Board's report.



## **TERMS OF REFERENCE OF NOMINATION AND REMUNERATION COMMITTEE**

- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- Removal should be strictly in terms of the applicable law/s and in compliance of principles of natural justice.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on the Board diversity.
- Recommend to the Board, remuneration including salary, perquisite and commission to be paid to the Company's Executive Directors on an annual basis or as may be permissible by laws applicable.
- Recommend to the Board, the Sitting Fees payable for attending the meetings of the Board/Committee thereof, and, any other benefits such as Commission, if any, payable to the Non- Executive Directors.
- Setting the overall Remuneration Policy and other terms of employment of Directors, wherever required.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of the independent directors.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

## **CRITERIA FOR DETERMINING THE FOLLOWING**

### **Qualifications for appointment of Directors (including Independent Directors)**

- Persons of eminence, standing and knowledge with significant achievements in business, professions and/or public service.
- Their financial or business literacy/skills.
- Their industrial experience.
- Appropriate other qualification/experience to meet the objectives of the Company.
- As per the applicable provisions of Companies Act 2013, Rules made there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.

### **Positive attributes of Directors (including Independent Directors)**

- Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively, and the willingness to address issues proactively.
- Actively update their knowledge and skills with the latest developments in the industry, market conditions and applicable legal provisions.
- Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities.



- To assist in bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.
- Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company.
- To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees.
- Independent Directors to meet the requirements of the Companies Act, 2013 read with the Rules made there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

### **Criteria for appointment of KMP/Senior Management**

- To possess the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities.
- To practice and encourage professionalism and transparent working environment.
- To build teams and carry the team members along for achieving the goals/objectives and corporate mission.
- To adhere strictly to code of conduct.

### **EVALUATION**

The Evaluation will be done on the following parameters:

#### **(i) Board**

Evaluation criteria for evaluation of Board inter- alia shall covers: Composition in light of business complexities and statutory requirements; establishment of vision, mission, objectives and values for the Company; laying down strategic road map for the Company, growth attained by the Company; providing leadership and directions to the Company and employees; effectiveness in ensuring statutory compliances and discharging its duties/ responsibilities towards all stakeholders; identification, monitoring & mitigation of significant corporate risks; composition of various committees, laying down terms of reference and reviewing committee's working etc.

#### **(ii) Chairperson of the Company**

Evaluation criteria for evaluation of Chairperson of the Company are: providing guidance and counsel in strategic matters; providing overall direction to Board towards achieving Company's objectives; effectiveness towards ensuring statutory compliances; maintain critical balance between the views of different Board Members; ensuring maximum participation and contribution by each Board Member; monitoring effectiveness of Company's governance practices; conducting Board and Shareholders meetings in effective and orderly manner etc.

#### **(iii) Committees of the Board**

Committees of the Board shall be evaluated for their performance based on: effectiveness in discharging duties and functions conferred; setting up and implementation of various policies, procedures and plans, effective use of committee's powers as per terms of reference, periodicity of meetings, attendance and participation of Committee members, providing strategic guidance to the Board on various matters coming under committee's purview etc.

#### **(iv) Executive Directors**

The performance of Managing Director, Chief Executive Officer and other Executive Directors, if any, shall be evaluated on the basis of achievement of performance targets/ criteria given to them by the Board from time to time.

#### **(v) Non-Executive Directors including Independent Directors**

The performance of Non-Executive Directors including Independent Directors shall be evaluated based on: Objectivity & constructively while exercising duties, providing independent judgment on strategy, performance, risk management and Board's deliberations; devotion of sufficient time for informed decision making; exercising duties



in bona fide manner; safeguarding interest of all shareholders; upholding ethical standards of integrity & probity; updating knowledge of the Company & its external environment ; fulfillment of the independence criteria of Independent Director and their independence from the management etc.

The Board has carried out performance evaluation of its own , the Board Committees and of the Independent Directors, whereas at a separate meeting Independent Directors evaluated performance of the Non Independent Directors, Board as whole. All the Non-executive and Independent Directors having wide experience in their field. Their presence on the Board is advantageous and fruitful in taking business decisions.

## **POLICY RELATING TO REMUNERATION OF DIRECTORS, KMP & SENIOR MANAGEMENT PERSONNEL**

- To ensure that the level and components of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and other employees of the quality required to run the Company successfully.
- No director/KMP/ other employee is involved in deciding his or her own remuneration and the trend prevalent in the similar industry, nature and size of business is kept in view and given due weightage to arrive at a competitive quantum of remuneration & It is to be ensured that relationship of remuneration to the performance is clear & meets appropriate performance benchmarks which are unambiguously laid down and communicated.
- Improved performance should be rewarded by increase in remuneration and suitable authority for value addition in future.
- Remuneration packages should strike a balance between fixed and incentive pay, where applicable, reflecting short and long term performance objectives appropriate to the Company's working and goals.
- Following criteria are also to be considered:-
  - Responsibilities and duties
  - Time & efforts devoted Value addition
  - Profitability of the Company & growth of its business
  - Analyzing each and every position an skills for fixing the remuneration yardstick
  - Standards for certain functions where there is a scarcity of qualified resources
  - Ensuring tax efficient remuneration structures
  - Ensuring that remuneration structure is simple and that the cost to the Comany (CTC) is not shown inflated and the effective take home remuneration is not low
  - Other criteria as may be applicable.
- Consistent application of remuneration parameters across the organisation
- Provisions of law with regard making payment of remuneraion, as may be applicable, are complied
- Whenever, there is any deviation from the Policy, the justification /reasons should also be indicated / disclosed adequately

## **REVIEW**

The policy shall be reviewed by the Nomination & Remuneration Committee and the Bard, from time to time as may be necessary

**Place: Dewas**

**Date: 16<sup>th</sup> May, 2022**

**For and on behalf of the Board of Directors**

**Vippy Spinpro Limited**

**Piyush Mutha**  
**Managing Director**  
**(DIN-00424206)**

**Praneet Mutha**  
**Director**  
**(DIN-00424250)**

**ANNEXURE-III****DISCLOSURE ON MANAGERIAL REMUNERATION****1. Information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22.

Name	Designation	Ratio of remuneration to the median employees' remuneration
Shri Piyush Mutha	Managing Director	48.47
Shri Mangalore Maruthi Rao	Whole Time Director	1.80

# Remuneration excludes provision for gratuity.

**2. Percentage increase in remuneration of each Director and Key Managerial Personnel in the financial year 2021-22.**

Name	Designation	Increase in Remuneration (%)
Shri Piyush Mutha	Managing Director	4.87
Shri Mangalore Maruthi Rao	Whole Time Director	6.67
Shri Hassan Ali	Chief Financial Officer	19.45
Ms. Ayushi Solanki*	Company Secretary	-

\* Appointed w.e.f.25.03.2021, therefore the remuneration figure is not comparable.

**3. The percentage increase/ decrease in the median remuneration of employees in the financial year 2021-22 is 49.29%.****4. The number of permanent employees on the rolls of Company:**

There were 101 permanent employees on the rolls of Company as on 31<sup>st</sup> March, 2022.

**5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration**

Average percentile increase in the salaries of employee other than the Managerial personnel in the Financial Year 2021-22 was 4.21% and the increase in the salary of the Managerial personnel was 30.98%.

There is no direct relationship between the average increase in remuneration and Company performance. The Company takes various things like inflation, market trend and other related issue at the time of increase in remuneration of the employee. The Individual Performance is also one of the major criteria in increase of remuneration.

**6. Affirmation that the remuneration is as per the Remuneration Policy of the Company:**

It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.

**7. Details of employees as per rule 5(2) read with rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**



## a) Name of the top 10 employees in terms of remuneration drawn during the financial year 2021-22

Sr. No	Name of Employee	Designation of the Employee	Remuneration received (in Rs.)	Nature of employment whether contractual or otherwise	Qualification and experience of the employee	Date of commencement of employment	The age of such employee	The last employment held by such employee before joining the company	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager
1	Shri Piyush Mutha	Managing Director	113.01 Lakhs	Permanent Employee	B.E & MBA, 29years' Experience	Re-appointment for one (1) years w.e.f. 01.04.2021	53	-	He is brother of Shri Praneeet Mutha, Director of the Company
2	Shri Sanjeev Jahagirdar	General Manager (Works)	16.36 Lakhs	Permanent Employee	B. Tech (Textile), MBA (Marketing), Diploma in Textiles 25 years	13.04.2021	46	Arvind Limited	-
3	Shri Chandra Shekhar Sharma	Assistant General Manager (Commercial)	9.55 lakhs	Permanent Employee	B.Com, 30 years	15.10.2011	54	Pratibha Syntex Ltd	-
4	Shri Arvind Deshmukh	Assistant General Manager (Production)	9.50 Lakhs	Permanent Employee	Diploma in Electronics & Textile, 25 years	30.07.2006	52	Sanjay Gandhi Cooperative Spinning Mills	-
5	Shri Neeeraj Verma	Manager (Electrical)	6.14 Lakhs	Permanent Employee	B.Tech (Electrical & Electronics), 21 Years	05.11.2019	47	Gujrat Ambuja Export Ltd.	-
6	Shri Raju Gupta	Manager (P&A)	5.87 Lakhs	Permanent Employee	Master in Personnel Management, 17 years	25.12.2013	43	SEL Manufacturing Company Ltd.	-
7	Shri Rajendra Pal Singh	Manager (Maintenance)	5.83 Lakhs	Permanent Employee	Diploma in Mech, 28 years	01.09.1998	48	Swastik Spintex Ltd.	-
8	Shri Sanjeev Kumar Gupta	Manager (Production)	5.79 Lakhs	Permanent Employee	B.E. (Mech.), 27Years	01.06.1999	52	Sulony Fibre Glass Pvt. Ltd.	-
9	Shri Sanjay Kumar Dubey	Joint Manager (Production)	5.62 Lakhs	Permanent Employee	Diploma in Textile Technology, 29 years	20.06.2005	53	SkumarsNati onawide Ltd	-
10	Shri Anil Tiwari	Manager (Material)	5.25 Lakhs	Permanent Employee	Diploma in Material Management, 37 years	23.04.2007	56	KM Crown Welding Consumable	-





- b) During the financial year, Shri Piyush Mutha (Managing Director) received remuneration of Rupees One Crore and Two Lakhs or more per annum.
- c) During a part of the financial year, Shri Piyush Mutha (Managing Director) received remuneration of Rupees Eight Lakhs and Fifty Thousand or more per month.
- d) During the year or a part thereof, none of the employees received remuneration is excess of that drawn by the Managing Director or Whole Time Director and holds himself or along with his spouse and dependent children, 2% or more of the equity shares of the Company.

**Place: Dewas**

**Date: 16<sup>th</sup> May, 2022**

**For and on behalf of the Board of Directors**

**Vippy Spinpro Limited**

**Piyush Mutha**  
**Managing Director**  
**(DIN-00424206)**

**Praneet Mutha**  
**Director**  
**(DIN-00424250)**



## ANNEXURE-IV

### CORPORATE SOCIAL RESPONSIBILITY POLICY

#### 1. TITLE AND APPLICABILITY

The document describes the Corporate Social Responsibility Policy (“CSR Policy”) of Vippy Spinpro Limited (‘The Company’). It includes Company’s vision, mission and other relevant attributes of Corporate Social Responsibility.

In term of the provision of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (‘CSR Rule’), the Company has formulated and adopted this Corporate Social Responsibility (‘CSR’) Policy.

The CSR Policy shall be guided by The Company’s corporate philosophy of respect for the individual and the society at large.

Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, requires the Company to constitute a CSR Committee of Directors, adopt a CSR Policy, spend at least 2% of its average net profit made during the immediately preceding three financial years towards CSR activities as set out in Schedule VII to the Companies Act, 2013 and confirm compliance thereof in the Annual Report.

Accordingly, the Board of Directors at its Meeting held on 14<sup>th</sup> May, 2021 review approved and update the Company’s CSR Policy.

#### 2. CSR OVERVIEW

“Corporate Social Responsibility” (CSR) is a way of conducting business, by which corporate entities visibly contribute to the social good. The essence of CSR is to integrate economic, environmental and social objectives with the company’s operations and growth. CSR is the process by which an organization thinks about and evolves its relationships with society for the common good and demonstrates its commitment by giving back to the society for the resources it used to flourish by adoption of appropriate business processes and strategies.

The main objective of CSR policy is to make CSR a key business process for sustainable development of society. In its endeavors to mutually achieve the said objective, the Act stipulates the provisions regarding mandatory adherence to the Corporate Social Responsibility practices by the prescribed classes of companies.

#### 3. OBJECTIVE

Corporate Social Responsibility is a form of corporate self-regulation integrated into a business model. Therefore, the Policy will function as a built-in, self-regulating mechanism whereby the business will monitor and ensure its active compliance with the spirit of law, ethical standards and national norms.

The main objective of this Policy is to set guiding principles for carrying out CSR activities by the Company and also to set up process of execution, implementation and monitoring of the CSR activities to be undertaken by the Company.

#### 4. CSR COMMITTEE

##### i. Composition:

The Corporate Social Responsibility committee (CSR Committee) shall consist of three or more directors, out of which one shall be Independent Director.

##### ii. Role: the CSR Committee, *inter alia* shall

- a) Formulate and recommend to the Board the CSR Policy and any amendments thereof which shall indicate the activities to be undertaken by the Company as specified in schedule VII of the Companies Act, 2013;
- b) Recommend the amount of expenditure to be incurred on the activities, as per CSR Policy;



- c) Be responsible for implementation and monitoring the CSR projects or programs or activities of the Company;
  - d) Any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.
- iii. Meetings: The CSR Committee shall meet as and when necessary
- iv. Sitting Fees: No sitting fees shall be payable for attending CSR Committee.
- v. Quorum: Quorum of meeting of CSR Committee shall be one third of the total strength or two directors, whichever is higher.
- iv. The CSR Committee may invite Executives, Advisors, representatives of Social Organizations, Auditors of the Company and such other person(s) as it may consider necessary to attend the meeting.
- v. The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following namely:-
- a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act.
  - b) the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4.
  - c) the modalities of utilization of funds and implementation schedules for the projects or programmes.
  - d) monitoring and reporting mechanism for the projects or programmes and
  - e) Provided that Board may alter such plan at any time during the financial year as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.
  - f) details of need and impact assessment, if any, for the projects undertaken by the company

## 5. LIST OF ACTIVITIES /PROJECTS

The Company shall undertake any of the following Activities/Projects or such other activities/projects as may be notified by the Ministry of Corporate Affairs from time to time as a part of the Corporate Social Responsibility(CSR):

- i. Eradicating hunger, poverty and malnutrition, promoting healthcare including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promoting of sanitation and making available safe drinking water;
- ii. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- iii. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- iv. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- v. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries: promotion and development of traditional arts and handicrafts;
- vi. Measures for the benefit of armed forces veterans, war widows and their dependents, central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
- vii. Training to promote rural sports, nationally recognized sports, and olympic sports;



- viii. Contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizens Assistant and Relief in Emergency Situation Fund (PM Cares Fund) any other fund set up by the Central Government for socio-economic development and relief and welfare of the Schedule Castes, the Schedule Tribes, other backward classes, minorities and women;
- ix. a). Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and
- b). Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).]
- x. Rural development projects;
- xi. Slum area development;
- Explanation.- For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.
- xii. Disaster management, including relief, rehabilitation and reconstruction activities.
- The provisions of the Companies Act, 2013 and CSR Rules made thereafter shall have overriding effect Vis-a Vis the provisions of this policy.

## 6. FUNDING

In line with extent provisions of Section 135 of the Companies Act, 2013 and requirements laid down in the Companies (CSR Policy) Rules, 2014; 2 % of the average net profit of the Company made during the three immediately preceding financial years will be allocated for CSR activities.

CSR budget for the relevant financial year shall be approved by the Board.

5% of annual CSR Budget will be kept as reserve for emergency like disaster, calamity, etc. If the same remains unutilized, it may be used in the last quarter of the financial year for the other activities mentioned in Schedule VII of the Companies (CSR Policy) Rules, 2014.

The Company may build CSR capacities of their own personnel as well as those of their implementing agencies through Institutions with established track records of at least 3 financial years but such expenditure shall not exceed 5% of the total CSR expenditure of the Company in one financial year.

Any surplus arising out of the CSR projects or programs or activities shall not form part of the Business profit of a company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

If the Company fails to spend, the amount stated herein above, then reason for not spending shall be stated in the Directors Report and if the unspent amount is not related to an ongoing project, it shall be transferred to Fund specified in Schedule VII, within a period of six months of the expiry of the financial year. Further if unspent amount is related to an ongoing project shall be transferred by the company within a period of thirty days from the end of the financial year to a special account to be opened by the company in that behalf for that financial year



in any scheduled bank to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent by the company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.

When the Company spends amount in excess of its requirement, such excess amount may be set off against the requirement to spend under sub-section (5) of Section 135 up to immediate succeeding 3 financial years after passing Board Resolution to that effect.

## **7. IMPLEMENTATION OF CSR ACTIVITIES**

The Company may undertake CSR Activities either directly by itself or through a registered trust or registered society or any company established by the Company, its holding or subsidiary company or associate company under Section 8 of the Act for such non-for-profit objectives.

Provided that the Company can carry out the CSR Activities through such other institutes having an established track record of 3 (three) years in undertaking the CSR Activities.

The Company may collaborate with other companies for undertaking the CSR Activities subject to fulfillment of separate reporting requirements as prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the rules).

The Company should make CSR Contribution through the entities as mentioned in sub-rule 1 of rule 4 but the entity shall have Unique CSR Registration Number on or after 01<sup>st</sup> April, 2021.

The scope of this policy will extend to activities as stated under Schedule VII of the Companies Act, 2013, as presently in force. The scope of the policy to also include all additional and allied matters, as will be notified by Ministry of Corporate Affairs or such other body, as appointed/notified by Central or State Government, from time to time for this purpose.

CSR programs will be undertaken by the Company to the best possible extent within the defined ambit of the identified Project/Program.

The time period/duration over which a particular program will be spread, will depend on its nature, extent of coverage and the intended impact of the program.

The process for implementation of CSR programs will involve the following steps:

Identification of programs will be done by means of the following:

- i. Need identification studies by the Senior Management/Professional Institutions/agencies.
- ii. Receipt of proposals/ requests from District Administration/local Govt. etc.
- iii. Suggestion from the Board of Directors/Senior Management level.
- iv. Detailed assessment survey.

The Company shall give preference to the local areas and areas where the Company operates. However, this shall not bar the Company from pursuing its CSR objects in other areas.

## **8. MONITORING AND FEEDBACK**

The administration of the CSR policy and execution of CSR Projects/programs and activities shall be carried out under the overall superintendence and guidance of an internal monitoring group (herein after CSR Team) formed for this purpose.

The internal monitoring group/CSR Team shall consist of:

- i. Managing Director
- ii. Executive Director



- iii. Chief Financial Officer of the Company
- iv. HR unithead
- v. Company Secretary

The CSR Team shall submit its report to CSR Committee formed under the Act.

CSR Team will try to obtain feedback from beneficiaries about the programs implemented at the area.

CSR initiatives of the Company will be reported in the Annual Report of the Company & the Board is Report in compliance with Section 135 of the Act, and rules made there under.

## **9. PROCEDURE FOR CSR ACTIVITIES**

The Committee shall recommend the Board suitable CSR Activities to be undertaken during for the financial year along with the detailed plan, modalities of execution, implementation schedule, monitoring process and amount to be incurred on such activities;

The Board shall give its approval based on the recommendation of the Committee and in compliance of this policy;

The Committee, after approval, shall submit its report giving status of the CSR Activities undertaken, Expenditure incurred and such other details as may be required by the Board.

## **10. EXCLUSION**

The CSR Activities shall not include any activity undertaken by the Company in pursuance of normal course of business of the Company.

The Company shall not make any payment directly or indirectly to Political Party (ies) for CSR Activities.

The CSR projects or programs or activities that benefit only the employees of the Company and their families shall not be considered as CSR activities in accordance with Section 135 of the Act.

Any surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company but should be added in the CSR Fund.

## **11. ALLIED MATTERS**

With regard to CSR activities, Boards Report to state such particulars as stated under Companies (Corporate Social Responsibility) Rules, 2014.

The Company shall display such particulars relating to CSR Policy and activities undertaken there under as stated under Companies (Corporate Social Responsibility) Rules, 2014.

## **12. GENERAL**

In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference to be made to CSR Committee. In all such matters, the interpretation & decision of the Committee shall be final.

Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued from Government, from time to time.

The CSR Committee reserves the right to modify, add, or amend any of provisions of this policy subject to approval of the Board.

**Place: Dewas**  
**Date: 16<sup>th</sup> May, 2022**

**For and on behalf of the Board of Directors**  
**Vippy Spinpro Limited**

**Piyush Mutha**  
**Managing Director**  
**(DIN-00424206)**

**Praneet Mutha**  
**Director**  
**(DIN-00424250)**

**ANNEXURE – V****THE ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

[Pursuant to Section 135 of the Companies Act, 2013 and  
Companies(Corporate Social Responsibility Policy) Rules, 2014]

**1. Brief outline of the company's CSR Policy, including overview of projects or programmes proposed to be undertaken:**

In accordance with the provisions of the Companies Act, 2013 and rules made there under, the company had framed its CSR Policy to carry out its CSR activities in accordance with schedule VII of the Act. The CSR Policy annexed as Annexure-IV to this report. The CSR policy may be assessed on the company's website at [www.vippyspinpro.com](http://www.vippyspinpro.com)

The Company believes in conducting its business responsibly, fairly and in a most transparent manner. It continuously seeks ways to bring about an overall positive impact on the society and environment where it operates and as a part of its social objectives.

The main objective of the CSR Policy of the Company is to lay down guidelines to make CSR a key business process for sustainable development of the society and the environment in which it operates.

During the year, the Company as part of its CSR activities provided a grant towards promoting education and Healthcare including preventive healthcare. The CSR Committee is the governing body that articulates the scope of CSR activities and ensures compliance with the CSR Policy including overview of the projects undertaken.

**2. The Composition of the CSR Committee:**

S. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Piyush Mutha	Chairman - Managing Director	2	2
2	Shri Praneet Mutha	Member - Non-Executive Non-Independent Director	2	2
3	Smt. Deepa Sudhir Mehal	Member - Non-Executive Independent Director	2	2

**3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:**

<https://www.vippyspinpro.com/Composition%20of%20Committee.pdf>

<https://www.vippyspinpro.com/Corporate%20Social%20Responsibility%20Policy.pdf>

**4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):**  
Not Applicable**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**



S. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)

6. Average net profit of the company as per Section 135(5): Rs. 53,198,594/-
7. (a) Two percent of average net profit of the company as per section 135(5): 10,63,972/-  
 (b) Surplus arising out of CSR Projects or programmes or activities of the previous financial years: Nil  
 (c) Amount required to be set off for the financial year, if any: Nil  
 (d) Total CSR Obligation for the financial year (7a+7b-7c): 10,63,972/-
8. (a) CSR amount spent or unspent for the financial year: Spent

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
10,68,270	-	-	-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA



**(c) Details of CSR amount spent against other than ongoing projects for the financial year:**

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Amount spent for the project (in Rs.).	(7) Mode of implementation - Direct (Yes/No).	(8) Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Promoting Education in Tribals	Promoting education etc. {Clause. (ii)}	Yes	Indore, MP		88,000/-	No	Friends of Tribals Society	CSR00001898
2.	Promoting Healthcare	Promoting Healthcare including preventive healthcare {Clause (i)}	PAN: INDIA	PAN: INDIA		25,000/-	No	CRY Foundation	CSR00000805
3.	Promoting Education in school	Promoting education etc. {Clause. (ii)}	No	Karnataka-Bangalore		3,00,000/-	No	Tranquil Charitable Foundation	CSR00019802
4.	Promoting Education in school	Promoting education etc. {Clause. (ii)}	No	Thane, Maharashtra		1,34,100/-	No	Universe Simplified Foundation	CSR00005885
5.	Promoting Education in school	Promoting education etc. {Clause. (ii)}	Yes	Ujjain, Madhya Pradesh		1,08,960	No	Sewa Bharti	CSR00006198
6.	Promoting Education by payment of fees of students and providing Computer etc.	Promoting education etc. {Clause. (ii)}	Yes	Dewas, Indore, Ujjain Madhya Pradesh		3,61,650/-	Yes	-	-
	<b>Total</b>					<b>10,17,710/-</b>			

**(d) Amount spent in Administrative Overheads: 50,560/-****(e) Amount spent on Impact Assessment, if applicable: Nil****(f) Total amount spent for the Financial Year (8b+8c+8d+8e): 10,68,270/-****(g) Excess amount for set off, if any**



Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	10,63,972/-
(ii)	Total amount spent for the Financial Year	10,68,270/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	4298/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	4298/-

\* Total amount available for set off in succeeding financial years is 8061 (amount excess spent in FY 2020-21) + 4298 (amount excess spent in FY 2021-22) = 12,359/-.

**9. (a) Details of Unspent CSR amount for the preceding three financial years:**

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer.	
NA	NA	NA	NA	NA	NA	NA	NA

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year (s):**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
NA	NA	NA	NA	NA	NA	NA	NA	NA

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: NA**

- Date of creation or acquisition of the capital asset(s): NA
- Amount of CSR spent for creation or acquisition of capital asset: NA
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: NA
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NA

**11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): NA**

**For and on behalf of the Board of Directors  
Vippy Spinpro Limited**

**Place: Dewas  
Date: 16<sup>th</sup> May, 2022**

**Piyush Mutha  
Managing Director  
(DIN-00424206)**

**Praneet Mutha  
Director  
(DIN-00424250)**

**ANNEXURE-VI****SECRETARIAL AUDIT REPORT****For the Financial Year ended on 31<sup>st</sup> March, 2022**

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

To,  
The Members,  
Vippy Spinpro Limited  
414, City Centre,  
570, M.G. Road,  
Indore-452001

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Vippy Spinpro Ltd. for the financial year ended on 31<sup>st</sup> March, 2022 according to the provisions of:

The Companies Act, 2013 (the Act) and the rules made thereunder;

1. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
2. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
3. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the Audit Period, as there was no such transaction)
4. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz. :-
  - (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
  - (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the Audit Period, as there was no such transaction);
  - (iv) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the Audit Period, as there was no such transaction)



- (v) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period, as there was no such transaction)
- (vi) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (vii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period, as there was no such transaction).
- (viii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit Period, as there was no such transaction).
- (ix) SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as applicable from time to time.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards on Board and General Meetings, as issued by the Institute of Company Secretaries of India.
- (ii) The SEBI (Listing Obligation and Disclosure Requirement) Regulations, (LODR).

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

**I further report that** on the representation made by the Company and its Officer for system and mechanism formed by the Company for compliances, and examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws/acts specifically applicable to the Company:

- (i) The Factories Act, 1948
- (ii) Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, Compensation etc.;
- (iii) Labour Welfare Acts of State.
- (iv) Acts prescribed under Direct and Indirect Taxes
- (v) The Competition Act, 2002
- (vi) The Negotiable Instruments Act, 1881
- (vii) Environment Laws
- (viii) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

**I further report that**, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Further the changes in the composition of the Board of directors that took place during the year under review, were carried out in compliance with relevant provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven clear days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.



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

**For, Shilpesh Dalal & Co.,  
Company Secretary**

**Date: 23<sup>rd</sup> May, 2022  
UDIN : F005316D000365775**

**SHILPESH DALAL  
(Proprietor)  
M.No. FCS-5316  
C.P. No. 4235  
Indore**

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This report is to be read with my letter of even date which is annexed as 'Annexure-A' and forms an integral part of this report



**Annexure- A'**

To,  
The Members,  
Vippy Spinpro Limited  
414, City Centre,  
570, M.G. Road,  
Indore-452001

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test-check basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of systems and procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For, Shilpesh Dalal & Co.,  
Company Secretary**

**Date: 23<sup>rd</sup> May, 2022**

**SHILPESH DALAL  
(Proprietor)  
M.No. FCS-5316  
C.P. No. 4235  
Indore**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
Vippy Spinpro Limited  
414, City Centre, 570, M.G Road,  
Indore MP 452001 IN

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Vippy Spinpro Limited having CIN: L01710MP1992PLC007043 and having registered office at 414, City Centre, 570, M.G. Road, Indore MP 452001 IN (here in after faired to as 'the Company'), produced before me by the Company for the purpose of issuing his Certificate, in accordance with Regulation 34 (3) read with Schedule V Para - C Sub-clause 10 (I) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information an according to the verifications (including Directors Identification Number (DIN) status at the portal ([www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on the debased on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For, Shilpesh Dalal & Co.,  
Company Secretary**

**Date: 23<sup>rd</sup> May, 2022  
UDIN : F005316D000365709**

**SHILPESH DALAL  
(Proprietor)  
M.No. FCS-5316  
C.P. No. 4235  
Indore**

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****ECONOMY-OVERVIEW**

IMF's World Economic Outlook in April 2022 projects Global growth is expected to moderate from 5.9 in 2021 to 4.4 percent in 2022—half a percentage point lower for 2022 than in the October World Economic Outlook (WEO), largely reflecting forecast markdowns in the two largest economies. A revised assumption removing the Build Back Better fiscal policy package from the baseline, earlier withdrawal of monetary accommodation, and continued supply shortages produced a downward 1.2 percentage-points revision for the United States. In China, pandemic-induced disruptions related to the zero-tolerance COVID-19 policy and protracted financial stress among property developers have induced a 0.8 percentage-point downgrade. Global growth is expected to slow to 3.8 percent in 2023.

**INDUSTRY STRUCTURE AND DEVELOPMENT**

The global textile market size was valued at USD 993.6 billion in 2021 and is anticipated to grow at a compound annual growth rate (CAGR) of 4.0% from 2022 to 2030. Increasing demand for apparel from the fashion industry coupled with the growth of e-commerce platforms is expected to drive the market growth over the forecast period. The industry works on three major principles, designing, production, and distribution of different flexible materials, such as yarn and clothing. The textile and apparel industry in India is the second largest employer in the country providing employment to 45 million people.

The Textile Sector in India ranks next to Agriculture. Textile is one of India's oldest industries and has a formidable presence in the national economy in as much as it contributes to about 14 per cent of manufacturing value-addition, accounts for around one-third of our gross export earnings and provides gainful employment to millions of people. The textile industry occupies a unique place in our country. One of the earliest to come into existence in India, it accounts for 14% of the total Industrial production, contributes to nearly 30% of the total exports and is the second largest employment generator after agriculture.

The Indian textile industry is aiming to export products worth \$40 to \$100 billion within 2027. These garment units are fast expanding in size and investments, to meet the bulk orders pouring in from various foreign countries in the west. The Company is engaged in the manufacturing of cotton yarn for different applications by Rotor Spinning. Rotor Spinning is economical, since the process is very short, consumes less energy and other substantial cost benefits in the choice of raw material in comparison to Ring Spinning especially in coarse counts. The Company is also engaged in generation of power through Wind Mill & Solar Panels for captive consumption.

**OPPORTUNITY AND THREATS****Opportunity**

Consumer ratings business ICRA is confident that 2022 will see a stabilisation of India's textile sector with cotton spinning and apparel export segments faring especially well. Cotton spinning and apparel exports could increase by 15% to 20% in the 2022 financial year.

The Union Ministry of Textiles is more active in developing the textile industry, by constant coordination with business owners of this sector. The Union Budget for 2022–23 also announced some benefits that can help in the growth of the Indian textile industry. The Indian government has allowed 100% Foreign Direct Investment (FDI) in the textile industry. Thus, it will be easier for small companies to grow and export their products to other countries.

**Threats**

Year 2022 will be full of surprises, as Cotton Spinning Industries has seen a good year, but this year will be a bit tough, and Cotton Spinners will face challenges because of lower yield of cotton, this year at the end of this cotton season, we will be net importer of the cotton and this shortfall in crop may lead to disastrous situation. Overall margins will come under pressure. As domestic and international demands are changing, the dynamics also are changing. The textile value chain without China can face some challenges, overall, as a Cotton Spinners this year a lot will depend on domestic circumstances. (Source: Textile Value Chain)





The relative success of the Spinning Industry is dependent on the availability of Raw Cotton at reasonable prices. The Raw cotton is the main Raw material for the manufacture of cotton yarn and it is dependent on the Nature i.e. Good/Bad Monsoon. So availability of raw cotton at reasonable prices is crucial for the spinning Industry. Any significant change in raw cotton prices and Monsoon can affect the performance of the Industry. With the expectation of good monsoon in the country, the future of textile industry seems to be bright.

**SEGMENTWISE PERFORMANCE**

The Company generates power through wind mill & solar panels for captive use. Hence no Segment reported.

**OUTLOOK**

Global 2021-22 cotton area and production are projected as 32.7 million hectares (80.80 million acres) and 121.6 million bales of 217.72 Kg each. Cotton productions in most of the major producing countries are expected to increase except China in 2021-22. India is projected to produce 28 million bales followed by China (26.80 million bales), United States (18.3 million bales), Brazil (13.2 million bales) and Pakistan (5.7 million bales).

**RISK AND CONCERNS**

The Company had adopted Risk Management Policy to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. The volatility in price of cotton which is raw material for the Company, volatility in oil prices in international market and non-availability of skilled manpower are the major threats to the company.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has in place adequate internal financial controls with reference to all its operations and such systems are continuously reviewed and upgraded. All the transactions are properly authorized and recorded. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The Internal Audit is conducted by outside auditing firms which evaluate the functioning and quality of internal controls and check; and provides assurance of its adequacy and effectiveness. The Internal Audit Reports are actively reviews by the Audit Committee and adequate remedial measures, if any, are taken. The Internal Audit Reports are also reviews by the Board of Directors periodically. During the year, no reportable material weaknesses in the design or operations were observed.

**OPERATIONAL & FINANCIAL PERFORMANCE****OPERATIONAL PERFORMANCE****(Qty. in MT.)**

<b>Particulars</b>	<b>2021 -22</b>	<b>2020 - 2021</b>
Production	8536.79	6825.45
Sales	8516.88	6900.98

**FINANCIAL PERFORMANCE**

(₹ in Lakhs)

Particulars	2021-22	2020-21
<b>Income</b>		
Revenue from Operations	13942.78	8757.39
Other Income	106.93	37.88
<b>Total Revenue</b>	<b>14049.70</b>	<b>8795.27</b>
Less: Expenses other than Finance cost and Depreciation	12257.22	8064.54
<b>Profit before finance cost, depreciation &amp; amortization, and tax</b>	<b>1792.48</b>	<b>730.73</b>
Less: Finance Costs	25.83	31.29
Less: Depreciation and amortization expenses	133.65	156.05
<b>Profit before Tax</b>	<b>1633.00</b>	<b>543.40</b>
<b>Less: Tax Expenses</b>		
Current Tax	426.30	150.54
Deferred Tax (Assets)/Liabilities	(4.24)	(3.91)
<b>Profit for the year</b>	<b>1216.89</b>	<b>396.77</b>
Other Comprehensive Income	7.28	11.21
<b>Total Comprehensive Income</b>	<b>1224.18</b>	<b>407.98</b>
Earning per equity share		
Basic	20.73	6.76
Diluted	20.73	6.76

The Company's total revenue for the year under review amounted to Rs. 14049.70 Lakhs as compared to Rs. 8795.27 Lakhs of the previous year. The Profit before Tax for the year under review amounted to Rs. 1633.00 Lakhs as compared to Rs. 543.40 Lakhs of the previous year. The Profit after Tax for the year under review amounted to Rs. 1216.89 Lakhs as compared to Rs. 396.77 Lakhs of the previous year. The Company is engaged in the manufacturing of cotton yarn for different applications by Rotor Spinning.

**KEY FINANCIAL RATIOS AND PERFORMANCE**

Ratio	2021-22	2020-21	% Change {Increase/ (decrease)}	Explanation in case change is more than 25%, as compared to previous year
Inventory Turnover	3.60	3.08	0.52	-
Interest Coverage Ratio	58.07	17.16	40.92	-
Current Ratio	3.10	5.38	-2.28	-
Debt Equity Ratio	0.003	0.019	-0.02	-
Debtors Turnover ratio	7.20 times	4.62 times	2.58 times	-
Operating Profit Margin	10.76%	6.13%	4.63%	-
Net Profit Margin	8.73%	4.53%	4.20%	-
Return on Net worth	20.15%	8.24%	11.91%	-
EPS	20.73	6.76	13.97	-

**MATERIAL DEVELOPMENT IN HUMAN RESOURCE AND INDUSTRIAL RELATIONS**

Human resource is considered as the most valuable of all resources available to the Company. The Company continues to lay emphasis on building and sustaining an excellent organisation climate based on human performance. The Management has been continuously endeavoring in fostering high performance culture in the organisation. The Company has 101 permanent employees as on the roll of the Company as on 31<sup>st</sup> March, 2022. Further, industrial relations remained peaceful and harmonious during the year.

**CAUTIONARY STATEMENT**

Statement in the “Management Discussion and Analysis” describing the Company's objectives, estimates, expectations or projections may be “forward looking statements” within the meaning of applicable laws and regulations. These statements are based on certain assumptions and expectation of future events. Actual results could, however, differ materially from those expressed or implied. The Company assumes no responsibility in respect of the forward looking statements herein, which may undergo changes in future on the basis of subsequent developments, information or events.

**REPORT ON CORPORATE GOVERNANCE****1. The Company's Philosophy**

Your Company is committed to attain the highest standard of Corporate Governance by placing emphasis on transparency, accountability, integrity and to promote ethical conduct throughout the organization with the main object to enhance the value of all stakeholders. Report on Corporate Governance for the year ended 31<sup>st</sup> March, 2022, in terms of Regulation 34(3) read with schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is set out below.

**2. Board of Directors**

Composition and Attendance The Company has total Five (5) Directors out of which Two (2) Independent Non-Executive Directors, One (1) Non-Executive Promoter Director, One (1) Executive Promoter Director and One (1) Non-Independent Executive Director, and it meets the stipulated requirement.

The details of Board composition, attendance of Directors at the Board Meetings and at the last Annual General Meeting held during the year and the number of directorship and committee chairmanship/membership held by the Directors in other companies are given below.

Name	Category	Attendance		Total No of Directorship in other Public companies incorporated in India	No of committees positions#held in other Public companies incorporated in India	
		Board Meeting	Last AGM		Chairman	Member
Shri Piyush Mutha	Promoter/Managing Director	12	Yes	1	-	-
Shri Mangalore Maruthi Rao	Whole Time Director	4	No	-	-	-
Shri Praneet Mutha	Promoter/ Non-Executive Director	12	Yes	1	-	-
Shri Raghuram Krishnamurthy	Independent Director	3	Yes	-	-	-
Smt. Deepa Sudhir Mekal	Independent Director/ Woman Director	9	No	-	-	-

*Note: Office of Shri Subhash Kocheta (DIN: 00590610), Independent Director of the Company ceased w.e.f. 08-02-2022 due to his demise.*

*# Only Audit Committee and Stakeholders Relationship Committee have been considered.*

As detailed in the table above, none of the Directors is a member of more than 10 board-level committees of companies in which they are Directors, nor Chairman of more than five such committees, as per the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



During the Financial year ended 31<sup>st</sup> March, 2022, total Twelve (12) meetings of Board of Directors were held on 14.05.2021, 25.06.2021, 29.07.2021, 12.08.2021, 24.08.2021, 07.10.2021, 12.11.2021, 17.11.2021, 11.12.2021, 03.01.2022, 10.02.2022 and 31.03.2022 Maximum gap between two meetings was less than 120 days.

There has been no pecuniary transaction or relationship between the Company and its Non-Executive Directors during the year ended 31<sup>st</sup> March, 2022 apart from paying sitting fees. All Independent Directors are fulfill the conditions as stipulated in the SEBI (LODR) Regulations, 2015 and are independent from the management of the Company

### **Board Expertise and Attributes**

The Board comprises directors that bring a wide range of skills, expertise and experience which enhance overall board effectiveness.

The Nomination and Remuneration Committee of Directors assess and recommend to the board, core skill sets require by Directors to enable Board to perform its oversight function effectively. This process also helps to identify skill gaps.

The identified skills and domain expertise required by the directors of the Corporation include leadership and strategic thinking, risk management, legal and regulatory compliance, corporate governance, consumer behavior, sales and marketing, information technology, data analytics, and proficiency in economics, finance, accounting & audit and industry experience. The directors of the Corporation have mapped their skills based on the board skills matrix.

<b>Sr. no.</b>	<b>Name</b>	<b>Designation</b>	<b>Core Skill/ Expertise/ Competencies available with the Board</b>
1	Shri Piyush Mutha	Managing Director	Leadership, Finance, Legal and Regulatory compliances, Corporate Governance, Data Analytics,
2	Shri Mangalore Maruthi Rao	WholeTime Director	Strategic Thinking, Consumer Behavior, Data Analytics, Industry Expertise.
3	Shri Praneet Mutha	Non-executive-non-independent director	Sales and Marketing, Consumer Behavior, Information Technology, Proficiency in economic.
4	Shri Raghuram Krishnamurthy	Independent Director	Data Analytics, Proficiency in Economics.
5	Smt. Deepa Sudhir Mekal	Independent Director	Risk Management and Accounting.

The Company has received the necessary declarations from each Independent Director under Section 149(7) of the Act that he/she meets the criteria of independence laid down in Section 149(6) of the Act and Regulation 16(1)(b) read with Regulation 25(8) of the SEBI Listing Regulations. The Board has taken on record these declarations after undertaking the due assessment of the veracity of the same.

No Director is related to any other Director except Shri Piyush Mutha and Shri Praneet Mutha who are related to each other.



Number of shares held by Non-Executive Directors as on 31<sup>st</sup> March, 2022:

Name	No. of Shares held	%
Shri Praneet Mutha	521050	8.88
Shri Raghuram Krishnamurthy	-	-
Smt. Deepa Sudhir Mekal	-	-

**Familiarization Programme:**

The Company has put in place a system to familiarize its Independent Directors with the Company, covering the area as:- nature of the industry in which Company operates, business model of Company, roles, rights & responsibilities of the Independent Directors etc. The details of programme for familiarization is placed on the website of the Company at <https://www.vippyspinpro.com/investors.php>

**Appointment/re-appointment of Director:**

Particulars of Directors seeking appointment/re-appointment are given in the Annexure, annexed to the notice for the ensuing Annual General Meeting.

During the year under review, the members of the Company at the Annual General Meeting held during the year, have approved the re-appointment of Shri Piyush Mutha (DIN: 00424206) as Managing Director of the Company for a period of 1 year w.e.f. 01.04.2021 to 31.03.2022 and re-appointment of Smt. Deepa Sudhir Mekal as an Independent Director of the Company, for second term of 5 consecutive years w.e.f. 01<sup>st</sup> April, 2022.

**Board Procedures:**

The Company has established systems and procedures to ensure that its Board of Directors is well informed and well equipped to discharge its overall responsibilities and provide the Management with the strategic direction catering to exigency of long term shareholders value. The Board reviews periodically compliance report of all laws applicable to the Company, and takes steps to rectify instance of non-compliance, if any.

All information as required under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 were placed before the Board of Directors.

Apart from receiving sitting fees, Independent Directors do not have any material relationship or transaction with the Company, its promoters, its directors, and its senior management which may affect independence of directors.

**Separate Meeting of the Independent Directors:**

The separate meeting of Independent Directors held on 03<sup>rd</sup> January, 2022, without the attendance of Non-Independent Directors and members of Management. The following issues were discussed in detail:

- i) reviewed the performance of non-independent directors and the Board as a whole;
- ii) Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**Code of Conduct:**

The Company had laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company. The Code of Conduct is available on the website of the Company [www.vippyspinpro.com](http://www.vippyspinpro.com). All the Board Members and Senior Management Personnel have affirmed compliances with the Code of Conduct, as on 31<sup>st</sup> March, 2022.

A declaration by Managing Director regarding compliance by the Board Members and Senior Management Personnel, with the said Code of Conduct is enclosed and form part of this report.

**3. Audit Committee****Composition and Attendance**

The Audit Committee comprises of three members, two of them are independent- non-executive directors and one is Executive Director. The Committee composition meets with the requirements of Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the members of the Committee have relevant experience in financial matters.

During the year under review, Five(5) meeting of Audit Committee were held on 01.05.2021, 25.06.2021, 12.08.2021, 12.11.2021, and 10.02.2022.

As on 31<sup>st</sup> March, 2022, the composition of the Audit Committee and details of meeting attended by the members are as under:

Name	Position	Category	No. of Meetings during the year	
			Held	Attended
Shri Raghuram Krishnamurthy**	Chairman	Independent Director	5	1
Shri Piyush Mutha	Member	Managing Director	5	5
Smt. Deepa Sudhir Mekal	Member	Independent Director	5	5

Company Secretary acts as Secretary to the Audit Committee.

\*\* *Shri Raghuram Krishnamurthy appointed as Chairman of Audit Committee w.e.f. 11-12-2021.*

*Note: Due to demise of Shri Subhash Kocheta, Independent Director he ceased to be Member of the audit committee w.e.f. 08.02.2022.*

**Terms of reference**

Role of the Audit Committee shall include the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending to the Board, the appointment/re-appointment, remuneration and terms of appointment of Statutory Auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors;
- Reviewing, with the management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
  - (a) matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) significant adjustment made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;



- (f) disclosure of any related party transactions;
- (g) qualification/modified opinion(s) in the draft audit report;
- Reviewing with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
- Approving or subsequently modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertaking or assets of the company, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control system;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders(in case of non-payment of declared dividends) and creditors;
- Reviewing the functioning of the Vigil Mechanism/Whistle Blower Policy;
- Approving the appointment of chief financial officer after assessing the qualifications, experience and background etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the audit committee;
- Reviewing the financial statements, in particular, the investments made by the unlisted subsidiaries, if any.
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances /investments existing as on the date of coming into force of this provision, if any.
- The Company has systems and procedures in place to ensure that the Audit Committee mandatorily reviews:
- Management Discussion and Analysis of financial condition and results of operations;





- Statement of significant related party transactions(as defined by the audit committee), submitted by management;
- Management letters/letters of internal control weaknesses issued by the statutory auditors;
- Internal Audit Reports relating to internal control weakness; and
- The appointment, removal and terms of remuneration of the chief internal auditor.
- Statement of deviations:
  - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulations 32(1) of SEBI Listing Regulations.
  - (b) Annual statement of funds utilized for purpose other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI Listing Regulations.

Apart from the above, the Audit Committee also exercises the role and powers entrusted upon it by the Board of Directors from time to time.

The Audit Committee Meetings are usually held at the works Office of the Company and the Audit Committees invites the CFO, Internal Auditor & Statutory Auditors, and Managing Director.

#### **4. Nomination & Remuneration Committee**

##### **Composition and Attendance**

The Nomination & Remuneration Committee comprises of three members out of which 2 are independent-non-executive directors and 1 is non-independent-non-executive director. The Committee composition meets with the requirements of Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year under review, Two (2) meeting of Nomination & Remuneration Committee were held on 25.06.2021 and 31.03.2022.

As on 31<sup>st</sup> March, 2022, the composition of the Nomination & Remuneration Committee and details of meeting attended by the members are as under:

Name	Position	Category	No. of Meetings during the year	
			Held	Attended
Shri Raghuram Krishnamurthy	Chairman	Independent Director	2	0
Smt. Deepa Sudhir Mekal	Member	Independent Director	2	2
Shri Praneet Mutha **	Member	Non-Executive - Non Independent Director	2	1

Company Secretary acts as Secretary to the Nomination & Remuneration Committee.

**\*\*Mr. Praneet Mutha appointed as member of Nomination & Remuneration Committee w.e.f. 10-02-2022.**

**Note: Due to demise of Shri Subhash Kocheta, Independent Director he ceased to be Member of the Nomination & Remuneration Committee w.e.f. 08.02.2022.**



## **Terms of reference**

- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- Removal should be strictly in terms of the applicable law/s and in compliance of principles of natural justice.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on the Board diversity.
- Recommend to the Board, remuneration including salary, perquisite and commission to be paid to the Company's Executive Directors on an annual basis or as may be permissible by laws applicable.
- Recommend to the Board, the Sitting Fees payable for attending the meetings of the Board/Committee thereof, and any other benefits such as Commission, if any, payable to the Non- Executive Directors.
- Setting the overall Remuneration Policy and other terms of employment of Directors, wherever required.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of the independent directors.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

Apart from the above, the Nomination & Remuneration Committee also exercises the role and powers entrusted upon it by the Board of Directors from time to time.

## **5. Board Evaluation**

The Company has devised a policy for performance evaluation of Independent Directors, Board, Committees and other Individual Directors. The Policy is in consonance with the existing industry practice.

The said policy sets out criteria for performance evaluation of Board, Executive Directors, Non-Executive Directors including Independent Directors, Chairperson of the Company and Board's Committees.

### **Performance Evaluation of Board, Committees & Directors**

The Independent Directors of the Company shall hold at least one meeting in a year, without attendance of non-independent Directors and members of management.

The Independent Directors in the meeting shall:

- (i) Review the performance of non-independent directors and the Board as a whole;
- (ii) Assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The performance evaluation of its own, the Board Committees and of the Independent Directors shall be carried by the Board.

The evaluation of Independent Directors shall be carried out by the entire Board excluding the Director being evaluated.

In accordance with Schedule IV of the Companies Act, 2013, the extension or continuance of the term of appointment of Independent Directors would be determined based on their evaluation.

**Criteria for Evaluation of the Board & their Committees and Directors**

The criteria for evaluation of performance of the Board, Executive Directors, Non-Executive Directors including Independent Directors, Chairperson of the Company and Board's Committees is detailed in Nomination and Remuneration Policy of the Company.

The Salient features of Nomination and Remuneration Policy of the Company are forming part of this report.

**6. Director Remuneration**

a) The Company did not have any pecuniary relationship or transactions with non-executive directors during the year ended 31<sup>st</sup> March, 2022 except for payment of sitting fees.

b) Criteria of making payment to non-executive director

The following is the Criteria of making payment to non-executive director

- Sitting fees are paid to Non-Executive Directors of the Company for attending of meeting of the Board of Directors.

c) Remuneration to Directors

(i) the details of remuneration paid to Directors for the year ended 31<sup>st</sup> March, 2022 are as under

Name of Director	Designation	Salary (Rs.)	Perquisites and other benefits (Rs.)	PF& other Fund (Rs.)	Bonus (Rs.)	Pension (Rs.)	Stock Option (Rs.)	Sitting Fees (Rs.)	Total (Rs.)
Shri Piyush Mutha	Promoter/ Managing Director	9000000	140555	2160000	-	-	-	-	11300555
Shri Mangalore Maruthi Rao	Whole Time Director	420000	-	-	-	-	-	-	420000
Shri Praneet Mutha	Promoter/ Non-Executive Director	-	-	-	-	-	-	6000	6000
Shri Subhash Kocheta*	Independent Director	-	-	-	-	-	-	3000	3000
Shri Raghuram Krishnamurthy	Independent Director	-	-	-	-	-	-	-	-
Smt. Deepa Sudhir Mekal	Independent Director/ Woman Director	-	-	-	-	-	-	4500	4500

\*Office of Shri Subhash Kocheta, Independent Director of the Company ceased w.e.f. 08.02.2022 due to his sad and sudden demise.

(ii). Details of fixed component and performance linked incentives along with performance criteria:

Fixed component given as above. Presently no performance linked incentives are given by the Company.

(iii). Service contracts, notice of period, severance fees:

There is no severance fees prescribed by the Company. The notice period is 1 month from either side.

(iv). Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable: N.A.

The Company had adopted Remuneration Policy annexed as Annexure-II to the Directors Report.

**7. Stakeholders Relationship Committee**

The Stakeholders Relationship Committee comprises of three members, one of them are Independent-Non-Executive Directors, one is Non-Independent-Non-Executive Director and one is Executive Director. The committee composition and terms of reference meet the requirements of Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

**Terms of reference**

- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc..
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

The Secretarial Department of the Company and the Registrar and Share Transfer Agents (Ankit Consultancy Pvt. Ltd. Indore) attend all grievances of the Shareholders/Investors received directly or through SEBI, Stock Exchange, Ministry of Company Affairs, Registrar of Companies, etc.

During the year under review, Four (4) meetings of Stakeholders Relationship Committee were held on 25.06.2021, 12.08.2021, 12.11.2021 and 10.02.2022.

**Composition and Attendance**

The composition of the Stakeholders Relationship Committee and attendance by members as on 31<sup>st</sup> March, 2022 is as under:

Name	Position	Category	No. of Meetings during the year	
			Held	Attended
Smt. Deepa Sudhir Mokal	Chairman	Independent Director	4	3
Shri Praneet Mutha	Member	Non -Executive, Non - Independent Director	4	4
Shri Piyush Mutha	Member	Executive Director	4	0

Company Secretary acts as Secretary to the Stakeholders Relationship Committee.

**\*\* Mr. Piyush Mutha Appointed as member of Stakeholders Relationship Committee w.e.f. 10.02.2022**

**Note: Due to demise of Shri Subhash Kocheta, Independent Director he ceased to be Member of the Stakeholders Relationship Committee w.e.f. 08.02.2022.**

[a] Name and Designation of Compliance Officer : Ms. Ayushi Solanki

Company Secretary

Email-id- [cs@vippspinpro.com](mailto:cs@vippspinpro.com)

[b] Details of number of complaints received and replied/resolved during the year are as under:



No. of Investor complaints pending at the beginning of year	No. of Investor complaints received during the year	No. of Investor complaints disposed of during the year	No. of Investor complaints unresolved at the end of year
0	5	5	0

The number of pending share transfer request as on 31<sup>st</sup> March, 2022 is Nil.

In compliance of regulation 13(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company has submitted the statement for investor complaints on quarterly basis to the BSE Ltd.

## 8. Corporate Social Responsibility Committee

### Composition and Attendance

The Corporate Social Responsibility Committee comprising three members, One of them is Managing Director, One is Non-Executive-Non-Independent Director and One is Independent Director. The quorum for the CSR Committee Meeting is two members.

During the year under review, Two (2) meeting of CSR Committee were held on 03.01.2022 and 31.03.2022.

As on 31<sup>st</sup> March, 2022, the composition of the CSR Committee and details of meeting attended by the members are as under:

Name	Position	Category	No. of Meetings during the year	
			Held	Attended
Shri Piyush Mutha	Chairman	Managing Director	2	2
Shri Praneet Mutha	Member	Non - Executive - Non - Independent Director	2	2
Smt. Deepa Sudhir Mokal	Member	Independent Director	2	2

### Terms of reference

The broad terms of reference of Corporate Social Responsibility (CSR) Committee include inter-alia formulating and recommending to the Board a CSR policy, recommending amount of expenditure to be incurred on CSR activities, recommending activities/projects/programs to be undertaken by the Company towards CSR, approve the areas where CSR activities can be adopted, update the Board of Directors on the amount of expenditure incurred by the Company towards CSR and monitoring the implementation of the CSR policy and Business Responsibility guiding principal suggested by SEBI from time to time.

## 9. General Body Meeting

The details of Annual General Meeting held in last three years are given below:

Year	Annual General Meeting (AGM)	Day, Date & Time	Venue
2020-21	29 <sup>th</sup>	Monday, 30 <sup>th</sup> day of August, 2021 at 11:30 A.M.	Through Video Conferencing (“VC”) or Other Audio Visual Means (“OVAM”)
2019-20	28 <sup>th</sup>	Wednesday, 30 <sup>th</sup> day of September, 2020 at 11:30 A.M.	Through Video Conferencing (“VC”) or Other Audio Visual Means (“OVAM”)
2018-19	27 <sup>th</sup>	Monday, 30 <sup>th</sup> day of September, 2019 at 9.30 a.m.	Hotel Amar Vilas, 1 Chandra Nagar, A.B. Road, Opp. Sony World, Indore- 452010 (M.P.)



The following are the special resolutions passed at the Annual General Meeting held in the last three years:

<b>AGM held on</b>	<b>Special Resolutions passed</b>	<b>Summary</b>
30.08.2021	Yes	<ol style="list-style-type: none"> <li>1. Re-appointment of Shri Piyush Mutha (DIN-00424206), as a Managing Director for the period of One (1) year with effect from 01.04.2021 to 31.03.2022.</li> <li>2. Shri Subhash Kocheta who was re-appointed as Independent Director for the Second Term of 5 year in the Annual General Meeting held on 30.09.2019, was attained the age of 75 year in this Annual General Meeting. To consider his appointment as per Regulation 17A of SEBI (Listing Obligation and Disclosure Requirement) regulation, 2015.</li> <li>3. Smt. Deepa Sudhir Mekal re-appointed as an Independent Director of the Company not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company</li> </ol>
30.09.2020	Yes	<ol style="list-style-type: none"> <li>1. To alter Article of Association of the Company by deletion Clause 117, 118 of Article of Association.</li> <li>2. Re-appointment of Shri Mangalore Maruthi Rao (DIN -00775060), as a Whole Time Director for a period of two (2) years w.e.f 28.10.2020.</li> <li>3. Re-appointment of Shri Piyush Mutha (DIN-00424206), as a Managing Director for the period of One (1) year with effect from 01.04.2020 to 31.03.2021</li> </ol>
30.09.2019	Yes	<ol style="list-style-type: none"> <li>1. Re-appointment of Shri Mangalore Maruthi Rao (DIN-00775060), as a Whole Time Director for a period of two (2) years w.e.f 28.10.2018.</li> <li>2. Re-appointment of Shri Piyush Mutha (DIN-00424206), as a Managing Director for the period of One (1) year with effect from 01.04.2019 to 31.03.2020</li> <li>3. Shri Subhash Kocheta re-appointed as an Independent Director of the Company not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company</li> <li>4. Shri Raghuram Krishnamurthy re-appointed as an Independent Director of the Company not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company</li> <li>5. Shri Mohan Jain appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years</li> </ol>

Extra Ordinary General Meeting: No Extra Ordinary General Meeting of the Company was held during the last three years.

Passing of resolution by postal ballot:

During the year under review, there was no special resolution was passed through Postal Ballot. None of the business proposed to be transacted in the ensuing Annual General Meeting require passing Special Resolution through postal ballot.

#### **10. Means of Communication**

The Company communicates with the shareholders at large through its Annual Report, and filing report & returns with Statutory Bodies like the Registrar of Companies and Stock Exchange. The Quarterly Results / Half Yearly / Audited Annual Financial Results are published in English (Pioneer) and Hindi (Swadesh) Newspapers.



The Quarterly Results / Half Yearly / Audited Annual Financial Results, Shareholding Pattern, Quarterly Report on Corporate Governance etc. & other official news releases, if any, are also made available at the Company's website [www.vippyspinpro.com](http://www.vippyspinpro.com).

The Company has designated the following exclusive e-mail Id for the convenience of investors: [admin@vippyspinpro.com](mailto:admin@vippyspinpro.com).

No presentation was made to the Institutional Investors or to the Analysts during the year under review.

## 11. General Shareholders Information

### (a) Annual General Meeting

Day, Date & Time	Saturday, 17 <sup>th</sup> day of September, 2022 at 11:30 A.M.
Venue	Through Video Conferencing/ Other Audio Visual Means (OAVM)
Financial Calendar for F.Y. 2022-23	
1st Quarter Results	July 2022 (3 <sup>rd</sup> week)
2nd Quarter Results	October 2022 (3 <sup>rd</sup> week)
3rd Quarter Results	January 2023 (3 <sup>rd</sup> week)
4th Quarter Audited Results and Audited Annual Financial Statements for the FY 2022-23	May 2023 (3 <sup>rd</sup> week)
Date of Book Closure	Sunday, 11 <sup>th</sup> September, 2022 to Saturday, 17 <sup>th</sup> September 2022 (both days inclusive)
Dividend Payment Date	No Dividend has been proposed by Board of Director of the Company for the year 2021-22.
Listing of Securities on the Stock Exchanges& payment of listing fees.	BSE Ltd. (BSE) PhirozeJeejeebhoy Tower, Dalal Street, Mumbai -400051
Stock Code/Symbol	Scrip Code: 514302 Scrip ID : VIPPYSP
ISIN Number	INE660D01017

**(b) Financial Year:** 01<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022.

### (c) Listing on Stock Exchange and Stock code

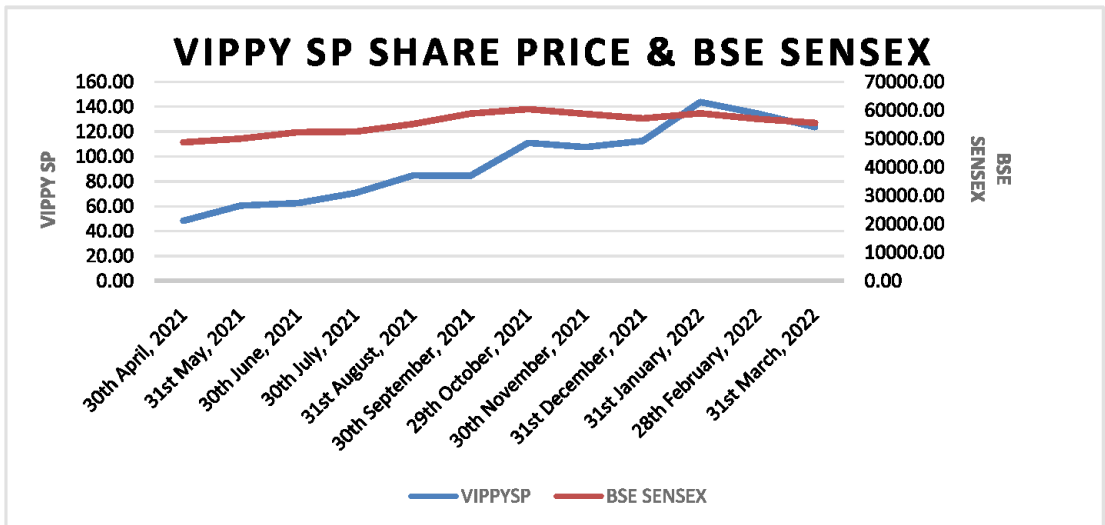
As on 31<sup>st</sup> March, 2022 the equity shares of the Company were listed on Bombay Stock Exchange (BSE), Stock Code: 514302

The listing fee has been paid to BSE for the financial year 2022-23.

**(d) Market Price Data**

The monthly high and low quotation of shares at the BSE Ltd., Mumbai during the year ended 31<sup>st</sup> March, 2022 are as under:

<b>Month</b>	<b>High (in Rs.)</b>	<b>Low (in Rs.)</b>
April, 2021	58.7	38
May, 2021	74.9	46.45
June, 2021	68.9	56.35
July, 2021	82.8	58.8
August, 2021	94.9	74.5
September, 2021	91.5	77.4
October, 2021	144	78
November, 2021	122.9	92.5
December, 2021	120	105
January, 2022	167.65	120
February, 2022	161	108.05
March, 2022	135.95	111.35

**(e) Performance of Company's Equity Share's price in comparison to BSE Sensex:**



**(f) Distribution of Shareholdings as on 31<sup>st</sup> March, 2022**

<b>Distribution</b>	<b>No. of share holders</b>	<b>%</b>	<b>No. of Shares</b>	<b>%</b>
Upto 100	6529	79.65	603352	10.28
101 -200	555	6.77	104675	1.78
201 -300	184	2.24	52187	0.89
301 -400	114	1.39	44144	0.75
401 -500	409	4.99	203574	3.47
501 -1000	251	3.06	198562	3.38
1001 -2000	94	1.15	137516	2.34
2001 -3000	18	0.22	45962	0.78
3001 -4000	2	0.02	7512	0.13
4001 -5000	14	0.17	68849	1.17
5001 -10000	9	0.11	59017	1.01
10000 and above	18	0.22	4344650	74.01
<b>TOTAL</b>	<b>8197</b>	<b>100</b>	<b>5870000</b>	

**(g) Category of Shareholding as on 31<sup>st</sup> March, 2022**

<b>Category</b>	<b>No. of Shares Held</b>	<b>Percentage of Shareholding</b>
<b>Promoter and Promoter group</b>		
Individual	3204690	54.59
Bodies Corporates	703491	11.99
<b>Public Shareholding</b>		
Institution	3800	0.06
Non -Institutions	1958019	33.36
<b>Grant Total</b>	<b>5870000</b>	<b>100.00</b>

**(h) Registrar and Share Transfer Agents of the Company**

Ankit Consultancy Pvt. Ltd.  
60, Electronic Complex, Pardeshipura,  
Indore-452010 (M.P.)  
Ph. 0731-2551745-46,  
Fax.0731-4065798  
E-mail: ankit\_4321@yahoo.com  
Time: 10.00 a.m. to 6.00 p.m.

**(i) Share Transfer System**

The transfer of shares in physical form are completed & returned within time from the date of receipt thereof provided all the documents are in order and in respect of shares held in dematerialized mode, the transfer take place instantly between the transferor and transferee at the depository participant(s) through which electronics debit/credit of the accounts are involved. In compliance with the Listing Regulation, a Practising Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

**(j) Dematerialization of Shares and Liquidity:** details of shares under dematerialized and physical mode as on 31<sup>st</sup> March, 2022 are as under:

Particulars	As on 31 <sup>st</sup> March, 2022	
	No. of Equity Shares	% percentage
National Securities Depository Ltd.(NSDL)	3787062	64.52
Central Depository Services (India) Ltd.( CDSL)	1183718	20.17
Total Dematerialized	4970780	84.68
Physical	899220	15.32
<b>TOTAL</b>	<b>5870000</b>	<b>100</b>

As stipulated by SEBI, a qualified Practising Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Bombay Stock Exchange where the company's shares are Listed, the audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

**(k) Outstanding global depository receipts or American depository receipts or warrant or any convertible instruments, conversion date and likely impact on equity**

There are no GDRs/ ADRs/ Warrants outstanding as on 31<sup>st</sup> March, 2022.

**(i) Disclosures with respect to demat suspense account/unclaimed suspense account:N.A.****(m) Commodity price risk or foreign exchange risk and hedging activities-**

The Company has robust Risk mitigation mechanism is put in place to ensure that there is nil or minimum impact on the Company. The price of the products of the Company are market driven and is fixed based on the prevailing market price. In respect of foreign exchange commitments hedging has been made.

**(n) Details of Credit Rating obtained by the Company**

Name of Credit Rating Agency : Credit Analysis & Research Ltd.

Facilities	Amount	Rating	Remark
Long -Term/Short term Bank Facilities	22.30	CARE BBB+/ CARE A2 (Triple B plus, Outlook : Stable/ A Two	Reaffirmed
<b>Total Facilities</b>	<b>22.30</b> <b>( Rs. Twenty two Crore Thirty Lakh Only )</b>		

**(o) Plant Location**

The Company's plant located at 14-A, Industrial Area, A.B Road, Dewas 455001(M.P.)

**(p) Address for correspondence**

<p><b>Works Office:</b>  14-A, Industrial Area  A.B. Road, Dewas 455001(M.P.)  Phone Nos.: 07272-258251/258252/405352  Fax No. 07272-40012  website : <a href="http://www.vippyspinpro.com">www.vippyspinpro.com</a>  Email: <a href="mailto:admin@vippyspinpro.com">admin@vippyspinpro.com</a></p>	<p><b>Registered Office:</b>  414, City Centre,  570, M.G. Road,  Indore – 452001(M.P.)  Phone: 0731-2546710</p>
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**12. Disclosures**

- The Company has not entered into any transaction of material nature with related parties that may have potential conflict with the interest of the Company at large. The particulars of contracts/arrangement/ transactions with related parties have been disclosed in the Notes to the Financial Statements of the Company forming part of the Annual Report. The Company had adopted a policy on Related Party Transactions and the same is displayed on the website of the Company, Weblink: <http://www.vippyspinpro.com/Related-Party-Transaction-Policy.pdf>.
- The Company has complied with all requirement specified under SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, as well as other regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or the Stock Exchange or any statutory authority for non-compliance of any matter related to the capital markets during the last three years.
- The Company had adopted a Whistle Blower Policy to provide a vigil mechanism to Directors, employees for reporting illegal & unethical behavior. It also provides adequate safeguards against the victimization of employees who avail of this mechanism and allows direct access to the Chairman of the Audit Committee in exceptional cases. Besides, as per the requirement of SEBI (Prohibition of Insider Trading) Regulations as amended by SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company ensures to make employees aware of such Whistle –Blower Policy to report instances of leak of unpublished price sensitive information The details of the said mechanism has been disclosed on the website of the Company, at weblink:<http://www.vippyspinpro.com/Whistle-Blower-Policy.pdf>. During the year under review, no employee was denied access to the Audit Committee.
- In preparation of the financial statements, the Company has followed the Indian Accounting Standards(Ind AS).
- There are no subsidiaries of the company. The policy for determination of materiality, which has been put up on the website of the Company at weblink:  
<http://www.vippyspinpro.com/Policy%20for%20Determination%20of%20Materiality.pdf>.
- Commodity price risk and commodity hedging risk.- The Company has robust Risk mitigation mechanism is put in place to ensure that there is nil or minimum impact. The price of the products of the Company are market driven and is fixed based on the prevailing market price. In respect of foreign exchange commitments hedging has been made.
- There were no complaints received during the financial year under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- Total fees i.e. Rs. 2,70,000/- paid for all services to statutory auditor during the financial year.



- The Senior Management Personnel of the Company have confirmed to the Board of Directors that they do not have any personal interest relating to material, financial and commercial transactions entered into with the Company that may have a potential conflict with the interests of the Company at large.
  - There has been no instance of non-compliance of any requirement of corporate governance report as specified in paras (2) to (10) of schedule V(C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - The Company complies with all the mandatory requirement and also complied following non-mandatory requirements as specified in Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as follows:
    - Modified opinion(s) in Audit Report: During the year under review, there were no audit qualifications in the Company's financial statements. The Company continues to adopt best practices to ensure regime of unqualified financial statements.
    - Reporting of Internal Auditor: Reporting by Internal Auditor directly to the Audit Committee.
  - The Company has complied with all the requirement of Corporate governance, as specified in regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
13. The certificate from Company Secretary in Practice confirming compliance of the conditions of corporate governance requirements as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is attached to this report.

14. **Management discussion and Analysis:** The Management Discussion and Analysis Report forms part of Directors Report.

**15. CEO/CFO Certification**

The Managing Director and CFO have certified to the Board with regard to the compliance made by them in terms of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for financial year 2021-22 is attached with this report. The Managing Director and CFO of the company also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2)(a) of the Listing Regulations.

**16. Insider Trading**

The Company has 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' and 'Code of Conduct for Prevention of Insider Trading' pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015. This Code of Conduct for Prevention of Insider Trading is applicable to all Designated Persons and immediate relatives of Designated Persons. The Code ensures the prevention of trading in Company's Shares by person having access to unpublished price sensitive information in relation to the Company. The same is displayed on the website of the Company.

**For and on behalf of the Board of Directors  
Vippy Spinpro Limited**

**Place: Dewas  
Date: 16<sup>th</sup> May, 2022**

**Piyush Mutha  
Managing Director  
(DIN-00424206)**

**Praneet Mutha  
Director  
(DIN-00424250)**

**CERTIFICATE ON CORPORATE GOVERNANCE**

To,

The Members of

**Vippy Spinpro Limited**

I have examined the compliance of conditions of Corporate Governance by Vippy Spinpro Ltd. (“the Company”) for the year ended 31<sup>st</sup> March, 2022, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For, Shilpesh Dalal & Co.,  
Company Secretary**

**Date: 23<sup>rd</sup> May, 2022  
UDIN: F005316D000365632**

**SHILPESH DALAL  
(Proprietor)  
M.No. FCS-5316  
C.P. No. 4235  
Indore**

**MD/ CFO CERTIFICATION**

To,

The Board of Directors

Vippy Spinpro Limited

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Vippy Spinpro Ltd. ("the Company") to the best of our knowledge and belief certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the year ended 31<sup>st</sup> March 2022 and to best of our knowledge and belief, we state that:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true & fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control system of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and Audit Committee:
  - (i) significant changes, if any, in the internal control over financial reporting during the year;
  - (ii) significant changes, if any, in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Place: Dewas**  
**Date: 16<sup>th</sup> May, 2022**

**Piyush Mutha**  
**Managing Director**

**Hassan Ali**  
**Chief Financial Officer**

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**DECLARATION**

As per the requirements of Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that member of the Board of Directors and Senior Management Personnel, affirmed that they have complied with the Code of Conduct of Board of Directors and Senior Management for the year ended 31<sup>st</sup> March, 2022.

**Place: Dewas**  
**Date: 16<sup>th</sup> May, 2022**

**Piyush Mutha**  
**Managing Director**

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**INDEPENDENT AUDITORS' REPORT**

To  
**The Members of Vippy Spinpro Limited**  
**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of **Vippy Spinpro Limited** (“the Company”), which comprise the Balance Sheet as at 31<sup>st</sup> March 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (“Ind AS”) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2022, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the aforesaid financial statements in accordance with the Standards on Auditing (“SAs”) specified under Section 143(10) of the Act. Our responsibilities under those SAs 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 (“ICAI”) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics issued by ICAI. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the financial statements.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the following matters to be the ‘Key Audit Matters’ to be communicated in our report.

<b>Key Audit Matter</b>	<b>Auditor’s Response</b>
<p>Contingent liabilities in respect of litigations not acknowledged as Debt (Note No. 33).</p> <p>The Company has materially uncertain labour and taxes litigation under dispute which involves significant judgment to determine the possible outcome of these disputes. The Company’s assessment is supported by the facts of matter, their own judgment, past experience, and advices from legal consultants wherever considered necessary. Accordingly, unexpected adverse outcomes may significantly impact the Company’s reported profit and the Balance Sheet.</p> <p>We determined the above area as a Key Audit Matter in view of associated uncertainty relating to the outcome of these matters.</p>	<p>Our audit approach involved: -</p> <ol style="list-style-type: none"> <li>Understanding the current status of the litigations of labour disputes;</li> <li>Examining communication received from various Authorities/ Judicial forums and follow up action there on;</li> <li>Evaluating the merit of the subject matter under consideration with reference to available independent legal advice; and</li> <li>Review and analysis of evaluation of the contentions of the Company through discussions, collection of details of the subject matter under consideration and the likely outcome.</li> </ol>

**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 comprises the information included in the Company's Annual Report such as Directors' Report, Management Discussion & Analysis Report, etc., but does not include the financial statements and our auditors' 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 during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India and Ind AS 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, management and Board of Directors are 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors is 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:

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





- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143 (3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to financial statement in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in-

- (i) planning the scope of our audit work and in evaluating the results of our work; and
- (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

- 1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" 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 of the accompanying financial statements.
  - 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 (including Other Comprehensive Income), the Statement of Changes in Equity 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 Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31<sup>st</sup> March 2022 and the operating effectiveness of such controls, refer to our separate report in “Annexure B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
  - h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company has disclosed the impact of pending litigations as at 31<sup>st</sup> March 2022 on its financial position in its financial statements - Refer Note 33 to the financial statements;
    - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31<sup>st</sup> March 2022.
    - (iii) There was no amount required to be transferred to the Investor Education and Protection Fund by the Company.
    - (iv) (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures performed that were considered reasonable and appropriate in the circumstances, nothing has come to our attention that has caused us to believe that the management representations under sub-clause (a) and (b) above contain any material misstatement.

(v) The Company has neither paid nor declared any dividend during the year. Therefore, compliance of Section 123 of the Act is not required.

**For R. S. Bansal & Company**  
Chartered Accountants  
FRN: 000939C

Place: Dewas  
Date: May 16, 2022  
UDIN: 22075344AKOZGV8127

**(CA. Vijay Bansal)**  
Partner  
M No. 075344

**Annexure - A to the Independent Auditor's Report**

**As referred to in our Independent Auditor's Report of even date to the members of Vippy Spinpro Limited for the year ended 31<sup>st</sup> March 2022**

**(i) Fixed Assets:**

- a. According to the information and explanation given to us and based on the audit procedures performed by us-
  - (A.) the company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant and equipment including investment property.
  - (B.) the company does not have any intangible assets. Therefore, reporting under clause 3(i)(a)(B) of the said order is not applicable to the company.
- b. The company has a regular program of physical verification of its property, plant and equipment including investment property under which the assets are physically verified in a phased manner over a period of two years, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. In accordance with this program, certain property, plant and equipment including investment property were verified during the year and no material discrepancies were noticed on such verification
- c. According to the information and explanation given to us and based on the audit procedures performed by us, the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in Note no. 2 to the financial statements are held in the name of the company.
- d. The company has not revalued its property, plant and equipment. Therefore, reporting under clause 3(i)(d) of the said Order is not applicable to the company.
- e. According to the information and explanation given to us, there are no proceedings initiated or are pending against the company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

**(ii) Inventory:**

- a. According to the information and explanation given to us, the inventory has been physically verified during the year by the management at regular intervals. In our opinion, the procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business, and no material discrepancy of 10% or more exists in the aggregate in each class of inventory.
- b. According to the information and explanations given to us, the company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from bank on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising of value of closing stock of inventory, receivables and payables filed by the company with such bank are in agreement with the audited books of account of the company of the respective quarters.

**(iii) Loans granted/Investment made:**

According to the information and explanation given to us and based on the verification of the records of the company, the company has neither made any investment in, provided any guarantee or security nor granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties. Accordingly, reporting under clause 3(iii) of the said Order is not applicable to the company.

**(iv) Loan, Investment and Guarantees:**

As per information and explanation given to us, the company has not granted any loan or given any guarantee on such loan covered under section 185 of the Companies Act 2013 and the company has complied with the provision of Section 186 of the Companies Act 2013 in respect of investment made.

**(v) Public Deposit:**

According to the information and explanation given to us and based on the audit procedures performed by us, the company has not accepted any amount which are deemed to be deposits under Section 73 to 76 of the Act and rules made thereunder. Accordingly, reporting under clause 3(v) of the said Order is not applicable to the company.

**(vi) Cost Records:**

We have broadly reviewed the books of accounts maintained by the company pursuant to the Companies (Cost Records and Audit) Rules, 2014 as amended prescribed by the Central Government under Section 148(1) of the Act in respect of products where, the maintenance of cost records has been specified, and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.

**(vii) Statutory Dues:**

- a. According to the information and explanation given to us, and the records of the company examined by us, in our opinion, the company is generally regular in depositing undisputed statutory dues relating to Provident Fund, Employees' State Insurance, Income Tax, Duties of Customs, Goods and Service Tax, Cess and other material statutory dues as applicable to it with appropriate authorities. There are no undisputed statutory dues payable which are outstanding as at 31<sup>st</sup> March 2022 for a period of more than 6 months from the date they became payable.
- b. According to the information and explanation given to us, and the records of the company examined by us, there are no dues of Income tax, Custom duty, Goods and Service Tax, Cess, Professional tax and other statutory liabilities which have not been deposited with appropriate authorities on account of any dispute other than mentioned below:

S. No.	Name of the Statute (Nature of the Dues)	Forum where Matter is pending	Period to which the amounts relates	Amount (in ₹)
1.	Income Tax Act, 1961	CIT (A)-NFAC Delhi	F.Y. 2012 - 13	45,53,194
2.	M.P. Industrial Relation Act	Hon'ble M. P High Court / Labour Court	2014 -15 to 2021 -22	58,52,275

**(viii) Undisclosed Transaction in Income Tax**

According to the information and explanation given to us, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the reporting under clause 3(viii) of the said Order is not applicable to the Company

**(ix) Loans:**

According to the information and explanation given to us-

- a. The company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender;
- b. The company has not been declared a wilful defaulter by any bank or financial institution or other lender;
- c. The terms loans were applied only for those purpose for which they were obtained;
- d. Funds raised for short-term basis were not utilized for long-term purposes;
- e. The company has no subsidiary, associate or joint ventures. Accordingly, reporting under clause 3(ix)(e) of the said Order is not applicable to the company.
- f. The company has no subsidiary, associate or joint ventures. Accordingly, reporting under clause 3(ix)(f) of the said Order is not applicable to the company.

**(x) Initial Public Offer or Further Public Offer and Preferential Allotment:**

- a. As per the information and explanation given to us, the company has not raised any money through Initial/Further Public Offer during the year. Therefore, reporting under clause 3(x)(a) of the said order is not applicable to the company.
- b. As per the information and explanation given to us, the company has not made any preferential allotment or private placement of shares or convertible debentures during the year. Therefore, reporting under clause 3(x)(b) of the said order is not applicable to the company.

**(xi) Reporting for Fraud:**

- a. As per the information and explanation given to us, no fraud has been done by the company or on the company during the year. Nothing was noticed and reported in this regard.
- b. As per the information and explanation given to us, no report u/s 143(12) of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. As per the information and explanation given to us, no whistle blower complaints were received by the company during the year.

**(xii) Nidhi Company**

According to the information and explanations given to us, the company is not a Nidhi Company. Therefore, reporting under clause 3(xii) of the said Order is not applicable to the company.

**(xiii) Transaction with Related Parties:**

According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements.

**(xiv) Internal Audit:**

- a. In our opinion and according to the information and explanation given to us, the company has an internal audit system commensurate with the size and nature of its business;
- b. We have considered the internal audit reports of the Internal Auditor issued till the date of signing of our report relevant to the year under audit.

**(xv) Non-Cash Transactions:**

According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, reporting under clause 3(xv) of the said Order is not applicable to the company.

**(xvi) Registration with Reserve Bank of India:**

According to the information and explanation given to us-

- a. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934);
- b. The company has neither conducted any Non-Banking Financial Activity nor Housing Finance Activity;
- c. Since, the company is not a Non-Banking Financial Company ("NBFC") as per regulation of RBI, it is also not a Core Investment Company ("CIC");
- d. The group has no company which is a Core Investment Company.

**(xvii)** The company has not incurred any cash losses in the current financial year as well as in the preceding financial year.

**(xviii)** There has been no resignation of statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the said Order is not applicable to the company.

**(xix)** On the basis of the financial ratios disclosed in note to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.



- (xx) According to the information and explanation given to us and based on the verification of the records of the company, we report that-
- a. In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act.
  - b. There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of the Act.

**For R. S. Bansal & Company**  
Chartered Accountants  
FRN: 000939C

Place: Dewas  
Date: May 16, 2022

**(CA. Vijay Bansal)**  
Partner  
M No. 075344



**Annexure - B to the Independent Auditor's Report****Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Vippy Spinpro Limited**, ("the Company"), as of 31<sup>st</sup> March 2022 in conjunction with our audit of the IndAS financial statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

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

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

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

**Meaning of Internal Financial Controls Over Financial Statements**

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.

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

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

**Opinion**

In our opinion, to the best of our information, and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2022, based on the criteria for internal financial control over financial reporting 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 R. S. Bansal & Company**  
Chartered Accountants  
FRN: 000939C

Place: Dewas  
Date: May 16, 2022

**(CA. Vijay Bansal)**  
Partner  
M No. 075344

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2022**

		(₹ in Lakhs)	
	Note No.	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
(a) Property, Plant and Equipment	2	966.71	1,099.89
(b) Capital work - in - progress	3	436.82	-
(c) Investment Property	4	4.09	4.56
(d) Financial assets			
(i) Investments	5	23.19	28.19
(ii) Loans	6	83.97	81.48
(iii) Other financial assets	7	365.79	25.91
(e) Other non - current assets	8	202.00	0.18
<b>Sub-total Non-current Assets</b>		<u>2,082.57</u>	<u>1,240.21</u>
<b>Current Assets</b>			
(a) Inventories	9	3,731.32	2,671.09
(b) Financial assets			
(i) Trade receivables	10	2,152.10	1,719.96
(ii) Cash and cash equivalents	11	1.41	15.90
(iii) Other financial assets	12	1.60	1.80
(c) Other current assets	13	153.50	139.29
<b>Sub-total Current Assets</b>		<u>6,039.93</u>	<u>4,548.04</u>
<b>TOTAL - ASSETS</b>		<u><b>8,122.50</b></u>	<u><b>5,788.25</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	14	587.00	587.00
(b) Other Equity	15	5,451.25	4,227.08
<b>Sub-total Equity</b>		<u>6,038.25</u>	<u>4,814.08</u>
<b>Liabilities</b>			
<b>Non Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	30.24	18.00
(b) Provisions		-	-
(c) Deferred tax liabilities (Net)	17	104.00	110.11
<b>Sub-total Non-current Liabilities</b>		<u>134.24</u>	<u>128.11</u>
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	18	1,340.57	234.53
(ii) Trade payables			
A. Total Outstanding dues of micro enterprises and small enterprises	19	92.87	39.10
B. Total Outstanding dues of creditors other than micro enterprises and small enterprises	19	68.33	99.00
(iii) Other financial liabilities	20	292.80	400.42
(b) Other current liabilities	21	24.37	17.91
(c) Provisions	22	23.26	23.36
(d) Current tax liabilities (Net)	23	107.81	31.74
<b>Sub-total Current Liabilities</b>		<u>1,950.01</u>	<u>846.06</u>
<b>TOTAL - EQUITY AND LIABILITIES</b>		<u><b>8,122.50</b></u>	<u><b>5,788.25</b></u>

Significant Accounting Policies 1  
The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For R.S. Bansal & Company

Chartered Accountants

Firm's Registration Number: 000939C

For and on behalf of the Board of Directors

(CA. Vijay Bansal)

Partner

Membership No. 075344

Dewas

May 16th, 2022

Piyush Mutha

Managing Director

Praneet Mutha

Director

Ayushi Solanki

Company Secretary

Hassan Ali

Chief Financial Officer

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

	Note No.	For the Year ended 31.03.2022	(₹ in Lakhs) For the year ended 31.03.2021
<b>INCOME</b>			
Revenue from operations	24	13,942.78	8,757.39
Other income	25	106.92	37.88
<b>Total Income</b>		<b>14,049.70</b>	<b>8,795.27</b>
<b>EXPENSES</b>			
Cost of material consumed	26	10,222.46	6,272.30
Purchases of Stock - in - Trade		7.05	-
Changes in inventories of Finished goods, work - in - progress and Stock - in - trade	27	(107.33)	62.61
Employee benefits expense	28	375.73	342.02
Finance Cost	29	25.84	31.28
Depreciation & amortization expenses	2	133.65	156.05
Other Expenses	30	1,759.30	1,387.61
<b>Total Expenses</b>		<b>12,416.70</b>	<b>8,251.87</b>
Profit before exceptional items & tax		1,633.00	543.40
Exceptional Items		-	-
<b>Profit before tax</b>		<b>1,633.00</b>	<b>543.40</b>
<b>Tax expenses:</b>			
(1) Current tax			
Current year		426.30	155.50
Earlier years		(4.24)	(4.96)
(2) Deferred tax		(5.95)	(3.91)
<b>Total Tax Expense</b>		<b>416.11</b>	<b>146.63</b>
<b>Profit after Tax for the year</b>		<b>1,216.89</b>	<b>396.77</b>
<b>Other Comprehensive Income</b>			
A. (i) Items that will not be reclassified to profit/( loss)		7.12	11.38
(ii) Income tax relating to items that will not be reclassified to profit/(loss)		0.16	(0.16)
B. (i) Items that will be reclassified to profit/(loss)		-	-
(ii) Income tax relating to items that will be reclassified to profit/(loss)		-	-
<b>Other Comprehensive Income for the year</b>		<b>7.28</b>	<b>11.21</b>
Total Comprehensive Income for the year (Comprising Profit/(Loss) and Other Comprehensive Income for the year)		<b>1,224.18</b>	<b>407.98</b>
<b>Earning per equity share of nominal value of ₹ 10/- each</b>			
(1) Basic (₹)	31	20.73	6.76
(2) Diluted (₹)		20.73	6.76
<b>Significant Accounting Policies</b>			
The accompanying notes form an integral part of the financial statements	1		

As per our report of even date attached

For R.S. Bansal &amp; Company

Chartered Accountants

Firm's Registration Number: 000939C

For and on behalf of the Board of Directors

(CA. Vijay Bansal)

Partner

Membership No.075344

Dewas

May 16th, 2022

Piyush Mutha

Managing Director

Praneet Mutha

Director

Ayushi Solanki

Company Secretary

Hassan Ali

Chief Financial Officer


**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

(₹ in Lakhs)

	Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
	Profit before income tax	1,633.00	543.40
	Adjustments for		
	Depreciation and amortisation expense	133.65	156.05
	Loss/(Profit) on sale of Fixed Assets	-	0.51
	Financial Charges	25.83	31.29
	Dividend Income	-	-
	Interest Income	(62.86)	(20.07)
	Prior period Adjustment	4.24	4.96
	Profit on sale of shares	-	-
	Reclassification of remeasurement of employee benefits	12.12	5.71
	<b>Operating Profit before working capital changes</b>	<b>1,745.99</b>	<b>721.85</b>
	Adjustment for working capital changes:		
	(Decrease)/Increase in Trade payables and other Liabilities	(24.17)	45.52
	(Increase)/Decrease in Inventories	(1,060.23)	(458.38)
	(Increase) in Trade Receivable	(432.14)	347.76
	(Increase) in Financial and Other Assets	(558.19)	5.42
	(Increase) in Current Investment	-	-
	<b>Cash generated from operations</b>	<b>(328.73)</b>	<b>662.16</b>
	Income taxes paid	350.23	124.09
	<b>Net cash inflow from operating activities</b>	<b>(678.96)</b>	<b>538.07</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
	Payments for property, plant and equipment (Capital WIP)	(436.82)	(7.87)
	Proceeds from sale of investments	-	-
	Proceeds from sale of property, plant and equipment	-	8.50
	Dividends received	-	-
	Interest received	62.86	20.07
	<b>Net cash outflow from investing activities</b>	<b>(373.97)</b>	<b>20.70</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
	Proceeds from borrowings	1,136.28	(455.64)
	Repayment of borrowings	(72.00)	(72.00)
	Interest paid	(25.83)	(31.29)
	Dividends paid to company's shareholders	-	-
	<b>Net cash inflow (outflow) from financing activities</b>	<b>1,038.45</b>	<b>(558.92)</b>
	<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(14.48)</b>	<b>(0.15)</b>
	<b>Cash and cash equivalents at the beginning of the financial year</b>	<b>15.90</b>	<b>16.05</b>
	<b>Cash and cash equivalents at the end of the year</b>	<b>1.41</b>	<b>15.90</b>

Previous year figures have been regrouped and rearranged wherever considered necessary to make them comparable with those of the current year.

As per our report of even date attached

For R.S. Bansal &amp; Company

Chartered Accountants

Firm's Registration Number: 000939C

For and on behalf of the Board of directors

(CA. Vijay Bansal)

Partner

Membership No.075344

Dewas

May 16th, 2022

Piyush Mutha

Managing Director

Praneet Mutha

Director

Ayushi Solanki

Company Secretary

Hassan Ali

Chief Financial Officer

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022****A. Equity Share Capital**

(₹ in Lakhs)

Particulars	Equity Share Capital
Equity shares of ₹ 10/- issued, subscribed and fully paid up	
Balance as on April 01, 2020	587.00
Changes in Equity Share Capital due to prior year errors	-
Restated balance at the beginning of the previous reporting year	587.00
Changes in equity share capital during the year	-
Balance As at March 31, 2021	587.00
Changes in Equity Share Capital due to prior year errors	-
Restated balance at the beginning of the previous reporting year	587.00
Changes in equity share capital during the year	-
Balance As at March 31, 2022	587.00

**B. Other Equity**

(₹ in Lakhs)

Particulars	Reservers and Surplus			Equity Instrument through OCI	Total
	Capital Reserve	General Reserves	Retained Earnings		
April 1, 2020	5.80	25.00	3,770.07	18.22	3,819.09
Changes in accounting policy or prior year errors.	-	-	-	-	-
Restated balance at the beginning of the previous reporting year	5.80	25.00	3,770.07	18.22	3,819.09
Profit for the year	-	-	396.77	-	396.77
Other Comprehensive Income	-	-	5.71	5.50	11.21
Balance as at 31 March 2021	5.80	25.00	4,172.55	23.72	4,227.08
Changes in accounting policy or prior year errors	-	-	-	-	-
Restated balance at the beginning of the previous reporting year	5.80	25.00	4,172.55	23.72	4,227.08
Profit for the year	-	-	1,216.89	-	1,216.89
Other Comprehensive Income	-	-	12.12	(4.84)	7.28
Balance as at 31 March 2022	5.80	25.00	5,401.57	18.88	5,451.25

As per our report of even date attached

For R.S. Bansal &amp; Company

Chartered Accountants

Firm's Registration Number: 000939C

For and on behalf of the Board of Directors

(CA. Vijay Bansal)

Partner

Membership No. 075344

Dewas

May 16th, 2022

Piyush Mutha

Managing Director

Praneet Mutha

Director

Ayushi Solanki

Company Secretary

Hassan Ali

Chief Financial Officer



## Notes forming part of the Financial Statements

### Note 1: Company Overview, Basis of preparation and Significant Accounting Policies

#### (A) Company Overview

"Vippy Spinpro Limited ("Vippy" or "the Company") was incorporated in 1992, as a public limited company under the provisions of the Companies Act, 1956. The Company is domiciled in India having registered office at 414, City Centre, 570, M.G. Road, Indore, Madhya Pradesh - 452001 and listed on the Bombay Stock Exchange (BSE).

The Company is mainly engaged in the manufacturing of cotton yarn. The Company specializes in slub yarns, fancy yarns, multi count yarns and multi twist yarns, waxed yarn plied yarn etc. The factory is situated at Dewas, with close proximity to Indore, a main commercial city of Madhya Pradesh. The company has an ISO Certification, certified by Bureau Veritas ISO 9001:2008 since 2004.

#### (B) Basis of Preparation of Financial Statements

##### (i) Statement of Compliance:

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

##### (ii) Basis of Preparation:

###### a) Compliance with Ind AS

These financial statements comprising of Balance Sheet, Statement of Profit and Loss including other comprehensive income Statement of Changes in Equity and Statement of Cash Flows as at March 31, 2022 have been prepared in accordance with Ind AS as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and companies (Indian Accounting Standards) Amendment Rules, 2016.

These financial statements have been approved for issue by the Company's Board of Directors at their meeting held on May 16, 2022. These financial statements are presented in Indian Rupees (INR), which is also the functional and presentation currency.

###### b) Historical cost convention

The Company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis. The financial statements are prepared under the historical cost convention, except in case of significant uncertainties and except for the following:

- Certain financial assets and liabilities that are measured at fair value;
- Defined benefit plans where plan assets are measured at fair value;

**Operating cycle** is the time between the acquisition of assets for processing and their realisation in Cash and Cash equivalents. The Company has identified twelve months as its operating cycle.

- c) The financial are presented in Indian Rupee ("INR") and all value are rounded off to the nearest lakh as per the requirement of Schedule III, except when otherwise indicated.

**(C) Significant Accounting Policies****(i) Fair value measurement**

Certain accounting policies and disclosures of the Company require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control frame work with respect to the measurement of fair values.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The assumptions made in the measuring fair values is included in the following:

- investment property
- financial instruments

**(ii) Revenue Recognition**

Sales of products are recognised when control of the products has transferred based on the agreed terms. Sales are net of returns, trade discounts, rebates and goods and service tax (GST) as applicable.

Export incentives are recognised when the right to receive the credit is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

**Interest income** is recognised using the effective interest rate method.

**Insurance claims** are accounted for on the basis of claim admitted/expected to be admitted to the extent that there is no uncertainty in receiving the claim.

**Dividend income** is recorded when the right to receive payment is established.

**(iii) Government Grants**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions.

**(iv) Property, plant and equipment (PPE)**

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any.





Cost includes professional fees related to the acquisition of PPE and for qualifying assets, borrowing costs capitalised in accordance with the company's accounting policy.

Own manufactured PPE is capitalised at cost including an appropriate share of overheads. Administrative and other general overhead expenses that are specifically attributable to construction or acquisition of PPE or bringing the PPE to working condition are allocated and capitalised as a part of the cost of the PPE.

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as “capital work-in - progress”.

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of classification.

Depreciation is recognised using straight line method and WDV method so as to write off the cost of the assets (other than freehold land and properties under construction) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimate of so useful life/residual value is accounted on prospective basis.

Where cost of a part of the asset (“asset component”) is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Depreciation on additions to/deductions from, owned assets is calculated pro rata to the period of use.

Freehold land is not depreciated.

The estimated useful life of Property, Plant and Equipment is mentioned below:

<b>Asset Class</b>	<b>Estimated Useful Life (Years)</b>
Building	30
Plant & Machinery	15
Furniture and Fixtures	10
Computers	03
Office equipment	05
Vehicles	10
Wind Mill	22
Solar	15
Leasehold Land	Lease period

**(v) Investment property**

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.



The Company depreciates investment properties on a straight-line basis over the useful life of the asset as specified in the table above.

Any gain or loss on disposal of an investment property is recognised in the Statement of Profit and Loss.

The fair values of investment property is disclosed in the notes accompanying these financial statements. Fair values are determined by an independent valuer who holds recognised and relevant professional qualification.

**(vi) Leases**

The company recognises right of use assets under lease arrangements in which it is the lessee. Rights to use assets owned by third parties under lease agreements are capitalised at the inception of the lease and recognised on the balance sheet. The corresponding liability to the lessor is recognised as a lease obligation. The carrying amount is subsequently increased to reflect interest on the lease liability and reduced by lease payments made. For calculating the discounted lease liability, the lessee's incremental borrowing rate is used. The incremental borrowing rate is calculated at the rate of interest at which the company would have been able to borrow for a similar term and with a similar security the funds necessary to obtain a similar asset in a similar market.

Finance costs are charged to the income statement so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

Variable rents are not part of the lease liability and the right of use asset. These payments are charged to the income statement as incurred. If modifications or reassessments occur, the lease liability and right of use asset are re-measured. Right of use assets are depreciated over the shorter of the useful life of the asset or the lease term.

**(vii) Inventories**

Raw materials, work in progress, stores and spares and finished goods are valued at the lower of cost or net realizable value.

Cost of raw materials and stores and spares comprises cost of purchases. Cost is determined on weighted average basis.

Cost of work in progress and finished goods comprises direct materials, direct labour and an appropriate share of manufacturing overheads.

Cost of Inventories comprises of costs of purchase, cost of conversion, duties and taxes (other than those refundable), inward freight and all other costs incurred in bringing them to their respective present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

**(viii) Statement of Cash Flows**

**A) Cash and Cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.



B) Statement of Cash Flows is prepared in accordance with the Indirect Method prescribed in the relevant Accounting

**(ix) Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains/ (losses).

Borrowings are classified as current financial liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

**(x) Finance Cost**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

**(xi) Foreign Currency Translation**

**(1) Functional and presentation currency:**

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is company's functional and presentation currency.

**(2) Transactions and balances:**

Foreign currency transactions are translated in to the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.



## (xii) Employee Benefits

### a) Short term obligations:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized in the period in which the employee renders the related service. The company recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

### b) Post-employment obligations:

The company operates the following post-employment schemes.

#### 1. Defined benefit plans (gratuity)

The company has unfunded defined benefit gratuity plan for employees. Recognition and measurement of Defined Benefit plans:

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability/ (asset) are recognized in the Statement of Profit and Loss. Re-measurements of the net defined benefit liability/ (asset) comprising actuarial gains and losses are recognized in Other Comprehensive Income. Such re-measurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The company presents the above liability/(asset) as current and non - current in the Balance Sheet as per actuarial valuation by the independent actuary.

#### 2. Defined contribution plans such as provident fund

The company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

## (xiii) Dividend Distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the company's financial statements in the period in which the dividends are approved by the Company's shareholders.

## (xiv) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share, is the net profit for the period. The weighted average number of equity shares outstanding during the period and all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in sources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of share outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**(xv) Tax Expenses**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for the jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, to unused tax losses and unabsorbed depreciation.

Current and deferred tax is recognized in the Statement of Profit and Loss except to the extent it relates to items recognized directly in equity or other comprehensive income, in which case it is recognized in equity or other comprehensive income.

Provision for Income tax is made on the basis of the estimated taxable income for the current accounting period in accordance with the Income- tax Act, 1961 and Revised Income Computation and Disclosure Standards (ICDS) of the Income-tax Act, 1961.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to off set current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**(xvi) Impairment of Assets**

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

**(xvii) Provisions, Contingent liabilities and Contingent assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an out flow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.



Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an out flow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

## (xviii) Financial Instruments

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### Financial Assets

#### Initial Recognition and Measurement

At initial recognition, all financial assets are measured at fair value. Such financial assets are subsequently classified under following three categories according to the purpose for which they are held. The classification is reviewed at the end of each reporting period.

#### (a) Financial Assets at Amortised Cost

At the date of initial recognition, are held to collect contractual cash flows of principal and interest on principal amount outstanding on specified dates. These financial assets are intended to be held until maturity. Therefore, they are subsequently measured at amortised cost by applying the Effective Interest Rate (EIR) method to the gross carrying amount of the financial asset. The EIR amortisation is included as interest income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

#### (b) Financial Assets at Fair value through Other Comprehensive Income

At the date of initial recognition, are held to collect contractual cash flows of principal and interest on principal amount outstanding on specified dates, as well as held for selling. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognised in Other Comprehensive Income (OCI). Interest income calculated using the effective interest rate (EIR) method, impairment gain or loss and foreign exchange gain or loss, if any, are recognised in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from the OCI to Statement of Profit and Loss.

#### (c) Financial Assets at Fair value through Profit or Loss

At the date of initial recognition, financial assets are held for trading, or which are measured neither at Amortised Cost nor at Fair Value through OCI. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognised in the Statement of Profit and Loss.

### Investment in Equity Shares

Investments in Equity Securities are initially measured at cost. Any subsequent fair value gain or loss is recognized through other Comprehensive Income.

**Investments in Mutual Funds**

Investments in Mutual Funds are accounted for at cost. Any subsequent fair value gain or loss is recognized through Profit and Loss Account.

**Impairment of Financial Assets**

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- (a) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- (b) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables company applies 'simplified approach' which requires expected life time losses to be recognised from initial recognition of the receivables. The company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full life time ECL is used.

**Financial Liabilities****Initial Recognition and Measurement**

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

**Subsequent Measurement**

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities':

**(a) Financial Liabilities at FVTPL:**

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL:

Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

**(b) Other Financial Liabilities:**

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

**De-recognition of Financial Instruments**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

**Derivative Financial Instruments**

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

**(xix) Significant Accounting Judgments, Estimates and Assumptions**

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements which have significant effect on the amounts recognized in the financial statement:

**a. Income taxes**

Judgment of the Management is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The company reviews at each balance sheet date the carrying amount of deferred tax assets and liabilities. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

**b. Contingencies**

Judgment of the Management is required for estimating the possible out flow of resources, if any, in respect of contingencies/claim/litigations against the company as it is not possible to predict the outcome of pending matters with accuracy.

**c. Allowance for uncollected accounts receivable and advances**

Trade receivables are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management seems them not collectible. Impairment is made on ECL, which are the present value of the cash shortfall over the expected life of the financial assets.

**d. Provisions**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

**e. Defined Benefit Plans**

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in future. These includes the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.



**(xx) Recent accounting pronouncements**

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below:

**(i) Ind AS 16 – Property Plant and equipment**

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no significant impact on its financial statements.

**(ii) Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets**

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.



**NOTE 2  
PROPERTY, PLANT AND EQUIPMENT**

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION/AMORTISATION				NET CARRYING AMOUNT		
	AS AT 01.04.2021	PURCHASE DURING THE YEAR	DEDUCTION DURING THE YEAR	RE-CLASSIFICATION TO INVESTMENT PROPERTY	AS AT 31.03.2022	UP TO 01.04.2021	DEP. FOR THE YEAR	DEDUCTION DURING THE YEAR	RE-CLASSIFICATION TO INVESTMENT PROPERTY	AS AT 31.03.2022	AS AT 31.03.2022
Freehold Land	6.50	-	-	-	6.50	-	-	-	-	-	6.50
Leasehold Land	5.51	-	-	-	5.51	0.71	0.14	-	-	0.85	4.66
Building	227.19	-	-	-	227.19	85.36	15.03	-	-	100.39	126.79
Windmill	149.91	-	-	-	149.91	56.39	11.28	-	-	67.67	82.24
Plant & Machinery	1,071.28	-	-	-	1,071.28	612.58	71.79	-	-	684.37	386.90
Computers	7.32	-	-	-	7.32	5.00	0.52	-	-	5.52	1.81
Furniture & Fixtures	2.35	-	-	-	2.35	0.84	0.13	-	-	0.97	1.38
Vehicles	24.84	-	-	-	24.84	16.53	2.56	-	-	19.09	5.75
Office Equipments	0.22	-	-	-	0.22	-	-	-	-	-	0.22
Solar plant	500.89	-	-	-	500.89	118.72	31.72	-	-	150.45	350.45
<b>Total Property, Plant and Equipment</b>	<b>1,996.02</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,996.02</b>	<b>896.13</b>	<b>133.18</b>	<b>-</b>	<b>-</b>	<b>1,029.31</b>	<b>966.71</b>

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION/AMORTISATION				NET CARRYING AMOUNT		
	AS AT 01.04.2020	PURCHASE DURING THE YEAR	DEDUCTION DURING THE YEAR	RE-CLASSIFICATION TO INVESTMENT PROPERTY	AS AT 31.03.2021	UP TO 01.04.2020	DEP. FOR THE YEAR	DEDUCTION DURING THE YEAR	RE-CLASSIFICATION TO INVESTMENT PROPERTY	AS AT 31.03.2021	AS AT 31.03.2021
Freehold Land	6.50	-	-	-	6.50	-	-	-	-	-	6.50
Leasehold Land	5.51	-	-	-	5.51	0.57	0.14	-	-	0.71	4.80
Building	227.19	-	-	-	227.19	69.80	15.56	-	-	85.36	141.82
Windmill	149.91	-	-	-	149.91	45.11	11.28	-	-	56.39	95.52
Plant & Machinery	1,070.45	7.33	6.50	-	1,071.28	524.59	91.66	3.67	-	612.58	458.70
Computers	7.19	0.14	-	-	7.32	3.57	1.43	-	-	5.00	2.33
Furniture & Fixtures	1.95	0.41	-	-	2.35	0.76	0.08	-	-	0.84	1.51
Vehicles	42.06	-	17.22	-	24.84	23.85	3.71	11.03	-	16.53	8.31
Office Equipments	0.22	-	-	-	0.22	-	-	-	-	-	0.22
Solar plant	500.89	-	-	-	500.89	87.00	31.72	-	-	118.72	382.17
<b>Total Property, Plant and Equipment</b>	<b>2,011.86</b>	<b>7.87</b>	<b>23.71</b>	<b>-</b>	<b>1,996.02</b>	<b>755.25</b>	<b>155.58</b>	<b>14.71</b>	<b>-</b>	<b>896.13</b>	<b>1,099.89</b>

2.1. Refer Note Nos. 16.1, and 18.1 for the details in respect of certain property, plant and equipments hypothecated/ mortgaged as security for borrowing.  
2.2. Additions during the year include Rs. 0.00 lakh (previous year: Rs.0.04 lakh) being borrowing cost capitalised in accordance with Indian Accounting Standard (Ind AS) 23 on "Borrowing Costs".

**NOTE 3****CAPITAL WORK IN PROGRESS**

(₹ in Lakhs)

PARTICULARS	AS AT 01.04.2021	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2022
Capital Work - in- Progress	-	436.82	-	436.82
	-	436.82	-	436.82

**CWIP Ageing Schedule**

(₹ in Lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Balance as at March 31, 2022</b>					
Projects in progress	436.82	-	-	-	436.82
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>436.82</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>436.82</b>
<b>Balance as at March 31, 2021</b>					
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Note 4****INVESTMENT PROPERTY**

(₹ in Lakhs)

**Reconciliation of carrying amount**

PARTICULARS	As at Mar 31, 2022
<b>Gross Carrying Amount</b>	
Balance As at 1 April 2021	6.91
<b>Balance As at 31 March 2022</b>	<b>6.91</b>
<b>Accumulated Depreciation</b>	
Balance As at 31 March 2021	2.35
Depreciation for the year	0.47
Closing accumulated depreciation at the year ended 31 March 2022	2.82
<b>Balance As at 31 March 2022</b>	<b>2.82</b>
<b>Carrying Amounts</b>	
As at 31 March 2021	4.56
	-
<b>As at 31 March 2022</b>	<b>4.09</b>

**Note 4.1**

The fair value of investment property is ₹ 93.83 Lakh and the same has been determined by an external independent property valuer having appropriate recognised professional qualifications. The fair value measurement for investment property has been categorised as Level 2 fair value based on the inputs to the valuation technique used for determining the fair value of the property was based on the prevailing market price of similar property in the same locality. Rental income of investment property amounting to ₹ 1.97 Lakh has been recognised in the Statement of Profit and Loss [Other Income - Refer Note No. 25]

**Note 5 INVESTMENTS**

(₹ in Lakhs)

Particulars	Face value per share	As at			
		Mar 31, 2022	March 31, 2021		
	No. of Shares	Value	No. of Shares	Value	
Investments (Quoted)					
Equity Instruments (At FVOCI)					
Asit C. Metha Financial Services Ltd.	10	20,000	10.27	20,000	14.68
Punjab National Bank	2	36,860	12.92	36,860	13.51
Aggregate amount of Quoted Investments and Market value thereof			23.19		28.19
Net Value of Investments			23.19		28.19

**Note 6 LOANS****Unsecured, Considered good:**

Loan to Others *		83.97	81.48
		83.97	81.48

\* No Loans or Advances are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.

**Note 7 OTHER FINANCIAL ASSETS - NON CURRENT****Other bank balances**

Deposits with original maturity for more than 12 months	365.79	25.91
	365.79	25.91

**Note 8 OTHER NON - CURRENT ASSETS**

Capital Advances	201.82	-
Security deposit	0.18	0.18
	202.00	0.18

**Note 9 INVENTORIES**

Raw Material	3,226.30	2,272.07
Work-in-progress	88.88	68.51
Finished Goods	309.71	222.75
Stores & Spares	106.43	107.76
	3,731.32	2,671.09

**Note 10 TRADE RECEIVABLES**

Trade Receivables		
Considered Good - unsecured	2,152.10	1,719.96
Less : Allowance for expected credit loss	-	-
	2,152.10	1,719.96
Trade Receivables-Credit impaired - unsecured	-	-
Less : Allowance for expected credit loss	-	-
	2,152.10	1,719.96



**"Expected credit loss (ECL):**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The average credit period is between 60- 90 days. Before accepting any new customer, the Company uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits for each customer. Limits and scoring attributed to customers are reviewed once a year.

As a practical expedient, the Company uses a provision matrix to determine impairment loss of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. The ECL allowance (or reversal), if any during the year is recognised in the statement of profit and loss.

**Ageing for Trade Receivable As at March 31, 2022**

(₹ in Lakhs)

Ageing for Trade Receivables	As at March 31, 2022						Total
	Not Due	Less than 6 Months	6 Months to 1 year	1- 2 year	2- 3 year	More than 3 year	
<b>Undisputed Trade Receivables</b>							
Considered good	1,640.55	511.55	-	-	-	-	2,152.10
which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
<b>Disputed Trade Receivables</b>							
Considered good	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>1,640.55</b>	<b>511.55</b>					<b>2,152.10</b>

**Ageing for Trade Receivable As at March 31, 2021**

(₹ in Lakhs)

Ageing for Trade Receivables	As at March 31, 2021						Total
	Not Due	Less than 6 Months	6 Months to 1 year	1- 2 year	2- 3 year	More than 3 year	
<b>Undisputed Trade Receivables</b>							
Considered good	1,368.94	351.02	-	-	-	-	1,719.96
which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
<b>Disputed Trade Receivables</b>							
Considered good	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>1,368.94</b>	<b>351.02</b>					<b>1,719.96</b>

		As at Mar 31, 2022	As at March 31, 2021
<b>Note 11</b>	<b>CASH &amp; CASH EQUIVALENTS</b>		
	Balance With Banks (Current Account)	0.47	14.52
	Cash on Hand	0.94	1.38
		<u>1.41</u>	<u>15.90</u>
<b>Note 12</b>	<b>OTHER FINANCIAL ASSETS</b>		
	Advances to Staff	1.42	1.63
	Others	0.18	0.18
		<u>1.60</u>	<u>1.80</u>



# VIPPY SPINPRO LIMITED

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		(₹ in Lakhs)	
<b>Note 13</b>	<b>OTHER CURRENT ASSETS</b>	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>
	Advance to suppliers and service providers	24.11	6.60
	Balance with Government Authorities	107.81	121.82
	Advance recoverable in cash or kind or for value to be received	21.58	10.87
		153.50	139.29
<b>Note 14</b>	<b>EQUITY SHARE CAPITAL</b>		
	<b>Authorized Share Capital</b>		
	70,00,000 (Previous year 70,00,000) Equity shares, ₹ 10/- each	700.00	700.00
		700.00	700.00
	<b>Issued, Subscribed and Fully Paid Up Shares</b>		
	58,70,000 (Previous year 58,70,000) Equity shares, ₹ 10/- each fully paid up	587.00	587.00
		587.00	587.00

Note No 14.1: The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period March 31, 2022:

Particulars	As at Mar 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning	58,70,000	587.00	58,70,000	587.00
Add: Shares issued during the year	-	-	-	-
Less : Shares bought back (if any)	-	-	-	-
Number of shares at the end	58,70,000	587.00	58,70,000	587.00

Note No 14.2: Terms/rights attached to equity shares:

(A) The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

(B) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders

Note No 14.3: The details of shareholders holding more than 5% shares in the Company:

Name of the shareholder	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares held	% held as at	No. of shares held	% held as at
Smt. Usha Mutha	681,768	11.61%	681,768	11.61%
Smt. Sumita Mutha	468,400	7.98%	468,400	7.98%
Shri Piyush Mutha	521,750	8.89%	521,750	8.89%
Shri Pranee Mutha	521,050	8.88%	521,050	8.88%
Shri Rahul Mutha HUF	339,142	5.78%	339,142	5.78%
Vippy Industries Ltd.	601,429	10.25%	598,464	10.20%

Details of shares held by promoters/promoter group as at 31 March, 2022

Name of the promoter	Number of shares			% of total shares	% Change during the year
	March 31, 2021	Change	March 31, 2022		
Smt. Usha Mutha	681768	0	681768	11.61	0.00%
Shri Piyush Mutha	521750	0	521750	8.89	0.00%
Shri Pranee Mutha	521050	0	521050	8.88	0.00%
Smt. Sumita Mutha	468400	0	468400	7.98	0.00%
Shri Rahul Mutha HUF	339142	0	339142	5.78	0.00%
Smt. Chandrakala Mutha	259550	0	259550	4.42	0.00%
Vimal Chand Manmal Mutha HUF	194250	0	194250	3.31	0.00%
Smt. Priti Mutha	106896	0	106896	1.82	0.00%
Piyush Mutha HUF	104491	0	104491	1.78	0.00%
Srishti Mutha	4393	0	4393	0.07	0.00%
Shri Parth Mutha	3000	0	3000	0.05	0.00%
Vippy Industries Ltd.	598464	2965	601429	10.25	0.05%
Sungem Impex Pvt. Ltd.	102062	0	102062	1.74	0.00%
<b>TOTAL</b>	<b>3905216</b>	<b>2965</b>	<b>3908181</b>	<b>66.58</b>	



Details of shares held by promoters/promoter group as at 31 March, 2021

Name of the promoter	Number of shares			% of total shares	% Change during the year
	March 31, 2020	Change	March 31, 2021		
Smt. Usha Mutha	681768	0	681768	11.61	0.00%
Shri Piyush Mutha	521750	0	521750	8.89	0.00%
Shri Pranee Mutha	521050	0	521050	8.88	0.00%
Smt. Sunita Mutha	468400	0	468400	7.98	0.00%
Shri Rahul Mutha HUF	339142	0	339142	5.78	0.00%
Smt. Chandrakala Mutha	259550	0	259550	4.42	0.00%
Vimal Chand Mammal Mutha HUF	194250	0	194250	3.31	0.00%
Smt. Priti Mutha	106896	0	106896	1.82	0.00%
Piyush Mutha HUF	104491	0	104491	1.78	0.00%
Srishti Mutha	4393	0	4393	0.07	0.00%
Shri Parth Mutha	3000	0	3000	0.05	0.00%
Vippy Industries Ltd.	518086	80378	598464	10.20	1.37%
Sungem Impex Pvt. Ltd.	102062	0	102062	1.74	0.00%
<b>TOTAL</b>	<b>3824838</b>	<b>80378</b>	<b>3905216</b>	<b>66.53</b>	

(₹ in Lakhs)

**Note 15 OTHER EQUITY**

Particulars	As at	As at
	Mar 31, 2022	Mar 31, 2021
<b>(A) Capital Reserve#</b>		
Opening balance	5.80	5.80
Add: Addition during the year	-	-
Closing balance	5.80	5.80
<b>(B) General reserve##</b>		
Opening balance	25.00	25.00
Add : Changes during the year	-	-
Closing balance	25.00	25.00
<b>(C) Retained earnings###</b>		
Opening balance	4,172.55	3,770.07
Add: Net profit for the year	1,216.89	396.77
Other comprehensive income arising out of Re-measurement defined benefit obligation (net of tax)	12.12	5.71
Closing balance	5,401.57	4,172.55
<b>(D) Fair Value of Equity Investments through OCI</b>		
Opening balance	23.72	18.22
Add: Addition during the year	(4.84)	5.50
Closing balance	18.88	23.72
<b>Total (A+B+C+D)</b>	<b>5,451.25</b>	<b>4,227.08</b>

#Capital Reserve: It represents the gains of the capital nature.

##General Reserve: The Company created a General Reserve in earlier years pursuant to the provisions of the Companies Act wherein certain percentage of profits were required to be transferred to General Reserve before declaring dividends. As per Companies Act 2013, the requirement to transfer profits to General Reserve is not mandatory. General Reserve is a free reserve available to the Company.###Retained earnings include re-measurement of net defined benefit plan\*For movement, refer statement of changes in equity.

(₹ in Lakhs)

**Note 16 BORROWINGS - NON CURRENT**

**Secured**

**Term Loan**

From Banks:

HDFC Bank

	As at	As at
	Mar 31, 2022	March 31, 2021
HDFC Bank	30.24	18.00
	<b>30.24</b>	<b>18.00</b>

Note 16.1: Term Loan from HDFC Bank:

i) Term loan from HDFC Bank ₹ 3.60 Crores secured against Solar Panel. Term Loan of ₹ 33.50 Crores for New Project secured against (i) Charge by way of equitable mortgage of land and building. (ii) First Charge on land and building, plant and machinery both present and future. The above Term Loan are also collaterally secured by way of personal guarantees of 2 (two) directors of the company

ii) The Term loan is repayable as under:

Term Loan	No of Installments	Periodicity	(₹ in lakhs)
			Installment
HDFC Bank (Solar)	20	Quarterly	18.00
HDFC Bank (New Project)	20	Quarterly	167.50

iii) The Company has not made any default as at the reporting date in repayment of term loan installment and interest.

iv) The quarterly returns or statements of current assets filed by the company with banks are in agreement with the books of accounts.



		(₹ In Lakhs)						
		As at March 31, 2022	As at March 31, 2021					
<b>Note 17</b>	<b>DEFERRED TAX LIABILITIES</b>							
	<b>Opening Balance</b>	110.11	113.86					
	Add/Less: Difference between written down value of fixed assets as per the Companies Act, 2013 and Income tax Act, 1961	(5.95)	(3.91)					
	Less: Deferred tax liability reversed	-						
	Add/Less: Equity Instruments designated as FVOCI	(0.16)	0.16					
		<u>104.00</u>	<u>110.11</u>					
<b>Note 18</b>	<b>BORROWINGS - CURRENT</b>							
	<b>Secured</b>							
	From Bank							
	Working Capital Facilities	1,340.57	234.53					
		<u>1,340.57</u>	<u>234.53</u>					
	<b>Note No. 18.1: Working capital facilities from HDFC Bank:</b>							
	i) Working capital facilities, fund based of ₹ 2200.00 Lakh and non fund based of ₹ 30.00 Lakh (Previous year ₹ 2200.00 Lakh and ₹ 30.00 lakh) is secured by hypothecation of stock of raw material, finished goods, semi finished goods, work in progress/process, stores and spares, packing materials and books debts. (i) first pari passu charge on all the Company's current assets. The above said working capital facilities is also collaterally secured by way of personal guarantee of 2 (two) directors of the Company.							
	ii) The Company has not made any default with respect to working capital facilities as at the reporting date.							
	iii) Working capital facilities carries interest @ 7.30%.							
	iv) The quarterly returns or statements of current assets filed by the company with banks are in agreement with the books of accounts.							
<b>Note 19</b>	<b>TRADE PAYABLE</b>							
	<b>Current</b>							
	Dues of micro and small enterprises	92.87	39.10					
	Others	68.33	99.00					
		<u>161.20</u>	<u>138.10</u>					
	<b>Ageing for Trade Payables As at March 31, 2022</b>		(₹ In Lakhs)					
		As at March 31, 2022						
	<b>Ageing for Trade Payables</b>	Unbilled	Not Due	Less than 1 year	1- 2 year	2- 3 year	More than 3 year	Total
	MSME	-	92.87	-	-	-	-	92.87
	Others	-	60.31	8.02	-	-	-	68.33
	Disputed dues - MSME	-	-	-	-	-	-	-
	Disputed dues - Others	-	-	-	-	-	-	-
	<b>Balance at the end of the year</b>	-	153.18	8.02	-	-	-	161.20
	<b>Ageing for Trade Payables As at March 31, 2021</b>							(₹ in Lakhs)
		As at March 31, 2021						
	<b>Ageing for Trade Payables</b>	Unbilled	Not Due	Less than 1 year	1- 2 year	2- 3 year	More than 3 year	Total
	MSME	-	39.10	-	-	-	-	39.10
	Others	-	73.47	25.54	-	-	-	99.00
	Disputed dues - MSME	-	-	-	-	-	-	-
	Disputed dues - Others	-	-	-	-	-	-	-
	<b>Balance at the end of the year</b>	-	112.56	25.54	-	-	-	138.10
<b>Note 20</b>	<b>OTHER FINANCIAL LIABILITIES</b>							
	Employee salary and other payable	17.93						17.04
	Liabilities for expenses	256.88						311.38
	Other Financial Liabilities	18.00						72.00
		<u>292.80</u>						<u>400.42</u>
<b>Note 21</b>	<b>OTHER CURRENT LIABILITIES</b>							
	Advances From Customers	3.20						3.58
	Statutory Dues Payable	21.17						14.34
		<u>24.37</u>						<u>17.91</u>
<b>Note 22</b>	<b>PROVISIONS</b>							
	Provision for Employee Benefits For Gratuity					-		1.37
	Other Provisions							
	Other Provisions	23.26						21.99
		<u>23.26</u>						<u>23.36</u>
<b>Note 23</b>	<b>CURRENT TAX LIABILITIES (NET)</b>							
	Provision for taxation (net of tax payment)	107.81						31.74
		<u>107.81</u>						<u>31.74</u>





		(₹ in Lakhs)	
Note	REVENUE FROM OPERATION	March 31, 2022	March 31, 2021
	Sales of Product	13,921.77	8,746.85
	Other Operating Revenue		
	Scrap Sales	21.01	10.55
		<b>13,942.78</b>	<b>8,757.39</b>
<b>Note 25</b>	<b>OTHER INCOME</b>		
	Interest Income	62.86	20.08
	Provision no Longer Required	19.49	-
	Net Gain on Liquid Fund	22.51	11.82
	Other Income	0.09	2.60
	Rent Income	1.97	3.38
		<b>106.93</b>	<b>37.88</b>
<b>Note 26</b>	<b>COST OF MATERIALS CONSUMED</b>		
	Material Consumed:		
	Opening Stock	2,272.07	1,740.86
	Add: Purchases	11,176.69	6,803.51
		<b>13,448.76</b>	<b>8,544.37</b>
	Less Closing Stock	3,226.30	2,272.07
		<b>10,222.46</b>	<b>6,272.30</b>
<b>Note 27</b>	<b>CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE</b>		
	<b>FINISHED GOODS</b>		
	Opening Stock of FG	218.46	292.55
	Closing Stock of FG	305.62	218.46
	Change in Stock of Finished Goods (A)	<b>(87.16)</b>	<b>74.09</b>
	<b>WORK IN PROGRESS</b>		
	Opening Stock of WIP	68.51	51.73
	Closing Stock of WIP	88.88	68.51
	Change in Stock of Work in Progress (B)	<b>(20.37)</b>	<b>(16.78)</b>
	<b>Saleable Waste</b>		
	Opening Stock	4.29	9.59
	Closing Stock	4.09	4.29
	Change in Stock of Saleable Waste (C)	<b>0.19</b>	<b>5.30</b>
	(A)+(B)+(C)	<b>(107.33)</b>	<b>62.61</b>
<b>Note 28</b>	<b>EMPLOYEE BENEFIT EXPENSES</b>		
	Salaries, Wages and Bonus	317.55	291.43
	Contribution to Provident and other funds	52.36	46.51
	Staff Welfare Expenses	5.82	4.08
		<b>375.73</b>	<b>342.02</b>
<b>Note 29</b>	<b>FINANCE COST</b>		
	Interest	20.15	29.62
	Bank charges	5.69	1.66
		<b>25.84</b>	<b>31.28</b>



		(₹ in Lakhs)	
		March 31, 2022	March 31, 2021
<b>Note 30</b>	<b>OTHER EXPENSES</b>		
	Advertisement	0.64	0.53
	Consumption of Stores and Spares	150.62	104.76
	Directors' Sitting Fees	0.14	0.11
	Directors' Travelling	6.09	0.80
	Export Expenses	48.78	10.89
	Freight on sales	190.45	168.86
	Insurance Charges	19.21	16.49
	Lease Rent	0.08	0.08
	Legal & Professional Fee	26.50	20.23
	Membership Fees and Subscription	3.08	1.46
	Miscellaneous expenses	185.50	153.81
	CSR Exps	10.68	10.38
	Packing Material and Expenses	258.21	193.35
	Payment to Auditor (Refer Note 30.1 below)	3.05	2.95
	Power & Fuel	631.22	560.75
	Rates & Taxes	2.21	2.09
	<b>Repairs &amp; Maintenance</b>		
	Building	9.12	9.57
	Plant & Machinery	31.27	29.28
	Sales Commission	182.45	101.23
		<b>1,759.30</b>	<b>1,387.61</b>
<b>Note 30.1</b>	<b>Payment to Auditors</b>		
	Statutory Audit Fees	2.70	2.70
	Cost Audit Fees	0.35	0.25
		<b>3.05</b>	<b>2.95</b>
<b>Note 31</b>	<b>EARNING PER SHARE</b>		
	(A) Profit attributable to Equity Shareholders	1,216.89	396.77
	(B) No. of Equity Share outstanding during the year	58,70,000.00	58,70,000.00
	(C) Face Value of each Equity Share (₹)	10.00	10.00
	(D) Basic & Diluted earning per Share (₹)	20.73	6.76
<b>Note 32</b>	<b>ESTIMATED AMOUNTS OF CONTRACT REMAINING TO BE EXECUTED</b>		
	<b>Particulars</b>		
	Estimated amounts of contracts remaining to be executed on capital account and not provided for	3,798.78	-
		<b>3,798.78</b>	<b>-</b>
<b>Note 33</b>	<b>CONTINGENT LIABILITIES</b>		
	<b>Claims under adjudication not acknowledged as debts:</b>		
	(i) Labour litigation	58.52	9.24
	(ii) Income Tax AY 2013-14	45.53	-
	(iii) Bank Guarantee	0.97	0.97
		<b>105.02</b>	<b>10.21</b>
<b>Note 34</b>	During the year the Company has decided a plan for modernization cum expansion programme in its unit located at 14-A Industrial Area A.B.road Dewas (M.P.) 455001. The Cost of the Project estimated at ₹ 5000 lakhs which is funded by way of term loan of ₹ 3350 lakhs and balance amount from Internal Accruals.		
	The proposed capacity expansion will increase the company production capacity by 3500 MT p.a. (Approx). Earlier the Capacity was proposed to be added by September 2022, but then company received a communication from Manufacturers/Supplier of main machinery regarding delay in delivery of machinery due to non- availability of electronic components and this will lead to delay in addition of the proposed capacity.		
	Company is in active discussion with the manufacturer for earlier supply of main machinery.		

**Note 35 INCOME TAX****The major components of income tax expense for the year ended March 31, 2022****(₹ in Lakhs)**

<b>Particulars</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
<b>Current tax</b>		
Current tax on profit for the year	<b>426.30</b>	155.50
Adjustments for the current tax of prior periods	<b>(4.24)</b>	(4.96)
<b>Deferred Tax</b>		
Deferred tax liabilities/ (assets)	<b>(5.95)</b>	(3.91)
	<b>416.11</b>	146.63

**Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate**

<b>Particulars</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
Profit before income tax expense	<b>1,633.00</b>	543.40
Tax Rate	<b>25.168</b>	25.168
Tax at the Indian tax rate 25.168%	<b>410.99</b>	136.76
<b>Tax Effect of :</b>		
Effect of previous year adjustments	<b>(4.24)</b>	(4.96)
Effect of non deductible expenses	<b>2.54</b>	14.85
Effect of reversal of opening DTL for change in income tax Rate	-	-
Others	<b>6.81</b>	(0.02)
<b>Income Tax Expenses</b>	<b>416.11</b>	146.63

**Recognised Deferred tax Assets/ (Liabilities)**

<b>Particulars</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
<b>A</b>		
WDV of Fixed Assets as per Income Tax Act	<b>551.09</b>	661.09
WDV of Fixed Assets as per Companies Act	<b>970.80</b>	1,097.95
Deferred Asset/(Liability) of Depreciation	<b>(419.71)</b>	(436.86)
Total Deferred Asset/(Liability) on Timing Difference	<b>(419.71)</b>	(436.86)
Closing Deferred Tax Asset/(Liability)	<b>(104.00)</b>	(109.95)
Less: Opening balance of Deferred Tax Asset/ Liability	<b>(109.95)</b>	(113.86)
Recognised in P&L For the year	<b>5.95</b>	3.91
<b>B</b>		
Opening Balance of Deferred Tax liability on Equity Instrument	<b>(0.16)</b>	-
Add: Recognised in OCI for the year	<b>0.16</b>	(0.16)
Closing Balance of Deferred Tax Asset/(Liability)	-	(0.16)
<b>Total Deferred Tax Asset/(Liability)</b>	<b>(104.00)</b>	(110.11)

**Note 36 CAPITAL MANAGEMENT**

The Company's objectives when managing capital are to safeguard the groups ability to continue as going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The group monitors capital on the basis of the following gearing ratio:

**(₹ in Lakhs)**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Debt (Total Borrowings)	<b>1,388.81</b>	324.53
Total Equity	<b>6,038.25</b>	4,814.08
Cash and cash equivalents, other bank balances and liquid investments	<b>390.40</b>	70.00
Net debt equity ratio	<b>0.17</b>	0.05

**Note 37 EMPLOYEE BENEFITS**

As per IND AS 19 "Employee Benefits", the disclosures of Employee benefits as defined in the said Accounting Standards are given below:

**(i) Defined Contribution Plan**

Contribution to Defined Contribution Plan includes Provident Fund and Superannuation Fund. The expenses recognised for the year are as under:

Particulars	( ₹ in Lakhs)	
	2021-22	2020-21
Employer's Contribution to Provident Fund	30.79	24.64
Employer's Contribution to Superannuation Fund	10.80	10.80

**(ii) Defined Benefit Plan****Gratuity:**

The disclosure required as per Ind AS 19 "Employees Benefits" issued by the Institute of Chartered Accountants of India (ICAI) and as specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, and based on the report given by Actuarial.

The following tables set out the funded status of the gratuity and the amounts recognised in the Company's financial statements as at 31 March 2022 and 31 March 2021.

Sr.No.	Particulars	( ₹ in Lakhs)	
		2021-22	2020-21
<b>I</b>	<b>Changes in present value of obligations</b>		
	Present value of obligations as at the beginning of year	94.15	94.07
	Interest cost	6.45	5.61
	Current Service Cost	4.61	4.76
	Benefits Paid	(2.88)	(4.57)
	Actuarial Loss /(gain) on obligations	(11.68)	(5.71)
	Present value of obligations as at the end of year	90.65	94.15
<b>II</b>	<b>Changes in the fair value of plan assets</b>		
	Fair value of plan assets at the beginning of year	92.77	85.10
	Expected return on plan assets	6.74	6.30
	Contributions	1.01	5.95
	Benefits paid	(2.88)	(4.57)
	Actuarial gain on Plan assets	-	-
	Fair value of plan assets at the end of year	97.64	92.77
<b>III</b>	<b>Change in the present value of the defined benefit obligation and fair value of plan assets</b>		
	Present value of obligations as at the end of the year	90.65	94.15
	Fair value of plan assets as at the end of the year	97.64	92.77
	Net (liability) / asset recognized in balance sheet	(6.99)	1.37
<b>IV</b>	<b>Expenses Recognised in statement of Profit &amp; Loss</b>		
	Current Service cost	4.61	4.76
	Interest Cost	6.89	5.61
	Expected return on plan assets	(6.74)	(6.30)
	Expenses recognised in statement of Profit & Loss Account	4.77	4.07
	In Other Comprehensive Income		
	Actuarial (gain)/Loss for the year -Obligation	(11.68)	(5.71)
	Actuarial gain for the year - plan assets	(0.45)	-
	Total actuarial (gain)/ loss included in other comprehensive income	(12.12)	(5.71)
	<b>Assumption</b>		
	Discount Rate	6.85%	7.00%
	Salary Escalation	7.00%	7.00%

**Note 38 CORPORATE SOCIAL RESPONSIBILITIES**

The Company contributes towards Corporate Social Responsibility (CSR) activities through various implementing agencies. The Company has formed CSR committee as per Section 135 of the Companies Act, 2013 to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified by law. The areas for CSR activities are promoting education, adoption of schools, facilitating skill development, medical and other social projects. Expenses incurred on CSR activities through various implementing agencies and contributions towards other charitable institutions are charged to the statement of profit and loss under 'Other Expenses': ₹ 10.68 Lakh (2020-21 - ₹ 10.38 Lakh).

		(₹ in Lakhs)	
S. No.	Particulars	2021-22	2020-21
i)	Gross amount required to be spent by the company during the year	10.64	10.30
ii)	Actual amount spent		
	a) Construction/acquisition of any assets	-	-
	b) On purposes of other than (a) above	10.68	10.38
	Shortfall	-	-
iii)	Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	-	-
iv)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should	-	-

**Nature of CSR activities**

Promoting education and promoting health care including preventive health care.

**Note 39 FINANCIAL RISK MANAGEMENT**

The Company's activities expose it to credit risk, liquidity risk, market risk and price risk.

**(A) Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses the direct risk of default, risk of deterioration of creditworthiness as well as concentration risks. The Company is exposed to credit risk from its operating activities (primarily trade receivables), deposits with banks and loans given.

**Credit Risk Management**

For financial assets the Company has an investment policy which allows the Company to invest only with counter parties having high credit ratings or with higher credentials. The Company reviews the creditworthiness of these counter parties on an ongoing basis. Another source of credit risk at the reporting date is from trade receivables as these are typically unsecured. This credit risk has always been managed through credit approvals, establishing credit limits and continuous monitoring the creditworthiness of customers to whom credit is extended in the normal course of business. The Company estimates the expected credit loss based on past data, available information on public domain and experience. Expected credit losses of financial assets receivable are estimated based on historical data of the Company. The Company has provisioning policy for expected credit losses. There is no credit risk in bank deposits which are demand deposits.

**(B) Liquidity Risk**

The Company manages liquidity risk by maintaining adequate surplus, banking facilities and reserve borrowings facilities by continuously monitoring forecasts and actual cash flows. The Company has a system of forecasting next twelve months cash inflow and outflow and all liquidity requirements are planned. Trade and other payables are plugged as per credit terms and paid accordingly. All payments are made along due dates and requests for early payments are entertained after due approval and availing early payment discounts.

**(C) Market risk****Interest Rate Risk Exposure**

The Company is exposed to various types of borrowings as stated in Note Nos. 16 and 18 respectively.

The Company's exposure to interest rate risks at the end of the reporting period is as follows:

Particulars	(₹ in Lakhs)			
	As at March 31, 2022		As at March 31, 2021	
	Amount in Rs.	% of Total	Amount in Rs.	% of Total
Fixed Rate Borrowings	-	-	-	-
Variable Rate Borrowings	1,388.81	100.00%	324.53	100.00%
<b>Total Borrowings</b>	<b>1,388.81</b>	<b>100.00%</b>	<b>324.53</b>	<b>100.00%</b>

**Sensitivity Analysis on Rate Borrowings**

The Company is exposed to various types of borrowings as stated in Note Nos. 16 and 18, respectively. The sensitivity analysis demonstrates a reasonably possible change in the interest rates, with all other variables held constant for the year ended March 31, 2022 and March 31, 2021, every 0.25% increase in the interest rate would decrease the company's profit approximately by ₹ 0.69 Lakh and ₹ 0.92 Lakh respectively. A 0.25% decrease in the interest rate would lead to an equal but opposite effect.

**(D) Price risk**

The Company is exposed to price risk in basic ingredients of Company's raw material and is procuring finished components and bought out materials from vendors directly. The Company monitors its price risk and factors the price increase in pricing of the products.

**Note 40 Related party disclosures as required under Ind AS 24, "Related Party Disclosures", are given below:**

## a) Name of the related party and description of relationship:

S.No.	Related Parties	Nature of Relationship
(i)	Shri Piyush Mutha	Managing Director (Key Management Personnel)
(ii)	Shri Mangalore Maruthi Rao	Whole time Director (Key Management Personnel)
(iii)	Shri Praneet Mutha	Director
(iv)	Shri Subhash Kocheta*	Independent Director
(v)	Shri Raghuram	Independent Director
(vi)	Mrs. Deepa Sudhir Mekal	Independent Director
(vii)	Vippy Industries Ltd.	Entity in which Key Managerial person's relative having significant influence
(viii)	Hassan Ali	Chief Financial Officer (Key Management Personnel)
(ix)	Ayushi Solanki	Company Secretary (Key Management Personnel)

\* Office of Shri Subhash Kocheta, Independent Director of the company ceased w.e.f. 08.02.2022 due to his death



b) Details of Transactions during the year with related parties:

(₹ in Lakhs)

S.No.	Related parties	Nature of Transactions during the year	2021-22	2020-21
(i)	Vippy Industries Ltd.	Rent received	1.97	3.38
<b>Employee Benefits for Key Management Personnel</b>				
(ii)	Shri Piyush Mutha	Remuneration Paid:		
		Remuneration	90.00	85.88
		Provident Fund	10.80	9.68
		Superannuation fund	10.80	10.80
		Perquisite	1.41	1.41
(iii)	Shri Mangalore Maruthi Rao	Remuneration	4.20	3.94
(iv)	Shri Praneet Mutha	Sitting fees	0.06	0.05
(v)	Shri Subhash Kocheta*	Sitting fees	0.03	0.02
(vi)	Shri Raghuram Krishnamurthy	Sitting fees	-	-
(vii)	Mrs. Deepa Sudhir Mekal	Sitting fees	0.05	0.03
(viii)	Hassan Ali	Remuneration	3.20	2.68
(ix)	Ayushi Solanki	Remuneration	3.30	0.06

\* Office of Shri Subhash Kocheta, Independent Director of the company ceased w.e.f. 08.02.2022 due to his death

c) Balances at end of the year with related parties.

(₹ in Lakhs)

S.No.	Related parties	Nature of Transactions during the year	As at 31st March, 2022	As at 31st March, 2021
(i)	Vippy Industries Ltd.	Rent Due	-	0.31

Note 41 Disclosures under Section 22 of the Micro, Small and Medium Enterprises Development Act 2006

(₹ in Lakhs)

S.No.	Particulars	As at March 31, 2022	As at March 31, 2021
(i)	Principal amount remaining unpaid to any supplier as at the end of the accounting year	92.87	39.10
(ii)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii)	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv)	The amount of interest due and payable for the year	-	-
(v)	The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Note 42 FAIR VALUE MEASUREMENT

The fair value of Financial instrument as of March 31, 2022 and March 31, 2021 were as follows:

(₹ in Lakhs)

Particulars	'Marach 31, 2022	'Marach 31, 2021	Fair value Hierarchy	Valuation Technique
<b>Assets-</b>				
Investment in Equity Instruments through OCI	23.29	28.19	Level-1	Quoted Market Price
<b>Total</b>	<b>23.29</b>	<b>28.19</b>		

The management assessed that Cash and Cash equivalents, loans, other balances with Banks, trade receivables, trade payables and other current liabilities/assets approximate their carrying amounts largely due to the short-term maturities of these instruments.



**Note 43 RATIO ANALYSIS**

RATIO	Numerator	Denominator	For the year ended		% Variance	Reason for Variance
			March 31, 2022	March 31, 2021		
(a) Current Ratio	Current Asset	Current Liabilities	3.10	5.38	(42.38)	Reduction in cash and cash equivalent due to investment in capital assets
(b) Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.01	0.02	(50.00)	Repayment of Term Loan
(c) Debt Service Coverage Ratio	Earnings for debt service	Debt service	12.70	4.14	206.76	Increase in Profitability
(d) Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	0.22	0.09	144.44	Increase in Profitability
(e) Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	3.57	3.08	15.91	
(f) Trade Receivables turnover ratio	Net credit sales	Average Trade Receivable	7.20	4.62	55.84	Increase in Sales
(g) Trade payables turnover ratio	Expenses	Average Trade Payable	14.27	14.50	(1.59)	-
(h) Net capital turnover ratio	Net sales	Working capital	3.41	2.37	43.88	Increase in Profitability
(i) Net profit ratio	Net Profit after taxes	Net sales	0.09	0.05	80.00	Increase in Profitability
(j) Return on Capital employed	Earnings before interest and taxes	Capital Employed	0.27	0.12	125.00	Increase in Profitability
(k) Return on investment#	Income generated from Investments	Average Investments	0.05	0.07	(28.57)	Low return on investment



**Note 44 OTHER STATUTORY INFORMATION**

- i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- ii) The Company does not have any transactions with companies struck off.
- iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
- iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- vii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- viii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

**Note 45** The code of Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Presidential assent in September 2020 and its effective date is yet to be notified. The Company will assess and record the impact of the Code, once it is effective.

**Note 46** Previous year figures have been regrouped and reclassified wherever considered necessary to confirm to this year's classifications.

**Significant Accounting Policies****(Note No.1)****The accompanying notes form an integral part of the financial statements**

As per our report of even date attached

**For R.S. Bansal & Company****Chartered Accountants****Firm's Registration Number: 000939C****(CA. Vijay Bansal)****Membership No.075344****Dewas****May 16th, 2022****For and on behalf of the Board of Directors**

Piyush Mutha	Praneet Mutha	Ayushi Solanki	Hassan Ali
Managing Director	Director	Company Secretary	Chief Financial Officer

