



39 TH ANNUAL REPORT

2020-2021

SANTOSH FINE-FAB LIMITED

MUMBAI

39TH ANNUAL REPORT 2020-2021

BOARD OF DIRECTORS

SHRI SANTOSH R.TULSIYAN	CHAIRMAN & MANAGING DIRECTOR
SHRI SUBHASH R. TULSIYAN	EXECUTIVE DIRECTOR
SHRI ASHOK V. TULSIYAN	DIRECTOR
SHRI SANJEEV D.SARAN	DIRECTOR
SHRI RADHABALLABH TIBREWAL	DIRECTOR
SHRI ASHARAM S.RUNGTA	DIRECTOR
MRS. SUMEETA S TULSIYAN	DIRECTOR
SHRI SUNIL TULSIYAN	CHIEF FINANCIAL OFFICER

AUDITORS

M/S. JHUNJHUNWALA JAIN & ASSOCIATES LLP
CHARTERED ACCOUNTANTS

COMPANY SECRETARY& COMPLIANCE OFFICER

MS. RADHA S SHARMA

BANKERS

SARASWAT CO-OP BANK LTD

REGISTERED OFFICE

112/113, SANJAY BUILDING NO.6,
MITTAL ESTATE, ANDHERI (E),
MUMBAI 400 059.

FACTORY

PLOT NO. L-40, F1/22,
M.I.D.C., TARAPUR,
POST: BOISOR, DIST. : THANE.
MAHARASHTRA.

SHARE TRANSFER AGENTS

ADROIT CORPORATE SERVICES PVT.LTD.
19,JAFERBHOY INDUSTRIAL ESTATE, 1ST FLOOR,
MAKWANA ROAD, MAROL NAKA,
ANDHERI EAST, MUMBAI 400 059.

NOTICE TO THE MEMBERS

Notice is hereby given that the Thirty-Ninth Annual General Meeting of the Members of SANTOSH FINE-FAB LIMITED will be held at 112/113, Sanjay Building No. 6, Mittal Estate, Mumbai – 400059 on Tuesday, the 28th September, 2021 at 11.30 A.M. to transact the following business:

ORDINARY BUSINESS

1. **Adoption Of Standalone Financial Statements:**
To consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2021, together with the Reports of the Board of Directors and the Auditors thereon.
2. **Appointment of Director:**
To appoint a Director in place of Shri Santosh R. Tulsiyan (DIN: 00310573), who retires by rotation and being eligible, offers himself for re-appointment.
3. **Appointment of Director:**
To appoint a Director in place of Shri Subhash R. Tulsiyan (DIN: 00308899), who retires by rotation and being eligible, offers himself for re-appointment.
4. **Appointment of Director:**
To appoint a Director in place of Shri Ashok V. Tulsiyan (DIN: 00320442), who retires by rotation and being eligible, offers himself for re-appointment.
5. **Reappointment Of Auditors:**
To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to Sections 139, 142 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 **M/s. Jhunjhunwala Jain & Associates LLP**, Chartered Accountants (**F.R.No. 113675W**), be and are hereby reappointed as the Statutory Auditors of the Company for a period of 4 (four) years to hold office from the conclusion of 39th AGM to the conclusion of the 43rd AGM at such remuneration plus applicable taxes, and out of pocket expenses, as maybe determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the Company."

"**RESOLVED FURTHER THAT** any of the Director or Company Secretary of the Company, be and are hereby authorized to do such act, deeds and things and to file necessary e – forms with the concerned Registrar of Companies, to give effect to the aforementioned resolution."

Registered Office:
112/113, Sanjay Bldg. No.6,
Mittal Estate,
Mumbai 400059.
Dated: 29.06.2021

BY THE ORDER OF THE BOARD

(Santosh R Tulsiyan)
Managing Director

NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 owing to the difficulties involved in dispatching of physical copies of the financial statements (including Board’s report, Auditor's report or other documents required to be attached therewith), have permitted such statements to be sent only by email to the members, trustees for the debenture-holder of any debentures issued by the company, and to all other persons so entitled. The notice of the meeting will be available on the website of the company and stock exchange.
2. The relevant details as required under Clause 49 of the Listing Agreements entered into with the Stock Exchanges, of persons seeking appointment / re-appointment as Directors under Items No. 2, 3 & 4 of the Notice, are also annexed.
3. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received by the company not later than forty eight (48) hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.
4. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.
5. The Register of Members and Transfer Books of the Company will be closed from 26th September, 2021 to 28th September, 2021, both days inclusive.
6. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
8. Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Company’s Registered Office on all working days of the Company, during business hours up to the date of the Meeting.
9. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
10. There is no unpaid dividend for the year or for any past years, hence no amount has been transferred to the Investor Education and Protection Fund (IEPF) constituted Under Section 205 (C) of the Companies Act, 1956.

11. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.
12. The members are requested to get their shares dematerialized. The company's ISIN Code: **INE612D01018** pursuant to change in face value.
13. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to send their e-mail address to the following E-mail: Info@adroitcorporate.com
14. The Notice of the AGM along with the Annual Report 2020-21 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

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

The remote e-voting period begins on 25th, September, 2021 at 09:00 A.M. and ends on 27th, September, 2021 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 20th September 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 20th September 2021.

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

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

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDEAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the " Beneficial Owner " icon under " Login " which is available under ' IDEAS ' section , this will prompt you to enter your existing User ID and

	<p>Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <ol style="list-style-type: none"> If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div data-bbox="798 1115 1295 1406" data-label="Image"> <p>The image is a promotional banner for the NSDL Mobile App. At the top, it says "NSDL Mobile App is available on" in blue text. Below this, there are two logos: the Apple App Store logo and the Google Play logo. Underneath each logo is a square QR code. The background of the banner is white with a light blue border.</p> </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in

	<p>www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period</p>

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

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

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

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

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

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

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

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
 - a) Click on “[Forgot User Details/Password?](#)”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) [Physical User Reset Password?](#)” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

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

How to cast your vote electronically on NSDL e-Voting system?

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to lalitalath72@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms Sarita Mote assistant Manager at evoting@nsdl.co.in

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor@santoshgroup.in
 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 investor@santoshgroup.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.
 3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
 4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
16. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company on 29.09.2021 and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
1. The Securities and Exchange Board of India (SEBI) has mandated the submission of 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 the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.
 2. Members holding shares in single name and in physical form are advised to make a nomination in respect of their shareholding in the Company and those Members who hold shares singly in dematerialized form are advised to make a nomination through their Depository Participants. The nomination form can be downloaded from the Company's website.

Registered Office :
112/113, Sanjay Bldg No.6,
Mittal Estate,
Mumbai 400059.
Dated: 29.06.2021

BY THE ORDER OF THEBOARD

(Santosh R Tulsiyan)
Managing Director

ANNEXURE TO ITEMS 2, 3 & 4 OF THE NOTICE

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement)

Name of the Director	ShriSantosh R Tulsian	ShriSubhash Tulsian	R	ShriAshok V Tulsian
Director Identification Number (DIN)	00310573	00308899		00320442
Date of Birth	01/01/1955	13/03/1961		28/12/1960
Nationality	Indian	Indian		Indian
Date of First Appointment on Board	10/04/1987	16/05/1992		16/05/1992
Qualification	Diploma in textile management from SASMIRA	Commerce Graduate		B. com
Shareholding in Santosh Fine-Fab Ltd.	265550 Shares (7.53%)	33900 Shares (0.96%)		Nil
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	NIL	NIL		1. Detail Clothing Limited
Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies	NIL	NIL		Nil

DIRECTORS REPORT

To,

The Members,

Your Directors have pleasure in presenting their Thirty Ninth Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2021.

1. Financial summary or highlights/Performance of the Company

The company's financial performance, for the year ended March, 2021 is summarized below

(In Lacs)

Particulars	2020-2021	2019-2020
Gross Income	740.41	2022.04
Profit Before Interest and Depreciation	(93.14)	26.67
Finance Charges	48.07	50.37
Gross Profit	87.74	426.27
Provision for Depreciation	20.68	22.43
Net Profit Before Tax	(160.47)	(52.96)
Provision for Tax (Including Deferred Taxes)	49.17	(6.00)
Net Profit After Tax	(111.30)	(46.96)
Balance of Profit brought forward	185.89	232.85
Balance available for appropriation	74.59	185.89
Transfer to Depreciation Reserve	Nil	Nil
Proposed Dividend on Equity Shares	Nil	Nil
Tax on proposed Dividend	Nil	Nil
Transfer to General Reserve	Nil	Nil
Surplus carried to Balance Sheet	74.59	185.89

2. Brief description of the Company's working during the year/State of Company's affair

Our operations have been reduced during the current year due to lack of demand in industry and Covid-19 impact from beginning of the year. Loss of Company Increased from Rs. 46.96 lakhs to Rs. 111.30 lakhs.

A detailed analysis of Company's working during the year is provided under Management Discussion and Analysis Report under Corporate Governance Report.

3. Change in the nature of business, if any

There is no change in nature of business.

4. Dividend

Due to insufficient profits, your directors express their inability to recommend payment of dividend for the year under review.

5. Reserves

The Board does not propose to carry any amount to reserves.

6. Directors and Key Managerial Personnel

Shri Santosh R. Tulsiyan (DIN: 00310573), Shri Subhash R Tulsiyan (DIN: 00308899) & Shri Ashok V Tulsiyan (DIN: 00320442), Directors retire by rotation at the forth coming Annual General Meeting and being eligible, offer themselves for reappointment.

7. Particulars of Employees

Disclosures with respect to the remuneration of Directors, KMPs and employees as required under section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial

Personnel) Rules, 2014 are not required as none of the employees exceed prescribed limit of remuneration as stated therein.

8. Meetings

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year Six Board Meetings and Four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

9. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

10. Declaration by an Independent Director(s) and re- appointment, if any

All Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 read with SEBI Listing Regulations so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and SEBI Listing Regulations.

11. Remuneration Policy

This policy on Nomination and Remuneration of Directors, Key Managerial Personnel ("KMP"), Senior Management Personnel (SMP) and other employees has been formulated in terms of the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, in order inter-alia to pay equitable remuneration to Directors, KMPs and other employees of the Company. This policy shall act as guidelines on matters relating to the remuneration, appointment of the Directors, Key Managerial Personnel and Senior Management and other employees.

Managerial Remuneration:

A) Separate remuneration committee is there to deal with all remuneration matters. The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request.

B) Details of the every employee of the Company as required pursuant to 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the company.

C) Company has not paid any remuneration to Directors in the form of commission.

12. Details of Subsidiary/Joint Ventures/Associate Companies

Pursuant to sub-section (3) of section 129 of the Act, the company doesn't have any Subsidiary/Joint Ventures/Associate Companies.

13. Auditors:

M/s. Jhunjhunwala Jain & Associates LLP, Chartered Accountants (F.R.No. 113675W), were appointed as the Statutory Auditors of the Company to fill the casual vacancy caused by death of existing statutory Auditors M/s B.P. Kabra & Associates, Chartered Accountants (F.R.No. 124578W) to hold office till conclusion of the next Annual General Meeting of the Company. M/s. Jhunjhunwala Jain & Associates LLP, Chartered Accountants, retire at the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept the office of Auditors if re appointed. The appointment of Statutory Auditors of the Company shall be from the conclusion of the forthcoming Annual General Meeting for the period of 4 years from F.Y. 2021-22 to F.Y. 2024-25. Your Directors recommend their appointment.

14. Auditors' Report

The Auditors' Report does not contain any other qualifications. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

15. Disclosure about Cost Audit

As per the Cost Audit Orders, Cost Audit is not applicable to the Company for the FY 2020-21.

16. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ms Lalita Lath, Company Secretary in whole time Practice, having their office at, D-103, Om Elegance Bldg no 3, Chincholi Bunder Rd, Malad West Mumbai 400064 to undertake the Secretarial Audit functions of the Company.

The Secretarial Audit Report submitted by Ms Lalita Lath in the prescribed form MR- 3 is attached as 'Annexure IV, which forms part of this Annual Report.

17. Internal Audit & Controls

The company has proper and adequate system of Internal Control to ensure the all the assets are safeguarded from loss, damage or disposition. Checks and balances are in place to ensure that transactions are adequately authorized and recorded, and that they are reported correctly, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. The Board to Directors considers internal controls as adequate.

18. Vigil Mechanism :

The Companies Act, 2013 and the recent changes in the Listing Agreement with Stock Exchange(s) (Listing Agreement) have put greater emphasis on transparency in the internal governance by the corporates. Considering the growing number of reported incidents related to alleged corrupt practices in corporate sector in India, the establishment of Whistle Blower Mechanism by the listed companies, which was earlier not a mandatory requirement, has now been made compulsory by SEBI. In addition, the Companies Act, 2013 has mandated establishment of a Vigil Mechanism for directors and employees to report genuine concerns and any misdoings within their company. The Mechanism is also to provide for necessary safeguards to protect whistle blowers from victimization.

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.santoshgroup.in under investors/Vigil Mechanism Policy link.

19. Risk management policy

A statement indicating development and implementation of a risk management policy for the Company including identification therein of elements of risk, if any, this in the opinion of the Board may threaten the existence of the company.

The Company is exposed to market risk, credit risk and liquidity risk. Risk management is carried out by the company under policies approved by the board of directors. The Company's documented risk management policies are effective tool in mitigating the various financial risk to which the business is exposed to in the course of daily operations This Risk management plan defines how risks associated with the Company will be identified, analysed, and managed. It outlines how risk management activities will be performed, recorded, and monitored by the Company. The basic objective of risk management plan is to implement an integrated risk management approach to ensure all significant areas of risks are identified, understood and effectively managed, to promote a shared vision of risk management and encourage discussion on risks at all levels of the organisation to provide a clear understanding of risk/benefit trade-offs, to deploy appropriate risk management methodologies and tools for use in identifying, assessing, managing and reporting on risks, and to determine the appropriate balance between cost and control of risk and deploy appropriate resources to manage/optimize key risks. Activities are developed to provide feedback to management and other interested parties (e.g. Audit committee, Board etc.). The results of these activities ensure that risk management plan is effective in the long term. The detailed risk policies are under financial statement Note No 31(2).

20. Extract of Annual Return:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **MGT 9** as a part of this Annual Report as **ANNEXURE I**.

21. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

There were no material changes and commitments affecting the financial position of the Company between the end of financial year and the date of this report.

22. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

There were no significant or material orders passed by the regulators or courts or tribunals against the company.

23. Adequacy of Internal financial controls with reference to the financial statements

The Company has aligned its current systems of Internal Financial Control (IFC) with the requirement of the Companies Act 2013. The Company has established a robust framework of IFC which includes entity level policies, processes and operating level standard operating procedures. The Company has well-established processes and clearly- defined roles and responsibilities for people at various levels.

The Company's internal controls are adequate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing

Consistent financial and operational information, complying with the applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization, and ensuring compliance with policies. Processes for formulating and reviewing annual and long-term business plans have been laid down. The Company uses a state-of- the-art enterprise resource planning (ERP) system SAP as a business enabler to record data for accounting, consolidation and management information purposes.

To further strengthen, assess and report on the internal financial control, an in-house Management Audit Division has been established by the Company. The internal audit is conducted based on the Annual Audit Plan which is reviewed and approved by the Audit Committee. The Internal Audit reports are presented to the Audit Committee on a quarterly basis for review and deliberation. The Company Management has assessed the effectiveness of the Company's internal control over financial reporting as of March 31, 2021 and found the same to be adequate and effective.

24. Deposits

The Company has not accepted any deposits and as such no amount of principal or interest was outstanding as on the balance sheet closure date.

25. Particulars of loans, guarantees or investments under section 186

Particulars of Loans given, investments made guarantees given are provided in financial statement. (Please refer to Note 5, 12 and 34 to the financial statement)

26. Particulars of contracts or arrangements with related parties:

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto are disclosed in Form No. AOC-2 as **Annexure II**.

27. Corporate Governance Certificate

The Corporate Governance report regarding compliance of conditions of corporate governance as stipulated in Clause 49 of the Listing agreement is annexed with the report.

28. Management Discussion And Analysis

The Management Discussion and Analysis forms part of this Annual Report for the year ended 31st March, 2021.

29. Obligation Of Company under the sexual harassment of women at Workplace (Prevention, Prohibition And Redressal) Act, 2013

During the year under review Company has not received any complaint of women harassment at workplace.

30. Conservation of energy, technology absorption and foreign exchange earnings and outgo

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

a) Conservation of energy

(i)	the steps taken or impact on conservation of energy	<u>Electric Energy</u> : Regular maintenance, Better utilization of running machine, Improving electricity power factor, Monitoring the overall energy consumption and corrective measures. <u>Fuel & Oil Consumption</u> : Regular maintenance and monitoring the consumption with corrective measures
(ii)	the steps taken by the company for utilizing alternate sources of energy	Changes have generally been evolutionary in nature and as such no major additional capital is envisaged. Optimization and control of energy related cost helps your company to remain competitive in markets.
(iii)	the capital investment on energy conservation equipment's	

(b) Technology absorption

(i)	the efforts made towards technology absorption	No technology has been imported by the company. Technology innovation and changes wherever possible are being absorbed and adopted.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	
	(a) the details of technology imported	
	(b) the year of import;	
	(c) whether the technology been fully absorbed	
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof		
(iv)	the expenditure incurred on Research and Development	1) Specific area in which R & D carried out by the Company product & quality improvement, development of new designs / product cost control and energy conservation. 2) Benefits derived as a result of the above R & D. The R & D activities have resulted in conserving of new materials higher productivity & containing the costs all rounds 3) Expenditure on R & D being treated as an integral part of manufacturing process & hence no separate records for the expenditure incurred under this head are being maintained.

(c) Foreign exchange earnings and Outgo

During the year, the total foreign exchange outgo was Rs. 0.18 lakh and the total foreign exchange earned was Rs. 5.46 lakh.

31. Corporate Social Responsibility (CSR)

The disclosures as per required section 135 of Companies Act read with Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable to company.

32. Human Resources

Your Company treats its “human resources” as one of its most important assets.

Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

33. Directors’ Responsibility Statement

The Directors’ Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

(a) in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2021 and the profit of the company for the year ended on that date;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis; and

(e) 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.

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

34. Transfer of Amounts to Investor Education and Protection Fund

The Company has not declared any dividends in the current year and there was no unclaimed dividend outstanding as on 31st March 2021 of any previous years, hence therefore transferring of the amounts in the Investor Education and Protection Fund by the Company does not arise.

35. Listing with Stock Exchanges:

The Company confirms that it has paid the Annual Listing Fees for the year 2020-2021 to BSE where the Company’s Shares are listed.

36. Acknowledgements

We owe all our employees, customers, bankers and suppliers, our gratitude for their cooperation and continued support.

For and on behalf of the Board of Directors

(SANTOSH R TULSIYAN)

MANAGING DIRECTOR

Place: MUMBAI

Date: 29.06.2021

ANNEXURE INDEX

<u>Annexure</u>	Content
i.	Annual Return Extracts in MGT 9
ii.	AOC 2 – Related Party Transactions disclosure
iii.	Format of declaration by Independent Director
iv.	MR-2 Secretarial Audit Report
v.	Corporate Governance Compliance Certificate

Annexure I

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2021

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L17112MH1981PLC025443
2.	Registration Date	25/09/1979
3.	Name of the Company	SANTOSH FINE FAB LTD.
4.	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES
5.	Address of the Registered office & contact details	112, MITTAL ESTATE, BUILDING NO 6, A.K. ROAD, ANDHERI (E), MUMBAI – 400059. <u>TEL.-</u> 022 28504758 E Mail : exports@santoshgroup.in
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	ADROIT CORPORATE SERVICES PVT.LTD. 19, JAFERBHOY INDUSTRIAL ESTATE, 1 ST FLOOR, MAKWANA ROAD, MAROL NAKA, ANDHERI EAST, MUMBAI 400 059. E Mail : Info@adroitcorporate.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Weaving, manufacturing of man-made fiber and man-made mixture fabrics	13124	100

ii) Overseas	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	213816	418825	632641	17.95	216767	418825	635592	18.03	0.08
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	323924	588700	912624	25.89	438224	474400	912624	25.89	NIL
c) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Non Resident Indians	29499	27600	57099	1.62	29499	27600	57099	1.62	NIL
Overseas Corporate Bodies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Foreign Nationals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Clearing Members	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Trusts	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Foreign Bodies - D R	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (B)(2):-	638025	1047225	1685250	47.81	752325	932925	1685250	47.81	NIL
Total Public Shareholding (B)=(B)(1)+ (B)(2)	638025	1047225	1685250	47.81	752325	932925	1685250	47.81	NIL
C. Shares held by Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Grand Total (A+B+C)	1861675	1662925	3524600	100	2089275	1435325	3524600	100	NIL

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Arjun Tulsian	331800	9.41	0	331800	9.41	0	NIL
2	Anju Rungta	500	0.01	0	500	0.01	0	NIL
3	Divya Atul Modi	24200	0.69	0	24200	0.69	0	NIL
4	Kaushalyadevi Tulsian	37900	1.08	0	37900	1.08	0	NIL
5	Kiran Tulsian	35500	1.01	0	35500	1.01	0	NIL
6	Madhu Tulsian	182500	5.18	0	182500	5.18	0	NIL
7	Nikita Ashok Tulsian	800	0.02	0	800	0.02	0	NIL
8	Nirmal V Tulsian	10000	0.28	0	10000	0.28	0	NIL
9	Prabhudayal Polyester (P) Ltd	100200	2.84	0	100200	2.84	0	NIL
10	Intelifab fashions pvt. Ltd.	155800	4.42	0	155800	4.42	0	NIL
11	Ramdhari Pd. Tulsian Huf	60000	1.70	0	60000	1.70	0	NIL
12	Rashi Garg	25900	0.73	0	25900	0.73	0	NIL
13	Ruchika Pansari	35100	1.00	0	35100	1.00	0	NIL
14	Santosh Tulsian	265550	7.53	0	265550	7.53	0	NIL
15	Santosh Tulsian (Huf)	10000	0.28	0	10000	0.28	0	NIL
16	Sarita Ashok Tulsian	95700	2.72	0	95700	2.72	0	NIL
17	Sarthak S Tulsian	15900	0.45	0	15900	0.45	0	NIL
18	Saurabh S Tulsian	71700	2.03	0	71700	2.03	0	NIL
19	Savitridevi Tulsian	26800	0.76	0	26800	0.76	0	NIL
20	Subhash Tulsian	33900	0.96	0	33900	0.96	0	NIL
21	Subhash Tulsian (Huf)	6500	0.18	0	6500	0.18	0	NIL
22	Sumita S Tulsian	113300	3.21	0	113300	3.21	0	NIL
23	Sunil Tulsian	152200	4.32	0	152200	4.32	0	NIL
24	Viswanath Pd Tulsian Huf)	46600	1.32	0	46600	1.32	0	NIL
25	Asharam Satyanarayan Rungta	1000	0.03	0	1000	0.03	0	NIL

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NA	NA	NA	NA
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	NA	NA	NA	NA
	At the end of the year	NA	NA	NA	NA

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Sunil Kumar Tulsian (HUF)	179900	5.10	179900	5.10
2	Anjani Kumar Gadia	114300	3.24	114300	3.24
3	Vinita Sunil Patodia	61919	1.76	61919	1.76
4	Tushar Nirmal Tulsian	54100	1.53	54100	1.53
5	Arjun R Tulsian (HUF)	47700	1.35	47700	1.35
6	Bhagwandas Gordhandas Shah	47600	1.35	47600	1.35
7	Kaushal Kumbhat	47600	1.35	47600	1.35
8	Tanuj Nirmal Tulsian	42900	1.22	42900	1.22
9	Maheshchand Modi	38900	1.10	38900	1.10
10	Sanchita A Tulsian	38300	1.09	38300	1.09

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	SANTOSH R TULSIYAN				
	At the beginning of the year	265550	7.53	265550	7.53
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year	265550	7.53	265550	7.53
2.	SUBHASH R TULSIYAN				
	At the beginning of the year	33900	0.96	33900	0.96
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year	33900	0.96	33900	0.96
3.	SUMITA S TULSIYAN				
	At the beginning of the year	113300	3.21	113300	3.21
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year	113300	3.21	113300	3.21
4.	ASHARAM SATYANARAYAN RUNGTA				
	At the beginning of the year	1000	0.03	1000	0.03
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year	1000	0.03	1000	0.03

IV) **INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	45019294.86	-	-	45019294.86
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	45019294.86	-	-	45019294.86
Change in Indebtedness during the financial year				
* Addition	107493742.67	-	-	107493742.67
* Reduction	111354067.64	-	-	111354067.64
Net Change	(3860324.97)	-	-	(3860324.97)
Indebtedness at the end of the financial year				
i) Principal Amount	41158969.89	-	-	41158969.89
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	41158969.89	-	-	41158969.89

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		SANTOSH R TULSIYAN	SUBHASH R TULSIYAN	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	900000.00	357000.00	1257000.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (A)	900000.00	357000.00	1257000.00
	Ceiling as per the Act	-	-	-

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		SUMEETA TULSIYAN				
1	Independent Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify (Remuneration)	300000.00	-	-	-	300000.00
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	300000.00	-	-	-	300000.00
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	-	149082.00	641630.00	790712.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	Others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	149082.00	641630.00	790712.00

VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Annexure - II

FORM NO. AOC -2

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

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

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

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

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

Sr No	Name of the related party & nature of relationship	Nature of contracts/arrangements/transaction	Duration of the contracts/arrangements/transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of Approval by Board	Amount paid as advances, if any
1	Silwester Tex. Pvt. Ltd (Company in which Directors are interested)	Process Charges Paid	2020-2021	No Such Terms & transaction value during year Rs.4256384.00	30.06.2020	Nil
2	Silwester Tex. Pvt. Ltd (Company in which Directors are interested)	Sales of Fabrics	2020-2021	No Such Terms & transaction value during year Rs.33779.00	30.06.2020	Nil
3	Jamnagar Wollen Tex. Mills Pvt. Ltd. (Company in which Directors are interested)	Sale of Fabrics	2020-2021	No Such Terms & transaction value during year Rs. 220702.00	30.06.2020	Nil
4	Signora Exports (Firm in which Directors are interested)	Job Charges Received	2020-2021	No Such Terms & transaction value during year Rs. 2842281.00	30.06.2020	Nil
5	Signora Exports (Firm in which Directors are interested)	Sale of Fabrics	2020-2021	No Such Terms & transaction value during year Rs. 1774664.00	30.06.2020	Nil

6	Sunil Tulsian (Relative of Director)	Salary Paid	2020-2021	No Such Terms & Salary Paid value Rs 641630.00	30.06.2020	Nil
7	Saurabh Tulsian (Relative of Director)	Salary Paid	2020-2021	No Such Terms & Salary Paid value Rs 1154934.00	30.06.2020	Nil
8	Arjun Tulsian (Relative of Director)	Office Compensation Paid	2020-2021	No Such Terms & office compensation Paid value Rs 180000.00	30.06.2020	Nil

For and on behalf of the Board of Directors

(SANTOSH R TULSIYAN)

MANAGING DIRECTOR

Place: MUMBAI

Date: 29.06.2021

Annexure III

DECLARATION OF INDEPENDENCE

01st April, 2021

To
The Board of Directors
Santosh Fine Fab Ltd.
112/113, Sanjay Building,
Andheri (E), Mumbai - 400059

Sub: Declaration of independence under clause 49 of the Listing Agreement and sub-section (6) of section 149 of the Companies Act, 2013.

I, **Mr. Sanjeev D Saran (DIN: 00775337)**, hereby certify that I am a Non-executive Independent Director of **Santosh Fine Fab Limited**, Mumbai and comply with all the criteria of independent director as envisaged in Clause 49 of the Listing Agreement and the Companies Act, 2013.

I certify that:

- I possess relevant expertise and experience to be an independent director in the Company;
- I am not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
- Apart from receiving director sitting fees / remuneration, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial;
- none of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither me nor any of my relatives:
 - a) holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
 - b) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
 - a. firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - b. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
 - c) holds together with my relatives 2% or more of the total voting power of the company; or

d) is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or

- I am not a material supplier, service provider or customer or a lessor or lessee of the company;
- I am not less than 21 years of age.

Declaration

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,
Yours faithfully,

Mr. Sanjeev D Saran
DIN: 00775337
T-3/73, Parasrampur Tower,
Link Road Extn.,
Andheri (West),
Mumbai – 400053(MH)
M No. 9821010105
E Mail Id: sanjeev@realtextiles.com

DECLARATION OF INDEPENDENCE

01st April, 2021

To
The Board of Directors
Santosh Fine Fab Ltd.
112/113, Sanjay Building,
Andheri (E), Mumbai - 400059

Sub: Declaration of independence under clause 49 of the Listing Agreement and sub-section (6) of section 149 of the Companies Act, 2013.

I, **Mr. Asharam S. Rungta (DIN: 00320409)**, hereby certify that I am a Non-executive Independent Director of **Santosh Fine Fab Limited**, Mumbai and comply with all the criteria of independent director as envisaged in Clause 49 of the Listing Agreement and the Companies Act, 2013.

I certify that:

- I possess relevant expertise and experience to be an independent director in the Company;
- I am not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
- Apart from receiving director sitting fees / remuneration, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial;
- none of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover **or** total income **or** Rs. 50 Lacs **or** such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither me nor any of my relatives:
 - a) holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
 - b) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
 - a. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; **or**
 - b. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
 - c) holds together with my relatives 2% or more of the total voting power of the company; **or**
 - d) is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its

holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or

- I am not a material supplier, service provider or customer or a lessor or lessee of the company;
- I am not less than 21 years of age.

Declaration

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,
Yours faithfully,

Mr. Asharam S. Rungta
DIN: 00320409
302, Aastha, Gorai Sunder Sath,
Plot No 89, Rsc-37, Gorai-2
Borivali(W), Mumbai – 400092(MH)
M No. 7738060006
E Mail Id: asharam@santoshgroup.in

DECLARATION OF INDEPENDENCE

01st April, 2021

To
The Board of Directors
Santosh Fine Fab Ltd.
112/113, Sanjay Building,
Andheri (E), Mumbai - 400059

Sub: Declaration of independence under clause 49 of the Listing Agreement and sub-section (6) of section 149 of the Companies Act, 2013.

I, **Mr. Radhaballabh Tibrewal (DIN: 00323570)**, hereby certify that I am a Non-executive Independent Director of **Santosh Fine Fab Limited**, Mumbai and comply with all the criteria of independent director as envisaged in Clause 49 of the Listing Agreement and the Companies Act, 2013.

I certify that:

- I possess relevant expertise and experience to be an independent director in the Company;
- I am not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
- Apart from receiving director sitting fees / remuneration, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial;
- none of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover **or** total income **or** Rs. 50 Lacs **or** such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither me nor any of my relatives:
 - a) holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
 - b) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
 - a. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; **or**
 - b. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
 - c) holds together with my relatives 2% or more of the total voting power of the company; **or**
 - d) is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its

holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or

- I am not a material supplier, service provider or customer or a lessor or lessee of the company;
- I am not less than 21 years of age.

Declaration

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,
Yours faithfully,

Mr. Radhaballabh Tibrewal
DIN: 00323570
6, J B Nagar, Near Post-Office,
Tibrewala House, Andheri (East),
Mumbai – 400059(MH)
M No. 9320948871
E Mail Id: kcepl@radiffmail.com

ANNEXURE IV

Secretarial Audit Report

(For the financial year ended 31st March 2021)

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

To,
The Board of Directors
Santosh Fine fab Limited
112, Mittal Estate Bldg no 6, A.K. Road
Andheri (East), Mumbai 400059.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Santosh Fine fab Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on our verification of the 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 our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2021 on according to the provisions of:
 - (i) The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made thereunder;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) 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;
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) to the extent applicable to the Company:-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. 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;
 - e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - g. the Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited, National Stock Exchange of India Limited; and
 - h. The Memorandum and Articles of Association.
 - (vi) The Factories Act, 1948.
 - (vii) The Industrial Disputes Act, 1947.
 - (viii) The Payment of Wages Act, 1936.
 - (ix) The Minimum Wages Act, 1948.
 - (x) The Payment of Bonus Act, 1956.
 - (xi) The Payment of Gratuity Act, 1972.
 - (xii) The Industrial Employment (Standing Orders) Act, 1946.
 - (xiii) The Workmen Compensation Act, 1923.
 - (xiv) The Contract Labour (Regulation and Abolition) Act, 1970.

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with the BSE Limited.

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

2. Based on the verification of records / documents produced to us, the information furnished to us by the Company and the test check carried out by us, we are of the opinion that the Company has complied with the provisions of the Companies Act, 2013 ("the Act") and Rules made under the Act and the Memorandum and Articles of Association of the Company with regard:

- a) maintenance of various statutory registers and documents and making necessary entries therein;
- b) closure of the Register of Members.
- c) forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
- d) service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- e) notice of Board meetings and Committee meetings of Directors;
- f) the meetings of Directors and Committees of Directors including passing of resolutions by circulation;
- g) the 38th Annual General Meeting held on 29TH September, 2020.
- h) minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- i) approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
- j) constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors;
- k) payment of remuneration to Directors including the Managing Director and Whole-time Directors,
- l) appointment and remuneration of Auditors and Cost Auditors;
- m) transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares;
- n) declaration and payment of dividends;
- o) transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs;
- p) borrowings and registration, modification and satisfaction of charges wherever applicable;
- q) investment of the Company's funds including investments and loans to others;
- r) form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;
- s) Directors' report;
- t) contracts, common seal, registered office and publication of name of the Company; and
- u) Generally, all other applicable provisions of the Act and the Rules made under the Act.

3. I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- The Company has obtained all necessary approvals under the various provisions of the Act; and _ there was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

- The Directors have complied with the disclosure requirements in respect of their eligibility of Appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

4. The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.

5. I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Byelaws framed thereunder by the Depositories with regard to dematerialization / rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.

6. I further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Sd/-

[LALITA LATH]

[Practising Company Secretary]

[ACS:16854; COP: 5310]

Place : MUMBAI

Date : 29th June, 2021

LALITA LATH
Practising Company Secretary
B. Com; ACS

D-103, Om Elegance Bldng No 3,
Chincoli Bunder Road, Malad (W)
Mumbai 400064.
Mobile: 9324452370
Email: lalitalath72@gmail.com

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CERTIFICATE

To the Members of

SANTOSH FINE-FAB LIMITED

We have examined the compliance of conditions of Corporate Governance by the Santosh Fine-Fab Limited, for the year ended on 31st March, 2021, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination is limited to a review of the procedure and implementation thereof, adopted by the Company of ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in revised Clause 49 of the above-mentioned Listing Agreement.

We state that such compliance 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.

Sd/-

(LALITA LATH)
ACS: 16854; COP: 5310
PLACE : MUMBAI.
DATED : 29th JUNE, 2021

COMPLIANCE REPORT ON CORPORATE GOVERNANCE

The Securities and Exchange Board of India (SEBI) has introduced a Code of Corporate Governance for implementation by companies listed on the Stock Exchanges. Accordingly, the Code was implemented by effecting amendments to the Listing Agreements of the Stock Exchanges with which the Company is listed. The following is a report on the Corporate Governance Code as implemented by your Company.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of the organization. Good Corporate Governance leads to long-term shareholder value and enhance interest of other stakeholders. It brings into focus the fiduciary and the trusteeship role of the Board to align and direct the actions of the organization keeping in mind the interests of shareholders, stakeholders and the society.

2. BOARD OF DIRECTORS

- a) The Company has an optimum combination of executive and non-executive directors. The Board is chaired by the Chairman & Managing Director.
- b) The names and categories of the Directors on the board, their attendance at Board Meeting during the year and at the last Annual General Meeting, number of other directorship held by them in other companies are as follows:

Name of Director	Category	Attendance at		No. of other Directorship	Membership of Other Board Committees
		Board Meetings	AGM 29/09/2020		
Santosh R. Tulsian	Chairman & Managing Director	6	Yes	Nil	Nil
Subhash R. Tulsian	Executive Director	6	Yes	Nil	Nil
Ashok V. Tulsian	Director	6	Yes	1	Nil
Sanjeev D. Saran	Independent Non executive	1	No	Nil	Nil
Asharam S. Rungta	Independent Non executive	6	Yes	Nil	Nil
Radhaballabh Tibrewala	Independent Non executive	5	Yes	Nil	Nil
Sumeeta Tulsian	Executive Director	6	No	Nil	Nil

* This excludes directorships held in Private Limited Companies.

- (c) During the financial year Six Board meetings were held on the following dates:
30.06.2020, 14.09.2020, 03.10.2020, 12.11.2020, 27.11.2020 & 13.02.2021.

3. AUDIT COMMITTEE

Role of the Audit Committee and its terms of reference include:

1. To focus its attention on subjects relating to accounting standards, internal controls and financial policies.
2. To oversee the Company's financial reporting process and disclosure of its financial information.
3. To review the financial statement before submission to the Board of Directors.

4. To recommend appointment, re-appointment, removal of Statutory Auditors and fixation of the audit fee.
5. To ensure that there are adequate mechanism for prevention and detection of frauds.
6. To hold discussion with Management regarding the internal control system.
7. To hold prior discussion with external auditors regarding scope and nature of audit before commencement of the audit and also to have post audit discussion on areas of concern.
8. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in the case of non-payment of declared dividend) and creditors.

During the financial year **2020-21** the committee meet on **30th June , 2020, 14th Sept, 2020, 27th November, 2020 and on 13th February, 2021** . Mr. Asharam S Rungta chaired the meetings. The names of members, chairman and particulars of the meeting and attendance of members during the year are as follows:

Sr.No.	Name of Members	Category	No. of Meeting Attended
1	Asharam S. Rungta, Chairman	Independent/ Non-Executive	4
2	Sanjeev D. Saran	Independent/ Non-Executive	1
3	Radhaballabh Tibrewala	Independent/ Non-Executive	3

4. REMUNERATION COMMITTEE:

Remuneration Committee has been constituted to recommend/review the remuneration package of the Managing/Whole time Directors based on performance and defined criteria.

Sr. No.	Name of Members	Category	No. of Meeting Attend
1	Radhavallabh Tibrewala ,Chairman	Independent/Non-Executive	1
2	Sanjeev D. Saran	Independent/Non-Executive	1
3	Asharam S. Rungta	Independent/Non-Executive	1

During the financial year **2020-21** the committee met once i.e. on **30th June, 2020**. Mr. Radhavallabh Tibrewala chaired the meeting. Other two members Asharam S. Rungta and Sanjeev D. Saran attended the meeting.

Details of remuneration paid to all the directors for the year ended 31st March, 2021 are as follows:

Director	Relationship with other Directors	Business Relationship	Loans & Advance From The Company	Sitting fees	Salary & Contribution to fund	Commission	Total
Santosh R. Tulsiyan	Brother of Subhash Tulsiyan	Promoter	Nil	Nil	900000	Nil	900000
Subhash R. Tulsiyan	Brother of Santosh Tulsiyan	Promoter	Nil	Nil	357000	Nil	357000

Ashok V. Tulsian	None	Promoter	Nil	Nil	Nil	Nil	Nil
Sanjeev D. Saran	None	None	Nil	Nil	Nil	Nil	Nil
Asharam S. Rungta	None	None	Nil	Nil	Nil	Nil	Nil
Radhaballabh Tibrewala	None	None	Nil	Nil	Nil	Nil	Nil
Maheshkumar Maheshwari	None	None	Nil	Nil	Nil	Nil	Nil
Sumeeta Tulsian	Wife of Brother of Directors (Santosh R Tulsian & Subhash R Tulsian)	None	Nil	Nil	300000	Nil	300000

5. INVESTORS GRIEVANCE COMMITTEE

The terms of reference mandated by your Board, which is also in line with the statutory and regulatory requirements, are:

- To redress Shareholders and Investors complaints;
- To reviews all matters connected with the securities transfers;
- To review status of legal cases involving the investors where the Company has been made a party.

The composition, names of the members, chairman, and particulars of the Meetings and attendance of the members during the year are as follows:

Sr. No.	Names of Members	Category	No. of Meetings Attended during the year 2020-21
1.	Subhash R. Tulsian	Non-Independent/Executive	4
2.	Asharam S. Rungta	Independent/Non Executive	4
3.	Radhaballabh Tibrewal	Independent/ Non-Executive	3

During the year the Investor Grievance Committee held its Meetings on the following dates:
30th June , 2020, 14th Sept, 2020, 27th November, 2020 and on 13th February, 2021

Name and designation of Compliance Officer:

CS RADHA SUSHIL KUMAR SHARMA
COMPANY SECRETARY
(M NO:- 46047)

Details of shares in physical form lodged for transfer during **2020-21** are as follows:

Sr. No.	Total No. of Transfer Deed Received	Dispatched within 30 days of receipt	Dispatched after 30 days of receipt
1	NIL	NIL	Nil

6. GENERAL BODY MEETINGS

The location and time of the Annual General Meetings held during the last 3 years are as follows:

AGM	<u>Date</u>	Time	Venue	Special Resolutions
36th AGM	28th September, 2018	11.30 A.M.	112/113, Sanjay Bldg. No.6, Mittal Estate, Andheri Kurla Road, Andheri (East) Mumbai 400059	NIL
37th AGM	27th September, 2019	11.30 A.M.	112/113, Sanjay Bldg. No.6, Mittal Estate, Andheri Kurla Road, Andheri (East) Mumbai 400059	Change in Remunerations of Directors
38th AGM	29th September, 2020	11.30 A.M.	112/113, Sanjay Bldg. No.6, Mittal Estate, Andheri Kurla Road, Andheri (East) Mumbai 400059	Change in Remunerations of Directors

The resolutions were passed by voting on show of hands. No item of business, which required the member's approval through postal ballot, was transacted during the year **2020-21**. Accordingly, the Companies (Postal Ballot) Rules 2001 is not applicable for said year.

APPOINTMENT/ REAPPOINTMENT OF DIRECTORS

Shri Santosh R. Tulsian (DIN: 00310573), Shri Subhash R Tulsian (DIN: 00308899) & Shri Ashok V Tulsian (DIN: 00320442), Directors retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment.

CHANGES IN THE BOARD OF DIRECTORS AFTER 31/03/2021:

There was no any change in the board of directors after 31st March, 2021.

7. DISCLOSURES

There are no materially significant related party transactions that have potential conflict with the interests of the Company at large. However, the transactions detailed in Note no.32 to Financial Statements may be considered as related party transactions.

There has been no instance of non-compliance by the Company on any matter related to capital markets. Hence, the question of penalties or strictures being imposed by SEBI or the Stock Exchanges does not arise.

Implementation of the Whistle Blower policy is in the process and the report of the same would be placed before the Board. The Company is fully compliant with the applicable mandatory requirements of the clause 49. Although it is not mandatory, a Remuneration committee of the Board is in place. Details of the same have been provided in this Report.

8. MEANS OF COMMUNICATION

The annual, half-yearly and quarterly results are regularly submitted to the Stock Exchange and published in newspapers in accordance with the Listing Agreement.

Your Company's quarterly results are usually published in the Active Times, Mumbai (English daily) and Mumbai Lakshadeep (Mumbai).

Your Company's Management Discussion & Analysis of the operations for the year ended **31st March, 2021** forms a part of this Annual Report and is given under the Section so captioned.

9. GENERAL SHAREHOLDER INFORMATION

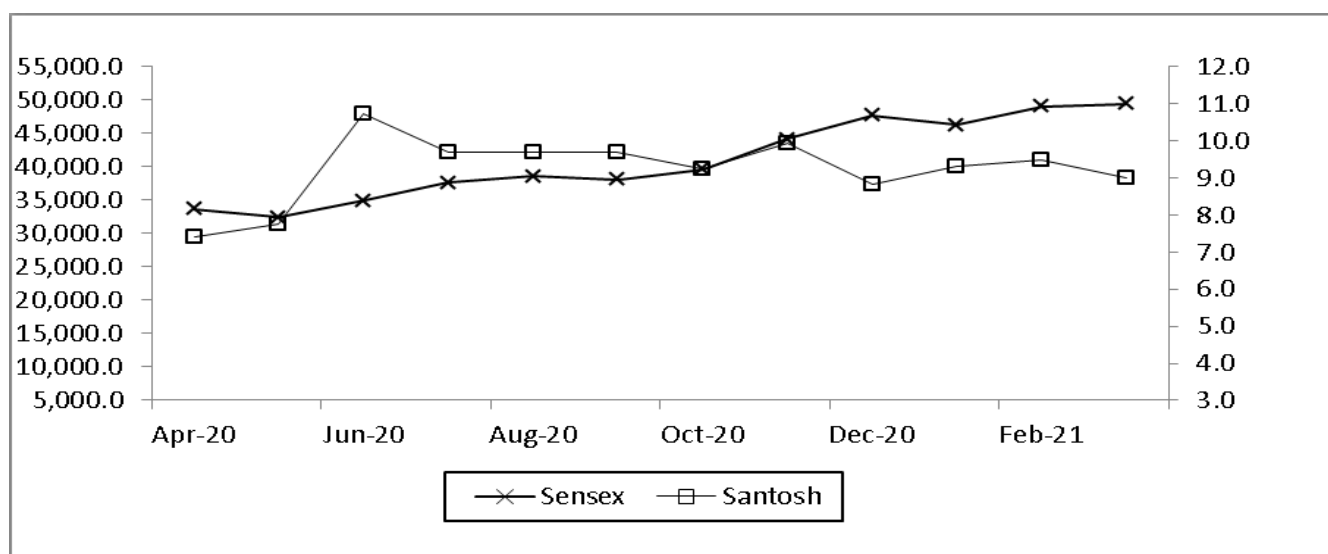
Sr. No.	Salient Items of Interest	Particulars
i.	AGM Date, time and venue	28th September, 2021, Tuesday 11.30 A.M., 112, /113 Sanjay Bldg. No.6, Mittal Industrial Estate, Andheri Kurla Road, Andheri (East) Mumbai 400059.
ii.	Financial Calendar	Year ending March 31, 2021
iii.	Date of Book Closure	21st September, 2021 to 28th September, 2021 both days inclusive
iv.	Dividend Payment Date	Not Applicable
v.	Listing on Stock Exchange	The Stock Exchange, Mumbai Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001.
vi.	Stock Code	530035
Vii.	Registrar & Share Transfer Agent	Adroit Corporate Services P Ltd., 18/19/20, Jaferbhoy Industrial Estate, 1 st Floor., Makwana Road, Marol Naka, Andheri (East) Mumbai 400059 Phone No: 28596060 /28594060/42270400, Fax 28503748, Contact person: Mr. Sada Shiva Shetty. E-Mail : Info@adroitcorporate.com
viii.	Share Transfer System	The power of approving transfer of securities has been delegated to the Company's Registrar and Share Transfer Agent, M/s Adroit Corporate Services P Limited, Mumbai. The share transfers that are received in physical form are approved in Share Transfer Committee Meeting and the share certificates normally returned within 30 days from the receipt, if the documents are clear in all respects.
ix.	Dematerialization of Shares and liquidity	As on 31st March, 2021 , 2089275 shares (59.28%) of the Company's total number of shares is in dematerialized form.
x.	Outstanding GDRs /ADRs / Warrants or any convertible instruments	There are no outstanding convertible warrants/instruments.
xi.	Plant Locations	L-40 & F 1/22, MIDC, Tarapur, Boisar Dist. Thane Maharashtra
xii.	Address Correspondence	Santosh Fine-Fab Limited, 112,/113 Sanjay Bldg No. 6, Mittal Industrial Estate, Andheri Kurla Road, Andheri (East) Mumbai 400059.
xiii.	ISIN Number for NSDL and CDSL	INE 612D01018

Market Price Data: High/Low during each Month of 2020-21 on Stock Exchange, Mumbai:

Month	HIGH Rs.	LOW Rs.
April 2020	7.62	7.27
May 2020	7.77	7.77
June 2020	10.90	8.14
July 2020	10.22	9.71
August 2020	9.71	9.71
September 2020	9.71	9.71
October 2020	9.23	9.23
November 2020	10.00	8.77
December 2020	9.95	8.83
January 2021	9.30	9.19
February 2021	9.50	9.50
March 2021	9.45	9.00

Stock performance vs. BSE Sensex:

The performance of the Company's equity share relative to the BSE sensitive index (BSE Sensex) is given in the chart below:



Distribution of shareholding as on 31st March, 2021:

Slab of shareholdings	Shareholders	%	No. Of Shares	%
0-5000	779	68.39	206313	5.85
5001 – 10000	165	14.49	137422	3.90
10001–20000	96	8.43	147919	4.20
20001–30000	20	1.76	47915	1.36
30001–40000	4	0.35	14670	0.42
40001–50000	15	1.32	72900	2.07
50001-100000	14	1.23	116653	3.31
Above 100000	46	4.04	2780808	78.90
Total	1139	100	3524600	100

Categories of Shareholding as on March 31, 2021:

<u>Categories</u>	Number of shares	Amount In Rs.	%
Promoters, Directors, Relatives and associated companies	1839350	18393500	52.18
Mutual Funds and UTI	NIL	NIL	NIL
Banks, Financial Institutions, Insurance Companies	NIL	NIL	NIL
Private Corporate Bodies	79935	799350	2.27
Indian Public	1548216	15482160	43.93
NRIs/OCBs	57099	570990	1.62
Total	3524600	35246000	100.00

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY CODE OF CONDUCT:

TO,
The Members of SANTOSH FINE FAB LIMITED

Declaration by the Chairman & Managing Director under clause 49 of the Listing Agreement

I, Santosh R.Tulsiyan, Chairman & Managing Director of SANTOSH FINE FAB LIMITED hereby declare that all the members of the Board of Directors and senior management personnel have affirmed Compliance with the code of conduct for the year ended 31st March, 2021.

PLACE: MUMBAI

Santosh R. Tulsiyan
Chairman & Managing Director

DATED: 29th JUNE, 2021

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Indian textiles industry has an overwhelming presence in the economic life of the country. It also provides employment to millions of people. During the year under review, the Indian Textile Industry, amidst a subdued demand scenario in the domestic as well as the international markets and intensifying competition, witnessed muted sales growth and moderation in profitability.

1. Overall performance

The overall performance during the year 2020-21 has been reasonably satisfactory, however due to unexpected lockdown due to Covid-19, sales has been affected badly and due to fixed costs overall margin has been effected, so resulted in net loss.

2. Business Review

As compared to the earlier years, the overall Textile Industry is having lack of growth; exports are also having down trend, Our Company is also not exception to the same. The slight recovery that was in sight was negated by the outbreak of Covid -19 pandemic in China in December, 2019 and then by the sudden lock down of the country implemented to prevent the spread of Covid-19 pandemic. The difficult market conditions has resulted in drop in the topline as well as the bottomline of the Company.

3. Financial Review

During the year under review, Company has managed its affair nearer to the last year. Our operations have been reduced during the current year due to lack of demand in industry and Covid-19 impact at the end of the year. Loss of Company decreased from loss of Rs. 46.96 lakhs to loss of Rs. 111.30 lakhs.

4. Outlook

The year ahead looks very grim for the Indian Textile Industry as both domestic consumption as well as export demand would be badly affected at least in the 1st half of 2020-21. Production activity would also be affected on account of shortage of raw material and labour as well as on account of the credit crunch. Recovery in the 2nd half of 2020-21 would be dependent on how the pandemic is controlled and on measures taken by the Government to revive the economy as well as the support it extends to the Textile Industry. Your Company has survived many a difficult times. Your Company with its inherent strengths like visionary leadership, versatile work force, modern manufacturing facilities, aggressive marketing strategies and well penetrated distribution network is confident to tide over this difficult phase too.

5. Risk and Concerns

The exercise for evaluating the potential risks for the organization is closely monitored by the management. All identified risks have been classified with respect to their seriousness, and probabilities of such risks getting materialized have also been ascertained. In formulating corporate strategies, these risks are duly considered and counter measures are adopted.

6. Human Resource Development

Over the years, your Company has developed an environment, which fosters excellence in performance by empowering its people, who are always on continuous improvement path with an ultimate aim to add value to their intellectual and knowledge resources. The key focus is to attract, retain and develop talent as a resource.

7. Internal Control System & Adequacy

The company has proper and adequate system of Internal Control to ensure the all the assets are safeguarded from loss, damage or disposition. Checks and balances are in place to ensure that transactions are adequately authorized and recorded, and that they are reported correctly. The Board to Directors considers internal controls as adequate.

INDEPENDENT AUDITOR'S REPORT

To the members of **SANTOSH FINE FAB LIMITED**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **SANTOSH FINE FAB LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein referred to as "the standalone financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its loss, total comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those SAs are further described in the Auditor's responsibilities for the audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone 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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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 no Key Audit Matters to be communicated in our report.

Information Other than the Standalone 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 in the Management Discussion and Analysis, Board's Report including Annexure to the Board's Report and Corporate Governance but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the Standalone 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 Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Standalone Financial Statements:

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 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 Standalone 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 Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone 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 Standalone 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 Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure 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;

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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

e) On the basis of the written representations received from the directors as on March 31, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".

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

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

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts, for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company during the year ended March 31, 2021.

For Jhunjhunwala Jain & Associates LLP

Chartered Accountants

Firm Registration No: 113675W

(CA Randhir Kumar Jhunjhunwala)

Partner

Membership No. : 047058

UDIN : 21047058AAAABP9727

Place : Mumbai

Date : June 29, 2021

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT - MARCH 31, 2021

Referred to in paragraph 1 of the Independent Auditors' Report of even date to the members of SANTOSH FINE FAB LIMITED on the standalone financial statements for the year ended March 31, 2021.

- i. In respect of its property, plant and equipment
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.
 - b) Property, Plant and Equipment are physically verified by the Management according to a phased periodic manner, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
 - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that, the title deeds of immovable property are held in the name of the Company.
- ii. (a) According to the information and explanations given to us, physical verification of Inventories has been conducted at reasonable intervals by the management.
 - (b) We are informed that no material discrepancies have been noticed on such physical verification.
- iii. According to the information and explanations given to us, the Company has not granted any loans secured or unsecured, to companies, covered in the register maintained under Section 189 of the Act and thus the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and According to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of companies Act, 2013 in respect of grant of loans, making investment and providing guarantees and securities, as applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposit from the public in accordance with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. As informed to us, the maintenance of Cost Records is not applicable to the company due to monetary limits specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- vii. According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion:
 - a) According to the information and explanation given to us, the statutory dues have been regularly deposited during the year by the company with the appropriate authorities. There are no undisputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, GST, Custom Duty, Service Tax, Investor Education and Protection Fund, Excise Duty, Cess and any other statutory dues as at March 31, 2021 for a period of more than six months from the date of becoming payable.

b) According to the information and explanation given to us, there were no statutory dues in respect of Sales Tax, Wealth Tax, GST, Custom Duty, Service Tax, Investor Education and Protection Fund, Excise Duty, Cess which have not been deposited as on March 31, 2021 on account of any dispute.

viii. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues towards banks or financial institutions and dues in respect of debentures.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, all transaction with 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 notes to the standalone financial statements as required by the applicable accounting standards.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Jhunjhunwala Jain & Associates LLP

Chartered Accountants

Firm Registration No: 113675W

(CA Randhir Kumar Jhunjhunwala)

Partner

Membership No. : 047058

UDIN : 21047058AAAABP9727

Place : Mumbai

Date : June 29, 2021

Report on the Internal Financial Controls with reference to the aforesaid Standalone Financial Statements under Clause (i) Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

(Referred to in paragraph (2) (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We have audited the internal financial controls over financial reporting of **SANTOSH FINE FAB LIMITED** ("the Company") as of March 31, 2021 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial controls with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to Standalone Financial Statements include 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 Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements .

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, 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 with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements 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 March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Jhunjhunwala Jain & Associates LLP

Chartered Accountants

Firm Registration No: 113675W

(CA Randhir Kumar Jhunjhunwala)

Partner

Membership No. : 047058

UDIN : 21047058AAAABP9727

Place : Mumbai

Date : June 29, 2021

SANTOSH FINE-FAB LIMITED

STANDALONE BALANCE SHEET AS AT MARCH 31, 2021

(Amount In Rs.)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
I. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	4	1,35,43,056	1,54,09,420
(b) Other Intangible Assets	4	2,176	2,176
(c) Financial Assets			
(i) Investments	5	1,01,000	1,01,000
(ii) Others	6	2,99,710	2,99,710
(d) Deferred tax Assets (Net)	7	55,23,615	6,15,072
		1,94,69,557	1,64,27,378
(2) Current Assets			
(a) Inventories	8	5,50,44,441	6,38,15,307
(b) Financial Assets			
(i) Trade receivables	9	5,57,72,694	7,31,22,634
(ii) Cash & Cash equivalents	10	2,48,729	1,14,629
(c) Current Tax Assets (Net of Provision)	11	3,57,450	13,88,797
(d) Other Current Assets	12	51,11,739	59,82,290
		11,65,35,054	14,44,23,657
TOTAL ASSETS		13,60,04,611	16,08,51,035
I. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	13	3,43,29,695	3,43,29,695
(b) Other Equity	14	3,32,62,022	4,43,91,770
		6,75,91,717	7,87,21,465
LIABILITIES			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	41,60,000	-
(b) Provisions	16	37,65,160	39,58,672
		79,25,160	39,58,672
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	3,61,58,970	4,50,19,295
(ii) Trade Payables			
(A) Total Outstanding dues Of Micro and Small Enterprises	18	9,80,378	5,29,527
(B) Total Outstanding dues of creditor other than Micro and Small Enterprises		1,60,11,952	2,70,50,939
(iii) Others	19	49,97,808	29,75,828
(b) Other Current liabilities	20	17,21,063	20,95,091
(c) Provisions	21	6,17,563	5,00,218
		6,04,87,734	7,81,70,898
TOTAL EQUITY AND LIABILITIES		13,60,04,611	16,08,51,035

Summary of significant accounting policies

3

The accompanying notes from 1 to 39 form an integral part of the Financial Statements.

As per our report of even date

For and on behalf of the Board of Directors

For Jhunjhunwala Jain & Associates LLP

Chartered Accountants

Firm Registration No: 113675W

Santosh R. Tulsiyan
Managing Director
(DIN : 00310573)

Subhash R. Tulsiyan
Executive Director
(DIN : 00308899)

(CA Randhir Kumar Jhunjhunwala)

Partner

Membership No : 047058

Sunil R. Tulsiyan
Chief Financial Officer

Asharam S. Rungta
Director
(DIN : 00320409)

Place : Mumbai

Date : June 29, 2021

Radha Sushilkumar Sharma

Company Secretary & Compliance Officer
(M No. 46047)

SANTOSH FINE-FAB LIMITED

STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON MARCH 31, 2021

(Amount In Rs)

Particulars	Note	For the year ended March 31, 2021	For the year ended March 31, 2020
REVENUE			
I. Revenue From Operations	22	7,40,41,255	20,06,27,118
II. Other Income	23	3,24,184	15,76,870
III. Total Revenue (I+II)		7,43,65,439	20,22,03,988
IV. EXPENSES			
Cost of Raw Materials Consumed	24	2,75,65,040	9,27,78,191
Purchase of Stock In Trade		18,92,912	58,20,455
Changes in Inventories of Finished Goods, Stock-In-Trade and Work-In-Progress	25	1,25,42,911	1,38,52,194
Employees Benefits Expenses	26	1,30,54,333	2,27,43,717
Finance Costs	27	48,06,694	50,36,637
Depreciation & Amortization Expenses	4	20,67,663	22,42,862
Other Expenses	28	2,85,65,150	6,46,44,259
Total Expenses (IV)		9,04,94,703	20,71,18,314
V. Profit (Loss) Before Exceptional Items & Taxes (III-IV)		(1,61,29,264)	(49,14,326)
VI. Exceptional Items			
Profit (Loss) on Sales of Fixed Assets		(59,009)	-
VII. Profit (Loss) Before Tax (V-VI)		(1,61,88,273)	(49,14,326)
VIII. Tax Expenses			
(1) Current tax		-	-
(2) (Short)/Excess Provision Earlier year		8,645	-
(3) Deferred tax		49,45,291	5,99,585
IX. Net Profit (Loss) After Tax		(1,12,34,337)	(43,14,741)
X. Other Comprehensive Income			
1) Items that will not be reclassified to Profit & Loss			
i) Remeasurement gain on defined benefit Plan		1,41,338	(3,81,209)
ii) Income tax related to item no. (i) above		(36,748)	0
Other Comprehensive Income (OCI), net of tax expenses		1,04,590	(3,81,209)
Profit (Loss) for the Year		(1,11,29,747)	(46,95,950)
Earnings Per Share (Face Value Rs.10/-Each)	33		
Basic & Diluted (Before Exceptional Items)		(3.14)	(1.33)
Basic & Diluted (After Exceptional Items)		(3.16)	(1.33)

Summary of significant accounting policies

3

The accompanying notes from 1 to 39 form an integral part of the Financial Statements.

As per our report of even date
For Jhunjhunwala Jain & Associates LLP

Chartered Accountants
Firm Registration No: 113675W

For and on behalf of the Board of Directors

Santosh R. Tulsiyan
Managing Director
(DIN : 00310573)

Subhash R. Tulsiyan
Executive Director
(DIN : 00308899)

(CA Randhir Kumar Jhunjhunwala)
Partner
Membership No : 047058

Sunil R. Tulsiyan
Chief Financial Officer

Asharam S. Rungta
Director
(DIN : 00320409)

Place : Mumbai
Date : June 29, 2021

Radha Sushilkumar Sharma
Company Secretary & Compliance Officer
(M No. 46047)

SANTOSH FINE-FAB LIMITED
STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

(Amount In Rs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax & Extraordinary Item	(1,61,29,264)	(52,95,535)
<u>Adjustments For:</u>		
Depreciation & Amortization Of Exp.	20,67,663	22,43,000
Interest Paid	45,59,649	46,78,000
Interest Received	(1,36,633)	(1,06,000)
Dividend Received	-	(11,000)
Provision For Gratuity	5,31,459	9,47,000
Operating Profit Before Working Capital	(91,07,126)	24,56,465
<u>Adjustments For:</u>		
Trade And Other Receivables	1,82,20,491	2,02,56,164
Inventories	87,70,866	2,56,57,000
Trade And Other Payables	(97,10,640)	(3,97,72,000)
Cash Generated From Operations	81,73,590	85,97,629
Gratuity Paid	(5,77,236)	(1,32,000)
Prior Year Adjustment	-	-
Direct Taxes (Paid)/Refund	10,39,992	(2,77,000)
NET CASH FROM OPERATING ACTIVITIES	86,36,346	81,88,629
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase Of Fixed Assets	(2,66,808)	(3,95,000)
Sale of Fixed Assets	6,500	-
Interest Received	1,36,633	1,06,000
Dividend Received	-	11,000
NET CASH FLOW IN INVESTING ACTIVITIES	(1,23,675)	(2,78,000)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds Non Current Borrowing	41,60,000	-
Bank Borrowing	(79,78,921)	(32,69,000)
Interest Paid	(45,59,649)	(46,78,000)
NET CASH FLOW IN FINANCING ACTIVITIES	(83,78,570)	(79,47,000)
Net Increase In Cash And Cash Equivalents	1,34,101	(36,371)
Cash And Cash Equivalents (Opening Balance)	1,14,629	1,51,000
Cash And Cash Equivalents (Closing Balance)	2,48,729	1,14,629

Summary of significant accounting policies

3

The accompanying notes from 1 to 39 form an integral part of the Financial Statements.

As per our report of even date

For Jhunjhunwala Jain & Associates LLP

Chartered Accountants

Firm Registration No: 113675W

(CA Randhir Kumar Jhunjhunwala)

Partner

Membership No : 047058

Place : Mumbai

Date : June 29, 2021

For and on behalf of the Board of Directors

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Radha Sushilkumar Sharma

Company Secretary & Compliance Officer

(M No. 46047)

SANTOSH FINE-FAB LIMITED

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

A. Equity Share Capital

Particulars	No. of Shares	Amount
Equity Shares of Rs.10/- each (Net of calls in arrears)		
As at April 1, 2019	35,24,600	3,43,29,695
Issued during the year	-	-
As at March 31, 2020	35,24,600	3,43,29,695
Issued during the year	-	-
As at March 31, 2021	35,24,600	3,43,29,695

B. Other Equity

Particulars	Reserves & surplus			Total Other Equity
	Share Premium	General Reserve	Retained Earnings	
Balance as at 1st April 2020	2,18,29,696	39,72,975	1,85,89,099	4,43,91,770
Profit For the year	-	-	(1,12,34,337)	(1,12,34,337)
Other Comprehensive Income for the year	-	-	1,04,590	1,04,590
Total Comprehensive Income for the year	-	-	(1,11,29,747)	(1,11,29,747)
Balance as at 31st March 2021	2,18,29,696	39,72,975	74,59,351	3,32,62,022

Summary of significant accounting policies

3

The accompanying notes from 1 to 39 form an integral part of the Financial Statements.

As per our report of even date

For Jhunjhunwala Jain & Associates LLP

Chartered Accountants

Firm Registration No: 113675W

For and on behalf of the Board of Directors

Santosh R. Tulsian

Managing Director

(DIN : 00310573)

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Director

(DIN : 00320409)

Place : Mumbai

Date : June 29, 2021

Radha Sushilkumar Sharma

Company Secretary & Compliance Officer

(M No. 46047)

SANTOSH FINE FAB LTD

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note 1- Corporate Information

- 1.1 Santosh Fine Fab Ltd. ("the Company") is a limited Company domiciled and incorporated in India and its shares are publicly traded on the Bombay Stock Exchange (BSE), in India. The registered office of the Company is situated at 112/113, Sanjay Building No 6, Mittal Estate, Andheri (East), Mumbai - 400059.
- 1.2 Company is engaged in the business of Manufacturing & Trading of Textile Products.

Note 2- Basis of Preparation and Presentation

2.1 Statement of compliance

These financial statements ("the Financial Statements") are prepared in accordance with the Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies for the periods presented in these financial statements.

2.2 Accounting convention

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.3 Presentation

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows".

The Standalone financial statements are presented in Indian Rupees (Rs.) and all values are rounded to the nearest Rupees, except when otherwise indicated.

2.4 Impact of COVID-19 pandemic

The novel coronavirus (COVID-19) pandemic (as declared by WHO) is causing significant disturbance and slowdown of economic activity globally and in India. The Company has evaluated impact of COVID-19 on its business operations, assessed the Company's liquidity position and evaluated the recoverability and carrying value of its assets including property plant and equipment, receivables and investments as at March 31, 2021. Based on its review, consideration of internal and external information up to the date of approval of these financial statements current indicators of future economic conditions relevant to the Company's operations and other market factors and information, management has concluded that no adjustments are required to the Company's financial results at this time. However, the full extent of impact of the COVID-19 pandemic on the operations, and financial metrics (including impact on provisioning on financial instruments) will depend on government and regulatory guidelines and future developments which are uncertain and incapable of estimation at this time.

2.5 Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in the note 3 of the financial statements.

Note 3- Significant Accounting Policies & Judgements**3.1 Property, Plant & Equipment**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives

The assets' residual values, useful lives and method of depreciation are reviewed at each financial year end and are adjusted prospectively, if appropriate.

3.2 Intangible Assets

Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the intangible assets.

Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

Computer software are capitalized at the amount paid to acquire the respective license for use and are amortized over period of useful lives. The assets useful lives are reviewed at each financial year end.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognized.

3.3 Capital Work-In-Progress

Capital work-in-progress/intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

3.4 Employee Benefits

Short term employee benefits are recognised as an expense in the statement of profit and loss of the year in which the related services are rendered.

Post employment and other long term employee benefits are charged off in the year in which the employee has rendered services. The amount charged off is recognized at the present value of the amounts payable determined using actuarial valuation techniques based on Projected Unit Credit Method. Actuarial gain/losses in respect of post employment and other long term benefits are charged to Other Comprehensive Income (Net of Tax).

Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

3.5 Foreign Currency Transaction

i. Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the date of the transaction.

ii. Monetary Items denominated in foreign currencies at the year end are restated at year end rates. In case of those items, which are covered by forward exchange contracts, the difference between the year end rate and spot rate on the date of the contract is recognized as exchange difference and transferred to dollar hedge account account as on the date of Balance Sheet and the premium paid on forward contracts has been recognized over the life of the contract.

iii. All other exchange difference are dealt with in the profit & loss account.

3.6 Investments

Long term investments are stated at cost. Provision for diminution in the value of long term investment is made only if such decline is other than temporary in the opinion of the management. The carrying amount for current investments recognized in Financial Statements is the lower of cost and fair value. Any reduction to fair value and any reversals of such reductions, in case of these Current Investments, are included in the profit and loss statement.

3.7 Inventories

Inventories are valued at lower of cost and net realisable value. Cost includes all charges incurred for bringing the goods to their present location and condition, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable. 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.

3.8 Revenue from Contract with Customers:

Revenue from contract with customers is recognised when control of the goods or services are transferred to the customers at an amount that reflects the consideration at which the company expects to be entitled in exchange for those goods or services. The company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customers.

Sale of Goods:

Revenue from sale of goods is recognised at the point in time when control of the goods has been transferred to the customer, generally on delivery of the goods and there is no unfulfilled obligation that could affect the customer's acceptance of the goods. The company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the company considers the effects of variable consideration, and consideration payable to the customers (if any). Sales are recorded net of duties and taxes adjusted for discount and after deducting returns, discounts and claims.

Export Incentive

Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

- i). Benefit on account of entitlement to Import duty free materials under the Scheme is recognized as and when right to receive are established as per the terms of the scheme.
- ii). The Benefit in respect of Duty Drawback is recognised at the time of exports.

Dividend Income

Dividend income from investments is recognised when the Company's right to receive is established which generally occurs when the shareholders approve the dividend.

Interest Income

Interest income is included in other income in the statement of profit or loss. Interest Income mainly include trading interest which is recognised on receipt basis.

3.9 GST paid on acquisition of assets or on incurring expenses:

Expenses and assets are recognised net of the amount of GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority (Ineligible input credit) , in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included.
- The net amount of tax recoverable from, or payable to, the taxation authority is included as part of "Other Current Assets" or Other Current Liabilities , as the case may be, in the balance sheet.

3.10 Taxation

Tax expense recognized in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognized in other comprehensive income or directly in equity.

Current tax comprises the tax payable or receivable on taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current tax is computed in accordance with relevant tax regulations. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets are recognised on unused tax loss, unused tax credits and deductible temporary differences to the extent it is probable that the future taxable profits will be available against which they can be used. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

3.11 Provisions, Contingent Liabilities, Contingent Assets and Commitments:

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 outflow 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.

If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the statement of profit and loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

3.12 Borrowing Costs

Borrowing costs comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property Plant and Equipment (PPE) which are capitalized to the cost of the related assets. A qualifying PPE is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

3.13 Impairment of Assets

An asset is considered as impaired when at the date of Balance Sheet, there are indications of impairment and the carrying amount of the asset, or where applicable, the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognised as an impairment loss in the statement of profit and loss. The impairment loss recognised in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

3.14 Financial instruments – initial recognition, subsequent measurement and impairment:

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.

a) Financial Assets**Initial recognition and measurement**

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

Subsequent measurement**Financial assets carried at amortised cost (AC)**

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. For trade receivables and other financial assets maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

b) Financial Liabilities**Initial recognition and measurement**

All financial liabilities are recognized at fair value.

Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition 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.

Impairment of financial assets**Trade receivables**

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of trade receivables.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Write-offs

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

3.15 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.16 Current and non-current classification

The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

An asset is classified as current when it is:

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b) Held primarily for the purpose of trading & manufacturing.
- c) Expected to be realised within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when it is:

- a) Expected to be settled in normal operating cycle,
- b) Held primarily for the purpose of trading, & manufacturing.
- c) Due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The Company has identified twelve months as its normal operating cycle.

3.17 Earnings per share:

Basic earnings per share is computed using the 'net profit for the year attributable to the shareholders (Before and After Exceptional Items)' and weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the 'net profit for the year attributable to the shareholder (Before and After Exceptional Items)' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

3.18 Significant Accounting Judgements, Estimates and Assumptions

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

SANTOSH FINE FAB LTD

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

Property, plant and equipment and Intangible Assets

Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values as per Schedule II of the Companies Act, 2013 or are based on the Company's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Contingencies

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, 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.

Fair value measurements and Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Defined benefits plan

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 the future. These include 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.

Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

Provisions

Provisions and liabilities are recognised 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 require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

SANTOSH FINE FAB LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note 5 - Non Current investments

(Amount In Rs)

Particulars	As at March 31, 2021			As at March 31, 2020		
	No. of Shares/ units	Face Value (Rs) unless otherwise stated	Amount	No. of Shares/ units	Face Value (Rs) unless otherwise stated	Amount
(a) In Equity Instruments Unquoted Fully Paid up (at cost) Saraswat Co-op Bank	100	10	1,000	100	10	1,000
(a) In Preference Shares Unquoted Fully Paid up (at cost) Saraswat Co-op Bank	10000	10	1,00,000	10000	10	1,00,000
			1,01,000			1,01,000

Note 6 - Non Current Financial Assets- others

(Amount In Rs)

Particulars	As at March 31, 2021	As at March 31, 2020
Security Deposits With Govt & others	2,99,710	2,99,710
	2,99,710	2,99,710

Note 7 - Deferred Tax Assets (Net)

(Amount In Rs)

Particulars	As at March 31, 2021	As at March 31, 2020
<u>Tax effect of items constituting deferred tax assets</u>		
Provision for employees benefits	10,81,479	11,28,100
On Carry forward of Current Year' Loss	40,83,245	2,47,090
On Carry forward of Previous Year' Losses	9,70,804	-
<u>Tax effect of items constituting deferred tax liabilities</u>		
Difference between book balance and tax balance of property, plant and equipment	6,11,913	7,60,118
	55,23,615	6,15,072

Note 8 - Inventories

(Amount In Rs)

Particulars	As at March 31, 2021	As at March 31, 2020
Raw Material	98,01,257	1,05,91,915
Stock in Process	1,41,98,397	1,48,17,236
Finished Goods	3,05,90,830	3,79,16,073
Store & Spares	1,31,955	1,50,462
Packing Material	3,22,002	3,39,621
	5,50,44,441	6,38,15,307

Mode of Valuation of Inventories (Value taken and certified by the management)

- a) Raw Material: Lower of Cost or Net Realizable Value
- b) Stock In Process: At estimated cost
- c) Finished Goods: Lower of Cost or Net Realizable Value
- d) Store & Spares, Packing Material : At Cost

SANTOSH FINE FAB LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note 9 - Current Financial Assets - Trade Receivable

(Amount In Rs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Receivables		
Unsecured, Considered Good	3,84,69,004	6,23,66,830
Unsecured, having significant credit Risk:	1,73,03,690	1,07,55,804
	5,57,72,694	7,31,22,634

Note 10 - Cash & Cash Equivalents

(Amount In Rs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balances With Banks		
In Current Accounts	2,13,523	72,019
Cash on hand	35,206	42,610
	2,48,729	1,14,629

Note 11 - Current Tax Assets (Net)

(Amount In Rs)

Particulars	As at March 31, 2021	As at March 31, 2020
a) Advance Taxes	3,57,450	17,05,797
Less :		
b) Provisions of Taxes	-	3,17,000
	3,57,450	13,88,797

Note 12 - Other Current Assets

(Amount In Rs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance With Government Authorities		
GST	39,76,806	42,85,658
Duty Drawback Receivable	55,949	3,78,731
Excess Providend fund paid	1,27,173	1,27,173
Advance to Supplier for Goods & Expenses	11,734	1,00,105
Advance to Employee	5,83,219	6,39,420
Others*	3,56,858	4,51,203
	51,11,739	59,82,290

*Others includes Prepaid Expenses

SANTOSH FINE-FAB LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note 13 - Equity Share Capital

(Amount In Rs)

Particular	As at March 31, 2021		As at March 31, 2020	
	Number	Amount	Number	Amount
Authorised Share Capital				
Equity Shares of Rs.10/- each	40,00,000	4,00,00,000	40,00,000	4,00,00,000
Issued, Subscribed and Paid up*				
Equity Shares of Rs.10/- each fully paid up	35,24,600	3,52,46,000	35,24,600	3,52,46,000
Less: Calls in Arrears* (On 305400 Share)		9,16,305		9,16,305
		3,43,29,695		3,43,29,695

* Calls in arrears are not due from Directors & their relatives

B. Reconciliation of the number of share outstanding

	As at March 31, 2021		As at March 31, 2020	
	Number	Amount	Number	Amount
Equity Share Outstanding at the beginning	35,24,600	3,43,29,695	35,24,600	3,43,29,695
Add: Equity Share issued during the year	-	-	-	-
Less: Share brought back during the year	-	-	-	-
Equity Share Outstanding at the end	35,24,600	3,43,29,695	35,24,600	3,43,29,695

C. Rights, Preferences and Restrictions attached to Equity Shares

Equity Share Holder is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend if any proposed by the Board of Directors is subject to the approval of shareholders in the ensuing General Meeting. Dividend is paid to the Equity Shareholders, whose name appear in the register of members as on record date.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amount. Distribution will be in proportion to the number of equity shares held by the shareholders.

D. Details of Shareholder holding more than 5% shares:

Name of the Shareholder	Equity Share		Equity Share	
	Number	% Of Holding	Number	% Of Holding
Arjun R Tulsiyan	3,31,800	9.41%	3,31,800	9.41%
Santosh R Tulsiyan	2,65,550	7.53%	2,65,550	7.53%
Madhu S Tulsiyan	1,82,500	5.18%	1,82,500	5.18%
Sunil Tulsiyan Huf	1,79,900	5.10%	1,79,900	5.10%

E. The Company has neither issued equity shares pursuant to contract without payment being received in cash nor any bonus shares in the current year and five years immediately preceding the balance sheet date.

SANTOSH FINE-FAB LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note 14 - Other Equity

(Amount In Rs)

Particulars	Reserves & surplus			Total Other Equity
	Share Premium	General Reserve	Retained Earnings	
Balance as at April 1, 2020	2,18,29,696	39,72,975	1,85,89,099	4,43,91,770
Profit For the year	-	-	(1,12,34,337)	(1,12,34,337)
Other Comprehensive Income For the year ended 31st March 2021	-	-	1,04,590	1,04,590
Total Comprehensive Income For the year ended 31st March 2021	-	-	(1,11,29,747)	(1,11,29,747)
Balance as at March 31, 2021	2,18,29,696	39,72,975	74,59,351	3,32,62,022

* Share premium account is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the relevant statutes.

* General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

* Retained earnings are created from the profit / loss of the Group, as adjusted for distributions to owners, transfers to other reserves, etc.

Note 15 - Non- Current Financial Liabilities - Borrowings

(Amount In Rs)

Particulars	As at 31st March 2021	As at 31st March 2020
Secured Loans:		
(a) Working Capital Term Loan		
Saraswat Bank	4160000	0
(Loan against Hypothecation of Plant & Machinery located at L-40, Tarapur And Security of Factory Land & Building situated at L-40 & F-1/22, Tarapur. Additional Personal Gurantee of Two Directors)		
	4160000	0

Notes :
 *(The loan of Rs. 50.00 Lakhs should be repaid in 48 Months with a moratorium period of 12 Months from date of Disbursement (06.10.20).
 Loan To be paid in 36 months installments Rs 1.4 lakhs for 35 Months & 1 Lakhs for 1 Month)

Note 16 - Non- Current Liabilities-Provisions

(Amount In Rs)

Particulars	As at 31st March 2021	As at 31st March 2020
Gratuity	3765160	3958672
	3765160	3958672

SANTOSH FINE-FAB LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note 17 - Current Financial Liabilities - Borrowings

(Amount In Rs)

Particulars	As at March 31, 2021	As at March 31, 2020
Secured Loans:		
From Banks		
Cash Credit (In INR)*	3,61,58,970	4,50,19,295
	3,61,58,970	4,50,19,295

*(Above Loans are secured against mortgage of Land, Building, Machinery & hypothecation of Stock, Book Debts, Movable Assets & Personal Guarantee of Two Directors)

Note 18 - Current Financial Liabilities- Trade Payables

(Amount In Rs)

Particulars	As at March 31, 2021	As at March 31, 2020
For Goods and Expenses :		
(In Ordinary Course of th business)		
(A) Total Outstanding dues Of Micro and Small Enterprises	9,80,378	5,29,527
(B) Total Outstanding dues of creditor other than Micro and Small Enterprises	1,60,11,952	2,70,50,939
	1,69,92,330	2,75,80,466

Disclosure under the Micro and Small Enterprises Development Act, 2006 :

Disclosure of sundry creditors under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprise Development Act, 2006 (The Act).

Some Suppliers has given the information under Micro and Small Enterprises Act, disclosure for amount due to Micro and Small Enterprises under the above is disclosed accordingly.

SANTOSH FINE-FAB LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note 19 - Current Financial Liabilities- Others

(Amount In Rs)

Particulars	As at March 31, 2021	As at March 31, 2020
Current Maturity of Long Term Debts:		
-Term Loan	8,40,000	-
Interest Accrued but not due on borrowings	41,404	-
Others payable	41,16,404	29,75,828
	49,97,808	29,75,828

Note 20 - Current Liabilities -Others

(Amount In Rs)

Particulars	As at March 31, 2021	As at March 31, 2020
Deposit From Dealers	3,59,200	4,35,100
Advance From Customers	11,35,088	14,11,471
Taxes & Duties	2,26,775	2,48,520
Income Received But Not due	-	-
	17,21,063	20,95,091

Note 21 - Current Liabilities-Provisions

(Amount In Rs)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision For Gratuity	2,59,883	2,53,486
Provision for Expenses	3,57,680	2,46,732
	6,17,563	5,00,218

SANTOSH FINE-FAB LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note 22 - Revenue From Operations

(Amount In Rs)

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
	Revenue From Sale of Product (Fabrics)			
Domestic	6,62,75,719		15,13,79,664	
Export	5,65,721	6,68,41,440	3,31,29,632	18,45,09,296
Job Work		71,99,815		1,61,17,821
Other Operating Revenue		-		-
Total		7,40,41,255		20,06,27,118

22.1 There are no unsatisfied performance obligations resulting from revenue from contract with customers as at March,2021 except as stated below in relation to goods shipped/despatched for export but not delivered to customers.

Reconciliation of Revenue recognised with contract price:	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue as per Contracted prices	8,47,27,559	21,81,05,982
Adjustments for:-		
1) Discounts, Rebates, Sales Returns, etc.	1,06,86,304	1,69,13,143
2) Goods despatched and shipped for export but not delivered to customers	-	5,65,721
Revenue from contract with customers/Revenue from operations	7,40,41,255	20,06,27,118

Note 23 - Other Income

(Amount In Rs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Income (Gross)	1,36,633	1,05,750
Foreign Exchange Fluctuation Gain	25,548	22,165
Export Incentive	3,345	12,98,139
Dividend Received	-	10,675
Other Income	1,58,658	1,40,141
Total	3,24,184	15,76,870

Note 24 - Cost of Raw Materials Consumed

(Amount In Rs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Raw material consumed		
Yarn		
Opening Stock	1,05,91,915	1,54,66,826
Add: Purchases	61,53,274	2,32,97,832
	1,67,45,189	3,87,64,658
Less: Closing Stock	98,01,257	1,05,91,915
	69,43,932	2,81,72,743
Grey Fabrics		
Opening Stock	18,18,829	82,45,896
Add: Purchases	2,52,19,937	5,81,78,381
	2,70,38,766	6,64,24,277
Less: Closing Stock	64,17,658	18,18,829
	2,06,21,108	6,46,05,448
Total	2,75,65,040	9,27,78,191

Note 25 - Changes in Inventories of Finished Goods and Work in Progress

(Amount In Rs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
OPENING STOCK		
Finish Goods (Fabric)	3,79,16,073	5,48,81,990
Stock In Process (WIP)	1,29,98,407	98,84,684
	5,09,14,480	6,47,66,674
CLOSING STOCK		
Finish Goods (Fabric)	3,05,90,830	3,79,16,073
Stock In Process (WIP)	77,80,739	1,29,98,407
	3,83,71,569	5,09,14,480
Total	1,25,42,911	1,38,52,194

Note 26 - Employee Benefits Expenses

(Amount In Rs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries and Wages	93,48,052	1,71,61,035
Director Remuneration & Perquisite	16,26,900	23,38,915
Bonus/ Ex Gratia	7,48,209	11,88,918
Contribution to Provident Fund & ESIC	5,80,257	10,09,361
Staff Welfare	2,19,456	4,79,404
Gratuity	5,31,459	5,66,084
Total	1,30,54,333	2,27,43,717

SANTOSH FINE-FAB LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note 27 - Finance Costs

(Amount In Rs)

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
Interest Expenses				
Interest to Bank		44,96,324		46,77,725
Interest on Unsecured Loan		54,760		-
Other Interest		8,565		385
Other Borrowing Costs				
Bank Charges		2,47,045		3,58,526
Total		48,06,694		50,36,637

Note 28 - Other Expenses

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
A. Manufacturing & Operating Expenses				
Dyeing & Process charges	98,62,159		2,61,64,438	
Power & Fuel	20,52,241		32,78,987	
Labour Contractor	14,49,424		36,34,554	
Weaving & Stitching Charges Paid	23,83,939		74,24,659	
Rate & taxes, licence & permit fees	1,49,402		45,930	
Repair Machinery	4,19,440		11,40,695	
Store & consumable	5,59,463		17,20,106	
Carriage Inward	3,06,652		5,22,524	
Designing & Sampling Charges	5,46,662		8,67,587	
Other Manufacturing Expenses	6,68,155	1,83,97,536	7,50,224	4,55,49,705
B. Administrative Expenses				
Sales Tax Assessment Dues	11,376			
Conveyance Expenses	4,02,599		13,08,621	
Insurance Expenses	2,49,949		2,87,216	
Legal & Professional Fees	5,08,771		5,93,515	
Motor Car & Vehicle Expenses	2,40,891		3,33,809	
Membership Subscription	3,26,450		3,21,350	
Postage & Stamps	3,15,960		5,75,784	
Rent, Rate & Taxes	4,33,905		4,65,006	
Payment To Auditors (refer footnote (27.3))	2,65,000		2,65,000	
Telephone Expenses	85,748		92,302	
Other Administrative Expenses	7,15,169	35,55,817	12,48,874	54,91,477
C. Selling & Distribution Expenses				
Bad Debts	5,10,320		-	
Commission & Brokerage	24,02,389		36,54,216	
Export Freight & Insurance	3,353		5,62,077	
Packing Expenses (refer footnote (27.2))	18,68,178		52,88,389	
Sales Incentive	2,44,879		5,30,138	
Sales Promotion & Adv Expenses	4,34,573		10,86,329	
Traveling Expenses	5,38,349		13,20,273	
Other Selling & Distribution Expenses	6,09,756	66,11,797	11,61,654	1,36,03,077
Total (Other Expenses)		2,85,65,150		6,46,44,259

SANTOSH FINE-FAB LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Footnote:

28.1 Value of Raw Material & Stores Consumed

	For the Year 2020-21	% of consumption	For the Year 2019-20	% of consumption
Stores				
Imported	-	-	-	-
Indigenous	5,59,463	100.00	17,20,106	100.00
	5,59,463	100.00	17,20,106	100.00

Since there is no import of raw material, therefore raw material consumption not shown separately under indigenous & imported

28.2 Value of Packing Material Consumed

Opening Stock	3,39,621		8,20,574	
Add: Purchases	18,50,559		48,07,436	
	21,90,180		56,28,010	
Less: Closing Stock	3,22,002	18,68,178	3,39,621	52,88,389
Total		18,68,178		52,88,389

28.3 Payment To Auditors

	For the Year 2020-21	For the Year 2019- 20
Audit Fees	2,20,000	2,20,000
For Certification Work	45,000	45,000
Other Charges	-	-
	2,65,000	2,65,000

28.4- Expenditure In Foreign Currency

	For the Year 2020-21	For the Year 2019- 20
Commission on Sale	17,583	1,23,743
Travelling	-	35,250
Total Expenditure in Foreign Currency	17,583	1,58,993

28.5- Earning In Foreign Currency(FOB)

	For the Year 2020-21	For the Year 2019- 20
Export of Goods(FOB)	5,45,696	3,23,87,502

Note 29 - EMPLOYEE BENEFITS

29.1 :As per IND AS-19, the disclosures required are as under:

A. Defined Contribution Plan	Year ended 31st March 2021	Year ended 31st March 2020
Contribution to Defined Contribution Plan, recognised and charged off for the year are as under :		
Employer's Contribution to Provident Fund	467220	733442

SANTOSH FINE-FAB LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

B. Defined Benefit Plan

The employees' gratuity are unfunded and the present value of obligation is determined based on actuarial valuation, using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

a. Actuarial Assumption		
Particulars	As at March 31, 2021	As at March 31, 2020
Mortality Table (LIC)	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Interest / Discount Rate	6.75%	6.75%
Rate of increase in compensation	5.50%	5.50%
Rate of return (expected) on plan assets	-	-
Employee Attrition Rate(Past Service)	1% at all ages	1% at all ages
Expected average remaining service	24	24

The estimated future salary increases takes into account inflation, seniority, promotion and other retirement factors including supply and demand in the employment market. The above information is certified by the actuary.

b. Reconciliation of opening and closing balance of defined benefit obligations:- Gratuity

Particulars	As at March 31, 2021	As at March 31, 2020
Present value obligation at beginning of period	42,12,158	33,96,460
Interest cost	2,84,321	2,63,226
Current Service Cost	2,47,138	3,02,858
Past Service Cost- (non vested benefits)	-	-
Past Service Cost -(vested benefits)	-	-
Benefits Paid	-5,77,236	-1,31,595
Actuarial (Gain)/Loss on obligation	-1,41,338	3,81,209
Present value obligation at the end of period	40,25,043	42,12,158

c. Reconciliation of fair value of assets and obligations :-

Particulars	As at March 31, 2021	As at March 31, 2020
Fair value of plan assets at year end	-	-
Present value of obligation at year end	40,25,043	42,12,158
Amount recognised in Balance Sheet		
- Current	2,59,883	2,53,486
- Non - Current	37,65,160	39,58,672

d. Expenses recognized during the year

Particulars	As at March 31, 2021	As at March 31, 2020
Current Service Cost	2,47,138	3,02,858
Interest Cost	2,84,321	2,63,226
Expected return on plan assets	0	0
Actuarial (gain) / loss	-1,41,338	3,81,209
Net Cost	3,90,121	9,47,293

e. Amount for the current and previous four years are as follows :

Gratuity :	Year ended 31st				
	March,21	March,20	March,19	March,18	March,17
Defined Benefit Obligation	40,25,043	42,12,158	33,96,460	34,13,495	3,76,635
Plan Assets	0	0	0	0	0

Note 30 - SEGMENT REPORTING

In the opinion of Management the company is engaged only in the business of fabrics. As such there is no Reportable Segment as per IND AS 108 "Operating Segments" notified by Ministry Of Corporate Affairs".

SANTOSH FINE-FAB LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note 31 - FINANCIAL INSTRUMENTS

1) CAPITAL MANAGEMENT

The primary objective of the Company's capital management is intended to maximise the return to shareholders for meeting the long-term and short-term goals of the Company through the optimization of the debt and equity balance. The Company is monitoring capital using debt equity ratio as its base which is debt to equity. For the purpose of capital management, capital includes issued equity capital, securities premium and all other reserves attributable to the equity shareholders of the Company. Net debt includes all long and short-term borrowings (including current maturities of long term debt) as reduced by cash and cash equivalents.

Debt-to-equity ratio are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Debt (Total Debt- Cash & Cash equivalent) (A)	4,09,51,645	4,49,04,666
Equity (B)	6,75,91,717	7,87,21,465
Debt to Equity Ratio (A/B)	0.61	0.57

2) FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The Company is exposed to market risk, credit risk and liquidity risk. Risk management is carried out by the company under policies approved by the board of directors. The Company's documented risk management policies are effective tool in mitigating the various financial risk to which the business is exposed to in the course of daily operations This Risk management plan defines how risks associated with the Company will be identified, analysed, and managed. It outlines how risk management activities will be performed, recorded, and monitored by the Company. The basic objective of risk management plan is to implement an integrated risk management approach to ensure all significant areas of risks are identified, understood and effectively managed, to promote a shared vision of risk management and encourage discussion on risks at all levels of the organisation to provide a clear understanding of risk/benefit trade-offs, to deploy appropriate risk management methodologies and tools for use in identifying, assessing, managing and reporting on risks, and to determine the appropriate balance between cost and control of risk and deploy appropriate resources to manage/optimize key risks. Activities are developed to provide feedback to management and other interested parties (e.g. Audit committee, Board etc.). The results of these activities ensure that risk management plan is effective in the long term.

a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: foreign currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk.

i) Foreign Exchange Risk and Sensitivity

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company transacts business primarily in USD. The Company obtains foreign currency loans and has foreign currency trade payables, derivative instruments and receivables and is therefore, exposed to foreign exchange risk. The Company regularly reviews and evaluates exchange rate exposure arising from foreign currency transactions.

ii) Interest Rate Risk and Sensitivity

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest expenses and to manage the interest rate risk treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

iii) Commodity Price Risk

The Company's raw materials i.e. Yarn & Grey Fabric and finished goods i.e. Finished Fabric. Commodity price risk arises due to fluctuation in prices of textile products. The Company mitigate the risk by natural hedge as any increase/decrease in raw materials price directly reflect the finished goods price.

SANTOSH FINE-FAB LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

b) Credit Risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk for trade receivables, other bank balances, loans, other financial assets and financial guarantees.

i) Trade Receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings with the Company for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. Sales made to customers on credit are secured through Letters of Credit in some cases to mitigate the credit risk to an extent.

ii) Bank Balances

The Company seeks to limit its credit risk with respect to banks by only dealing with reputable banks.

c) Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company limits its liquidity risk by ensuring funds from trade receivables and bank facilities are available.

Maturity Patterns of Financial Liabilities

Particulars	As at March 31, 2021		
	0-1 Years	1-5 Years	Total
Borrowings	8,81,404	4,03,18,970	4,12,00,374
Trade Payable	1,69,92,330	-	1,69,92,330
Other Financial Liability	58,37,467	-	58,37,467

Particulars	As at March 31, 2020		
	0-1 Years	1-5 Years	Total
Borrowings	-	4,50,19,295	4,50,19,295
Trade Payable	2,75,80,466	-	2,75,80,466
Other Financial Liability	50,70,919	-	50,70,919

SANTOSH FINE-FAB LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note 32 - TRANSACTION WITH RELATED PARTY

Name of the Party	Relation	Nature of The Transaction	For the year ended March 31, 2021		For the year ended March 31, 2020	
			Amount of the Transaction Rs.	Balance As On 31.03.2021 Debit/ (Credit)	Amount of Transaction Rs.	Balance As On 31.03.2020 Debit/ (Credit)
Silwester Tex. P.Ltd	Company in which Directors are interested	Process Charges	42,56,384	(14,20,274)	1,22,53,177	(31,05,132)
Silwester Tex. P.Ltd	Company in which Directors are interested	Sale Of Fabrics	33,779	12,634	20,862	-
Jamnagar Wollen Tex. Mills Pvt. Ltd.	Company in which Directors are interested	Sale Of Fabrics	2,20,702	-	2,88,042	-
Jamnagar Wollen Tex. Mills Pvt. Ltd.	Company in which Directors are interested	Purchase Of Fabrics	-	-	5,209	-
Signora Exports	Firm In Which Directors Are Interested	Purchase Of Fabrics	-	-	-	-
Signora Exports	Firm In Which Directors Are Interested	Sale Of Fabrics	17,74,664	2,96,835	30,48,251	-
Signora Exports	Firm In Which Directors Are Interested	Sale Of Job Charges	28,42,281	7,45,334	50,09,249	4,45,678
JMD Syntex (Mumbai) LLP	Firm In Which Directors Are Interested	Packing Charges	-	-	5,07,958	(22,286)
JMD Syntex (Mumbai) LLP	Firm In Which Directors Are Interested	Purchase Of Fabrics	-	-	4,65,140	(22,286)
JMD Syntex (Mumbai) LLP	Firm In Which Directors Are Interested	Sale Of Fabrics	-	-	2,30,897	-
Santosh Tulsian	Director	Interest Paid	54,760	-	-	-
Santosh Tulsian	Director	Remuneration	9,57,450	-	9,56,130	-
Subhash Tulsian	Director	Remuneration	3,57,000	-	9,56,130	-
Sumeeta Tulsian	Director	Remuneration	3,12,450	-	3,94,355	-
Sunil Tulsian	Relative Of Director	Salary	6,41,630	-	7,47,189	-
Saurabh Tulsian	Relative Of Director	Salary	11,54,934	-	-	-
Arjun Tulsian	Relative Of Director	Gala Compensation	1,80,000	-	2,16,000	-

Name Of The Party	Relation	Nature Of Transaction	Amount Of Loan	Maximum Outstanding	Closing Outstanding	Interest Paid
SANTOSH TULSIYAN	Director	Loan Taken	2500000	2500000	0	54760
			(NIL)	(NIL)	(NIL)	(NIL)

** Bracket figures indicates previous year amount.

Notes:

i) No amounts in respect of Related Parties have been written off/written back during the year, nor has any provision been made for doubtful debts / receivables during the year, except as discussed above.

ii) Related party relationships have been identified by the management and relied upon by the Auditors.

iii) Related party transactions have been disclosed on basis of value of transactions entered.

iv) Terms and conditions of transactions with related parties :-

The Transactions of Sales, Purchases, Rent, Processing charges etc. with Related Parties are made on terms equivalent to those that prevail in arm's length transactions, and are in the ordinary course of business based on normal commercial terms, conditions, market rates.

Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.

The Company has not recorded any loss/impairment allowance for transactions among related parties for the year ended March 31, 2021

This assessment is undertaken each financial year by examining the financial position of the related party and the market in which the related party operates.

Note 33 - EARNINGS PER SHARE (EPS)

PARTICULARS	2020-21	2019-20
Profit (Loss) after Taxes (Before Exceptional Items)	(1,10,70,738)	(46,95,950)
Equity Shares	35,24,600	35,24,600
Earnings Per Share (Face Value Rs.10/-Each)		
Basic (Before Exceptional Items)	-3.14	-1.33
Diluted (Before Exceptional Items)	-3.14	-1.33
Profit (Loss) after Taxes (After Exceptional Items)	(1,11,29,747)	(46,95,950)
Equity Shares	35,24,600	35,24,600
Earnings Per Share (Face Value Rs.10/-Each)		
Basic (After Exceptional Items)	-3.16	-1.33
Diluted (After Exceptional Items)	-3.16	-1.33

SANTOSH FINE-FAB LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note 34 - CAPITAL COMMITMENTS & CONTINGENT LIABILITIES

Nil

Note 35 - DISCLOSURE REGARDING UNHEDGED CURRENCY EXPOSURE

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Amount in Foreign Currency	Amount in Rs	Amount in Foreign Currency	Amount in Rs
Loan availed - USD	NIL	NIL	NIL	NIL
Interest Payable- USD	NIL	NIL	NIL	NIL
Creditors Payable- USD	\$17,868.58	1313424	\$17,956.41	1382465
Advances and Other Receivables- USD	\$7,766.36	570864	\$36,599.37	2704693
Advances From Debtors- USD	\$14,950.00	1098895	\$16,909.08	1249581
Total	\$40,584.94	2983183	\$71,464.86	5336739

Note 36 - SUNDRY CREDITORS, DEBTORS & OTHER ADVANCES

The balances of Sundry Creditors, Debtors & other advances are subject to confirmation and subsequent reconciliation, if any required and the management consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements and recoverable and payable during the normal course of business. The Management does not expect any material difference affecting the current year's financial statement due to the same.

Note 37 - IMPACT OF COVID-19

The company has assessed the possible effects that may result from the COVID-19 pandemic on the carrying amounts of receivables, intangibles, inventories, investments and other assets / liabilities. Based on the current indicators of economic conditions, the company expects to recover the carrying amount of all its assets. The actual impact of the COVID-19 pandemic may be different from that estimated as at the date of approval of these standalone financial statements and the company will continue to closely monitor any material changes to the economic conditions in the future.

Note 38 - There have been no events after the reporting date that require disclosure in these financial statements.

Note 39 - Previous year figure has been regrouped and rearranged whenever necessary and to make them comparable with current year's figures.

As per our report of even date

For Jhunjhunwala Jain & Associates LLP

Chartered Accountants

Firm Registration No: 113675W

For and on behalf of the Board of Directors

Santosh R. Tulsiyan

Managing Director

(DIN : 00310573)

Subhash R. Tulsiyan

Executive Director

(DIN : 00308899)

(CA Randhir Kumar Jhunjhunwala)

Partner

Membership No : 047058

Sunil R. Tulsiyan

Chief Financial Officer

Asharam S. Rungta

Director

(DIN : 00320409)

Place : Mumbai

Date : June 29, 2021

Radha Sushilkumar Sharma

Company Secretary & Compliance Officer

(M No. 46047)

SANTOSH FINE FAB LTD.
(CIN: L17112MH1981PLC025443)
Regd. Off.: 112/113, Sanjay Building No 6, Mittal Ind. Estate, Andheri (East), Mumbai 400059.
Form No. MGT-11
Proxy form

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

Name of the Member(s) :
Registered Address :
E-mail Id :
Folio No /Client ID :
DP ID :

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

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

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

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

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 39th Annual General Meeting of the company, to be held on the Tuesday, 28th September, 2021 at 11.30 a.m. at 112/113, Sanjay Build No 6, Mittal Estate, Andheri (E), Mumbai 400059 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

Sl. No.	Resolution(S)	Vote	
		For	Against
Ordinary Business :			
1.	Adoption the Audited Financial Statements of the Company for the year ended March 31, 2021		
2.	Re-appointment of ShriSantosh R Tulsian (DIN: 00310573),who retires by rotation		
3.	Re-appointment of ShriSubhash R Tulsian (DIN: 00308899), who retires by rotation		
4.	Re-appointment of Shri Ashok V. Tulsian (DIN: 00320442), who retires by rotation		
5.	Re-appointment of M/s. Jhunjhunwala Jain & Associates LLP, Chartered Accountants as Statutory Auditors & Fixing their Remuneration		

* Applicable for investors holding shares in Electronic form.

Signed this _____ day of _____ 2020

Signature of Shareholder Signature of Proxy holder
 Across Revenue Stamp

Note:

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- 2) The proxy need not be a member of the company

Affix Revenue Stamps

SANTOSH FINE FAB LTD.

(CIN: L17112MH1981PLC025443)

Regd. Off.: 112/113, Sanjay Building No 6, Mittal Ind. Estate, Andheri (East), Mumbai 400059.

ATTENDANCE SLIP FOR 39th ANNUAL GENERAL MEETING

(To be handed over at the entrance of the meeting hall)

Folio No. : _____ Client ID: _____

No. of shares held: _____ DPID: _____

Name of the attending member (in block letters)

Name of the Proxy (in block letters)

(To be filled in, if the proxy attends instead of the member)

I hereby record my presence at the 39th Annual General Meeting of the company, to be held on the Tuesday, 28th September, 2021 at 11.30 a.m. at 112/113, Sanjay Build No 6, Mittal Estate, Andheri (E), Mumbai 400059.

(Member's /Proxy's Signature)

Note:

- 1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
- 2) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 3) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.



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