



GUJARAT Hy-spin LTD

Email : admin@gujarathyspin.com

Gundala Road Gundala GONDAL - 360311 P B No 22 Dist Rajkot Gujarat - India

Subject to GONDAL Jurisdiction

CIN: L17110GJ2011PLC063898

1st October 2018

Ref: Gujarat Hy-Spin/BSE (SME)/Regulation 34

To,
The Department of Corporate Services,
The BSE Ltd., 1st Floor,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001,
Maharashtra

Kind Attn. : Mr. Marian D' Souza

Sub: Submission of Annual Report for the financial year 2017-18
Ref : Gujarat Hy-spin Limited (Script Code No : 540938)

Dear Sir,

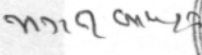

With reference to the above subject, pursuant to Regulation 34 of SEBI (Listing obligation and disclosure requirements) Regulation, 2015 we are submitting herewith the Annual Report for the financial year 2017-18 of Gujarat Hy-spin Limited, Gondal.

Please take the same on your records.

Thanking you.

Yours faithfully,

For GUJARAT HY-SPIN LIMITED LIMITED



Maganlal Parvadiya
Chairman & Wholetime Director
[DIN: 03190749]

Encl: As above



GUJARAT Hy-spin Ltd.

Gujarat Hy-spin Limited

ANNUAL REPORT 2017-18

**To,
The Members,
GUJARAT HY-SPIN LIMITED,**

Your Directors are pleased to present their 08th Annual Report along with the Audited financial statements for the Financial Year ended 31st, March, 2018.

FINANCIAL HIGHLIGHTS:

(Amount in Rs)

Sr No	PARTICULARS	2017-18	2016-17
1.	Revenue from Operation	54,30,25,852	51,87,95,964
2.	Other Income	12,33,263	16,65,323
3.	Total Revenue (1+2)	54,42,59,114	52,04,61,287
4.	Cost of Materials Consumed	39,27,10,221	34,71,16,299
5.	Employees Benefits Expense	89,88,316	1,00,53,798
6.	Finance Cost	2,62,38,741	3,15,40,133
7.	Depreciation & Amortization Exp.	4,05,62,603	5,55,84,852
8.	Other Expenses	7,16,85,589	7,42,41,332
9.	Profit/ (Loss) Before Tax	28,70,681	4,96,861
10.	Current Tax	23,58,739	24,837
11.	Deferred Tax	-1312,219	---
12.	Profit/ (Loss) After Tax (PAT)	40,27,102	4,72,024

STATEMENT OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK:

During the Financial year 2017-18, the Company has earned Net revenue from the operations of Rs **54.30 Crores** as compared to previous year revenue i.e Rs **51.88 crores**. Further, during the year under reporting the Company has earned net profit (after tax) of Rs. **40,27,102** as compared to previous year net profit of Rs **4,72,024**. Your Company's business cycle faced new economic and industry related challenges confronted with all and came out with the above results.

Our technical expertise, reliability, flexibility of production helps us to have upper hands in this field. In the service sector, we keep in touch with our customers to develop carded, combed and compact tread process for the innovative products.

Financial Statement:

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as `Listing Regulations`) and Section 136 of the Companies Act, 2013 read with Rule 10 of the Companies (Accounts) Rules, 2014, the Annual Report containing salient features of the financial statements, including for the financial year 2017-18, along with statement containing salient features of the Directors' Report (including Management Discussion & Analysis) is being sent to all shareholders, who have not registered their email address(es) for the purpose of receiving documents/communication from the Company in electronic mode. Please note that you will be entitled to be furnished, free of cost, the full Annual Report 2017-18, upon receipt of written request from you, as a member of the Company.

Full version of Annual Report 2017-18 is also available for inspection at the registered office of the Company during working hours up to the date of ensuing Annual general meeting (AGM). It is also available at the Company's website www.gujarathyspin.com

DECLARATION OF DIVIDEND AND TRANSFER OF AMOUNT TO RESERVES:

With a view to plough back profits and in order to conserve resources for operational purposes, Board of Directors does not recommend any dividend for financial year under review.

Moreover, no amount is being transferred to reserves during the financial year 2017-18

CHANGE IN NATURE OF BUSINESS:

There are no changes in the nature of business of the Company during the year under Report. The Company is engaged in the business of yarn manufacturing.

INITIAL PUBLIC OFFER

The Company's Equity Shares got listed on BSE SME Platform on 08th February, 2018. The Company had passed a Special Resolution in the Extra Ordinary General Meeting held on 04th December, 2017 for approval of Members for issue & allotment of shares through Initial Public Offer. The Company came with IPO, through Offer for Sale, of 44,50,000 equity shares of Rs. 10/- each at same price (i.e. Rs. 10/- per share).

SHARE CAPITAL:

The Paid up Equity share Capital of the Company as on 31st March, 2018 was Rs. 16,75,00,000/- (Rupees Sixteen Crores Seventy Five lacs only) divided into 1,67,50,000 (One Crores Sixty Seven Lacs Fifty Thousand) Equity Shares of Rs 10/- (Rupees Ten only) each. During the year, the Company has not issued any share with differential voting rights nor granted stock options or sweat equity or any convertible instrument.

EXTRACT OF ANNUAL RETURN:

Pursuant to Section 134(3)(a) of Companies Act, 2013, Form MGT 9 [as specified in Section 92(3) read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014] the extract of Annual Return for the Financial Year 2017-18 is enclosed with this report as “***Annexure-I***”.

BOARD MEETINGS AND INDEPENDENT DIRECTORS MEETING:

During the year under review, 7 (Seven) number of Board meetings were held on 10/04/2017, 24/06/2017, 31/08/2017, 02/11/2017, 28/11/2017, 15/01/2018 and 22/03/2018 and requisite quorum were present at the said meetings.

Further Independent Directors meeting was held on 22nd March 2018 to review the performance of Non Independent Directors and the Board as a whole; review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors and assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonable perform their duties. Non-Executive including Independent Directors plays a crucial role in balancing the functioning of the Board by providing independent judgments on various issues raised in the Board meetings like formulation in business strategies, monitoring of performances etc. Their role, *inter alia*, includes:

- Impart balance to the Board by providing Independent Judgements
- Provide feedback on company’s Strategy and Performances
- Provide effective recommendations for further improvements

BOARD’S RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134 (5) of the Companies Act, 2013, with respect to the Directors’ Responsibility Statement, the Directors confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures 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 at the end of the financial year and of the profit of the company for that year;
 - c) the directors have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
-

- d) the directors had prepared annual accounts on a going concern basis;
- e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively;
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively;

RELATED PARTY TRANSACTIONS:

During the year under report, the Company has entered into transactions with related party and all such transactions were carried on at arm's length price in the ordinary course of business. Information on transactions with related parties pursuant to section 134(3)(h) of the act read with Rule 8(2) of Companies (Accounts) Rules, 2014 are given in "**Annexure-II**" in Form AOC-2 and the same forms part of this report. Your directors draw attention of members to Note. 34&35 to the financial statement which sets out related party disclosures for the year under review.

STATUTORY AUDITOR AND AUDITOR'S REPORT:

As per provisions of Section 139 (8) of the Companies Act, 2013 read with Companies (Audit and Auditor) Rules, 2014 (including any amendment thereto or re-enactment thereof) and subject to approval of Members in general Meeting within 3 months from recommendation of Board, M/s Maharishi & Co, Chartered Accountants & a Peer Reviewed Firm, having (Firm Registration No. 124872W) is appointed as the Statutory Auditor of the Company, to fill the casual vacancy caused due to Resignation of M/s. Pabari & Associates, Chartered Accountants (Firm Registration No.:-120498W) and M/s. Maharishi & Co, Chartered Accountants, shall hold office till the conclusion of Conclusion of ensuing Annual General Meeting at a Remuneration as mutually agreed between the Auditors and Management of the Company.

Auditors have observed that the Company is not regular in repayment of its dues to Bankers for credit facilities availed by the Company. The management would like to clarify that the Company's business is such, which is having significant impact of monsoon deficits, seasonal changes in market and global slowdown. Therefore, during the period, the Company was having financial crunches and was not able to repay all instalments in due time. However, the management ensures that in the years to come, the Company will not make any default in repayment of dues to Banks.

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT:

The Board has appointed Ms. Nayna Chopra, Practising Company Secretary, pursuant to Section 204 of the Companies Act, 2013, to conduct Secretarial Audit for the F Y 2017-18. The Secretarial Audit Report for the Financial Year ended on March, 31 2018 is

annexed herewith marked as “**Annexure III**” to this Report. The Secretarial Audit Report submitted by them in the prescribed form MR-3 **PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS MADE:**

During the year under report, the Company has not granted any loan or provided any guarantee or made any investment as specified in Section 186 (2) of the Companies Act, 2013. Hence no approval from the shareholders in this regard was required.

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

At our company, all employees are of equal value. There is no discrimination between individuals at any point on the basis of race, colour, gender, religion, political opinion, national extraction, social origin, sexual orientation or age.

At Gujarat Hy-spin Limited, every individual is expected to treat his/her colleagues with respect and dignity. This is enshrined in values and in the Code of Ethics & Conduct of Gujarat Hy-spin Limited. The Direct Touch (Whistle-Blower & Protection Policy) Policy provides a platform to all employees for reporting unethical business practices at workplace without the fear of reprisal and help in eliminating any kind of misconduct in the system. The Policy also includes misconduct with respect to discrimination or sexual harassment.

The Company also has in place `Prevention of Sexual Harassment Policy`. This Anti-Sexual Harassment Policy of the Company is online with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual, temporary and trainees) are covered under this policy.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

Pursuant to provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, every company with a net worth of Rs. 500 Crores or more OR an annual turnover of Rs.1000 Crores or more OR with a net profit of Rs. 5 Crores or more is required to constitute a CSR Committee.

At present, Gujarat Hy-spin Limited is not required to constitute a CSR Committee in this regards as none of the above referred limits has been triggered.

DETAILS OF BOARD OF DIRECTORS:

Pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, one-third of such of the Directors as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every AGM. Consequently Mr. Chandulal Parvadiya, Director [DIN 03197876] will retire by rotation

at the ensuing AGM, and being eligible, offer himself for re-appointment in accordance with provisions of the Companies Act, 2013.

The Directors recommend their re-appointment at the ensuing AGM. There is no change in the composition of Board of directors of the company. None of the Directors of the Company have resigned as Director of the Company.

The Company has received necessary declaration from all the Independent Directors under Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 and the Listing Regulations.

As on 31st March, 2018, the composition of Board of directors was as follows:

Sr No .	Name	Designation	Director Identification Number (DIN)	Date of Appointment
1.	Kamleshbhai Bokarwadiya	Director	00153160	01/08/2016
2.	Maganlal Parwadiya	Whole-time Director	03190749	01/02/2011
3.	Chandulal Parwadia	Whole-time Director	03197876	01/02/2011
4.	Kaushik Dave	Managing Director	06551940	27/11/2017
5.	Hemant Maru	Independent Director	07563394	02/08/2016
6.	Ashokkumar Pandya	Independent Director	07563446	02/08/2016
7.	Madhuben Gandhi	Independent Director	07563463	02/08/2016
8.	Narendra Vegad	Independent Director	07566982	02/08/2016

COMMITTEES OF BOARD OF DIRECTORS:

1) AUDIT COMMITTEE: The Audit Committee comprises of 2 Non-Executive Independent Directors and 1 Executive Director. The Composition of committee is in conformity with the listing regulations. During the year, the Committee met four times i.e 24/05/2017, 21/08/2017, 14/11/2017 and 22/01/2018 and the attendance of the members of the meetings was as below. The Chief financial officer and Statutory Auditor are the regular invitees to the Committee meetings. All the recommendations of Audit committee were accepted by the Board of Directors.

Sr No.	Name	Status	Category	Director Identification Number (DIN)	No. of Meetings held/attended
1	Hemant Maru	Chairperson	Non Executive & Independent	07563394	4/4
2	Narendra Vegad	Member	Non Executive & Independent	07566982	4/4
3	Kaushik Dave	Member	Executive	06551940	1/4

2) NOMINATION AND REMUNERATION COMMITTEE: The Nomination and Remuneration Committee comprises of 3 Non-Executive Independent Directors. The Composition of committee is in conformity with the listing regulations. During the year, the Committee met four times i.e 24/05/2017, 21/08/2017, 14/11/2017 and 22/01/2018 and the attendance of the members of the meetings was as below.

Sr No.	Name	Status	Category	Director Identification Number (DIN)	No. of Meetings held/attended
1	Ashokkumar Pandya	Chairman	Non Executive & Independent	07563446	4/4
2	Hemant Maru	Member	Non Executive & Independent	07563394	4/4
3	Narendra Vegad	Member	Non Executive & Independent	07566982	4/4

KEY MANAGERIAL PERSONNEL:

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

Mr. Kaushik I. Dave, Managing Director

Mr. Paras M. Parvadia Chief Financial Officer

Mr. Maganbhai S. Parvadiya, Wholetime Director

Mr. Chandubhai S. Parvadiya, Wholetime Director

Mr. Mahendra P. Rajput, Company Secretary & Compliance Officer

RATIO OF REMUNERATION OF EACH DIRECTOR TO THE MEDIAN REMUNERATION OF THE EMPLOYEES OF THE COMPANY FOR THE FINANCIAL YEAR 2017-18:

During the year under report no remuneration has been paid by the Company to the directors, Therefore information required pursuant to section 197 (12) read with Rule 5 (1) (i) of the Companies (Appointment and Remuneration) Rules 2014 in respect of ratio of remuneration of each director to the median remuneration of the employee of the Company for the financial year 2017-18 not required to disclose.

COMPANY'S POLICY ON DIRECTORS APPOINTMENT, NOMINATION, REMUNERATION AND FORMAL EVALUATION:

Pursuant to provisions of Section 178 (1) of the Companies Act, 2013, the Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection, nomination, appointment and remuneration of Directors suitably containing the criteria determining qualifications, positive attributes and independence of a Director.

FORMAL EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

Pursuant to applicable provisions of the Companies Act, 2013, The Companies (Accounts) Rules, 2014 and the Listing Regulations, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, *inter-alia*, the criteria for performance evaluation of the entire Board of the Company, its Committees and individual Directors, including Independent Directors. The framework is monitored, reviewed and updated by the Board, in consultation with the Nomination and Remuneration Committee, based on need and new compliance requirements. The annual performance evaluation of the Board, its Committees and each Director has been carried out for the financial year 2017-18 in accordance with the framework

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Statutory Auditors or Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made there under

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

In Terms of the Regulation 34 read with Schedule V of the SEBI (LODR) Regulations 2015, Management Discussion and Analysis report forms part of this Annual Report as **“Annexure IV”**

CORPORATE GOVERNANCE:

As per Regulation 15 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Para C of Schedule V relating to Corporate Governance Report, shall not apply to company listed on SME Exchange. The Company being a company listed on BSE SME Platform, preparation of corporate governance is not applicable. Although relevant information is provided in the Board's Report.

RISK MANAGEMENT:

The Company is not under the purview for constituting Risk management committee under the provisions of listing Regulation. However, the Board periodically reviews the operations of the Company and identifies the risk / potential risk, if any to the Company and implement the necessary course of action(s) which the Board deems fit in the best interest of the Company.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

According to Section 134(5)(e) of the Companies Act, 2013 the term Internal Financial Control (IFC) means the policies and procedures adopted by the Company 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. The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. Assurance on the effectiveness of internal financial controls is obtained through management reviews, control self-assessment, continuous monitoring by functional experts as well as testing of the internal financial control systems. We believe that these systems provide reasonable assurance that our internal financial controls are designed effectively and are operating as intended.

DISCLOSURE ON VIGIL MECHANISM:

Pursuant to Section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established, in order to ensure that the activities of the company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty and integrity and ethical behavior.

The Company has established a vigil mechanism through which Directors, employees and business associates may report unethical behaviour, malpractices, wrongful conduct, fraud, violation of Company's code of conduct without fear of reprisal. The Company has set up a Direct Touch initiative, under which all Directors, employees, business associates have direct access to the Chairman of the Audit committee. The vigil mechanism policy has also been uploaded in the website of the company at www.gujarathyspin.com

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

The Company has not taken any significant steps for conservation of Energy during the year under report. There are no significant expenses on technology absorption during the year. However, your company is increasingly using information technology in its operations and promotes conservation of resources. Moreover, the Company has reported Foreign Exchange Earnings and Expenses made as under:

<u>Particulars</u>	<u>2017-18</u>	<u>2016-17</u>
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange Outgo	Nil	Nil

PARTICULARS OF EMPLOYEES:

There are no employees in the Company drawing remuneration of more than Rs. 8,50,000/- rupees per month or Rs. 1,02,00,000/- rupees per annum, as prescribed in Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016.

SUBSIDIARIES, JOINT VENTURE OR ASSOCIATE COMPANIES:

As on 31st March, 2018, the Company does not have any Subsidiary, Associate or Joint Venture.

OTHER DISCLOSURES AS REQUIRED UNDER THE PROVISIONS OF THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER:

1. There have been no material changes/commitments affecting the financial position of the company which have occurred between the end of the financial year to which the financial statements relate and the date on report;
 2. During the year under review your company has not accepted the deposit from the public under section 73 to 76 of the Companies Act, 2013 and the rules made thereunder;
 3. No significant or material orders were passed by the Regulators or courts or tribunals which impact the going concern status and company's operations in future
 4. There have been no instances of any revision in the Board's Report or the financial statement; hence disclosure under Section 131(1) of the Act is not required.
 5. The Company has not paid any commission to any of its Directors and hence, provision of disclosure of commission paid to any Director as mentioned in Section 197(14) is not required to disclose.
 6. The Company has not issued (a) any shares with differential voting rights (b) Sweat Equity shares (c) shares under any Employee stock option scheme; hence
-

no disclosures are required to be made as per the Companies (Share Capital and Debentures) Rules, 2014.

7. The Central Government has prescribed the maintenance of cost records under sub section (1) of Section-148 of the Act for the product of the Company and such records have been so made and maintained by the company.

ACKNOWLEDGEMENT:

Your Directors place on record their gratitude to the Central Government, State Governments and Company's Bankers for the assistance co-operation and encouragement they extended to the Company. Your Directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of investors, vendors, dealers, business associates and employees in ensuing and excellent all around operational performance.

Date : 01/09/2018

Place : Gondal

For and on behalf of the Board
For, GUJARAT HY SPIN LIMITED,

(Maganlal Parvadiya)
Chairman & Wholetime Director
(DIN: 03190749)

(Kaushik Dave)
Managing Director
(DIN: 06551940)



FORM MGT 9 - EXTRACT OF ANNUAL RETURN

“ANNEXURE - A” TO DIRECTORS’ REPORT OF GUJARAT HY-SPIN LIMITED

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

Financial Year ended on 31/03/2018

(I) REGISTRATION AND OTHER DETAILS:

(i)	CIN	L17110GJ2011PLC063898
(ii)	Registration date	01 st February, 2011
(iii)	Name of the Company	GUJARAT HY - SPIN LIMITED
(iv)	Category Sub-category of the Company	Company having share capital Indian Non-Government Company
(v)	Address of the Registered Office and Contact Details	<u>Address of Registered Office:</u> P. O. BOX No. 22, Gundala Road, Rajkot(Dis) Gondal-360311 Gujarat <u>Contact Details:</u> Phone: 2825 297170, E-Mail Id: info@gujarathyspin.com Website: www.gujarathyspin.com
(vi)	Whether Listed Company? Yes / No	Yes, BSE SME Platform
(vii)	Name, address and contact details of Registrar and Share Transfer Agent.	Bigshare Services Private Limited, 1 st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (West) Mumbai-400059 Tel: +91 22 6263 8200 Fax: +91 22 6263 8299 Email: ipo@bigshareonline.com Website: www.bigshareonline.com

FORM MGT 9 - EXTRACT OF ANNUAL RETURN

(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:

Sr. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Manufacturing of cotton and cotton mixed fabrics	13121	100%

(III) PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of Shares held	Applicable Section
Not Applicable					

FORM MGT 9 - EXTRACT OF ANNUAL RETURN

Continue from previous page....

Sr. No.	Category of Shareholders	No of Shares held at the beginning of the year 01.04.2017				No of Shares held at the end of the year 31.03.2018				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(b)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs.1 Lakh	---	---	---	---	24,90,000	---	24,90,000	14.87%	14.87%
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh.	---	---	---	---	14,16,790	13,28,635	27,45,425	16.39%	16.39%
(c)	Others (specify)	---	---	---	---	---	---	---	---	---
	Hindu Undivided Family	---	---	---	---	---	---	---	---	---
	Non-Resident Indian (Non Repatriable)	---	---	---	---	20,000	---	20,000	0.12%	0.12%
	Clearing Members	---	---	---	---	5,90,000	---	5,90,000	3.52%	3.52%
	Sub-total(B) (2)	---	---	---	---	---	---	---	---	---
	Total Public shareholding (B)=B(1)+B(2)	---	---	---	---	45,46,790	13,28,635	58,75,425	35.07%	35.07%
C	Shares held by Custodian for ADRs and GDRs.	---	---	---	---	---	---	---	---	---
GRAND TOTAL		---	1,67,50,000	1,67,50,000	100%	1,54,21,365	13,28,635	1,67,50,000	100%	---

FORM MGT 9 - EXTRACT OF ANNUAL RETURN

(ii) Shareholding of Promoters:

Sr. No.	Shareholder's name	Shareholding at the beginning of the year 01.04.2017			Shareholding at the end of the year 31.03.2018			% Change
		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	Maganlal Shambhubhai Parvadiya	57,62,190	34.40%	---	35,37,190	21.12%	---	(13.28%)
2	Chandulal Shambhubhai Parvadiya	34,68,470	20.71%	---	12,43,470	7.42%	---	(13.29%)
3	Kaushik Labhshanker Dave	1,30,500	0.78%	---	1,30,500	0.78%	---	---
4	Kamleshbhai B. Bokarvadia	8,00,000	4.78%	---	8,00,000	4.78%	---	---
5	Ketankumar Maganbhai Parvadiya	12,25,185	7.31%	---	12,25,185	7.31%	---	---
6	Paras Maganbhai Parvadiya	8,85,620	5.29%	---	8,85,620	5.29%	---	---
7	Nidhiben Parasbhai Parvadiya	80,000	0.48%	---	80,000	0.48%	---	---
8	Yogesh Maganbhai Parvadiya	10,79,190	6.44%	---	10,79,190	6.44%	---	---
9	Divyesh C. Parvadiya	5,76,580	3.44%	---	5,76,580	3.44%	---	---
10	Sandhyadevi Kaushik Dave	3,00,000	1.79%	---	3,00,000	1.79%	---	---
11	Vajiben Shambhubhai Parvadia	3,00,000	1.79%	---	3,00,000	1.79%	---	---
12	Hanshaben Shambhubhai Parvadia	2,06,380	1.23%	---	2,06,380	1.23%	---	---
13	Nirmalaben Maganbhai Parvadia	2,43,260	1.45%	---	2,43,260	1.45%	---	---
14	Bindiya Ketankumar Parvadia	2,67,200	1.60%	---	2,67,200	1.60%	---	---

FORM MGT 9 - EXTRACT OF ANNUAL RETURN

15	Babubhai Gordhanbhai Makadiya	84,865	0.51%	--	---	---	---	---
16	Jadavbhai Dhanjibhai Parvadia	97,500	0.58%	---	---	---	---	---
17	Jivanbhai Vithalbhai Chavda	96,790	0.58%	---	---	---	---	---
18	Pankajbhai Jivanbhai Chavda	98,270	0.59%	---	---	---	---	---
19	Rameshbhai Bavabhi Parvadiya	98,000	0.59%	---	---	---	---	---
20	Bachubhai Haribhai Bokarvadiya	4,20,000	2.51%	---	---	---	---	---
21	Bhavnaben K. Bokarvadiya	50,000	0.30%	---	---	---	---	---
22	Kantibhai Bachubhai Bokarvadiya	4,00,000	2.39%	---	---	---	---	---
23	Kaushik K. Bokarvadiya	30,000	0.18	---	---	---	---	---
24	Manjulaben K. Bokarvadiya	50,000	0.30%	---	---	---	---	---
GRAND TOTAL		1,67,50,000	100%	---	1,08,74,575	64.92%	---	---

(iii) Change in Promoter's Shareholding:

Sr. No	Particulars	Shareholding at the beginning of the year 01.04.2017			Increasing Decreasing in Share holding	Reason	Cumulative Shareholding during the year 31.03.2018	
		No. of Shares	% of total shares of Company	Date			No. of Shares	% of total shares of the Company
1.	Maganlal Shambhubhai Parvadiya	57,62,190	34.40	06/02/2018	22,25,000	Offer for Sale	35,37,190	21.12%
2.	Chandulal Shambhubhai Parvadiya	34,68,470	20.71	06/02/2018	22,25,000	Offer for Sale	12,43,470	7.42%
3.	Babubhai Gordhanbhai Makadiya	84,865	0.51%	06/02/2018	---	Change in Status	---	---

FORM MGT 9 - EXTRACT OF ANNUAL RETURN

4.	Jadavbhai Dhanjibhai Parvadia	97,500	0.58%	06/02/2018	---	Change in Status	---	---
5.	Jivanbhai Vithalbhai Chavda	96,790	0.58%	06/02/2018	---	Change in Status	---	---
6.	Pankajbhai Jivanbhai Chavda	98,270	0.59%	06/02/2018	---	Change in Status	---	---
7.	Rameshbhai Bavabhai Parvadiya	98,000	0.59%	06/02/2018	---	Change in Status	---	---
8.	Bachubhai Haribhai Bokarvadiya	4,20,000	2.51%	06/02/201	---	Change in Status	---	---
9.	Bhavnaben K. Bokarvadiya	50,000	0.30%	06/02/2018	---	Change in Status	---	---
10.	Kantilal Bachubhai Bokarvadiya	4,00,000	2.39%	06/02/2018	---	Change in Status	---	---
11.	Kaushik K. Bokarvadiya	30,000	0.18	06/02/2018	---	Change in Status	---	---
12.	Manjulaben K. Bokarvadiya	50,000	0.30%	06/02/2018	---	Change in Status	---	---

FORM MGT 9 - EXTRACT OF ANNUAL RETURN

(iv) Shareholding Pattern of top ten shareholders: (Other than Directors, Promoters & Holders of GDRs & ADRs):

Sr. No	Particulars	Shareholding at the beginning of the year 01.04.2017			Increasing Decreasing in Share holding	Reason	Cumulative Shareholding during the year 31.03.2018	
		No. of Shares	% of total shares of Company	Date			No. of Shares	% of total shares of the Company
1	Niraj Laherchand Modi	--	---	06/02/2018	Increase	Due to Allotment	5,70,000	3.40%
2	Bachubhai Haribhai Bokarvadiya	4,20,000	2.51%	---	---	---	4,20,000	2.51%
3.	Kantilal Bachubhai Bokarvadiya	4,00,000	2.39%	---	---	---	4,00,000	2.39%
4.	Dhansukhbhai Champaklal Jadav	---	---	06/02/2018	Increase	Due to Allotment	3,00,000	1.79%
5.	Nikesh D. Panchal	---	---	06/02/2018	Increase	Due to Allotment	1,80,000	1.07%
6.	Pankajbhai Jivanbhai Chavda	98,270	0.59%	---	---	---	98,270	0.59%
7.	Rameshbhai Bavabhai Parvadiya	98,000	0.59%	---	---	---	98,000	0.59%
8.	Jadavbhai Dhanjibhai Parvadiya	97,500	0.58%	---	---	---	97,500	0.58%
9.	Jivanbhai Vithalbhai Chavda	96,790	0.58%	---	---	---	96,790	0.58%
10.	Babubhai G. Mankadia	84,865	0.51%	---	---	---	84,865	0.51%

FORM MGT 9 - EXTRACT OF ANNUAL RETURN

(v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sr. No.	Name	Shareholding at the beginning of the year i. e. 01/04/2017		Shareholding at the end of the year i. e. 31/03/2018	
		No. of shares	% of total shares of company	No. of shares	% of total shares of the company
A.	Managing Director/ Whole-time Director				
1	Kaushik Labhshankar Dave Managing Director	1,30,500	0.78%	1,30,500	0.78%
2	Maganlal Shambhubhai Parvadia Wholetime Director	57,62,190	34.40%	35,37,190	21.12%
3	Chandulal Shambhubhai Parvadia Wholetime Director	34,68,470	20.71%	12,43,470	7.42%
B.	Key Managerial Personnel				
1.	Paras M. Parvadiya CFO	8,85,620	5.29%	8,85,620	5.29%
C.	Other				
1.	Kamleshbhai Bokarwadiya Director	8,00,000	4.78%	8,00,000	4.78%

FORM MGT 9 - EXTRACT OF ANNUAL RETURN

(V) INDEBTEDNESS:

Indebtedness of the Company interest outstanding / accrued but not due for payment:

	Secured Loans Excluding Deposited	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i)Principal Amount	28,55,63,766	2,90,96,350	Nil	31,46,60,116
(ii)Interest due but not paid	Nil	Nil	Nil	Nil
(iii)Interest accrued but not due	26,34,586	Nil	Nil	26,34,586
Total (i+ii+iii)	28, 81,98,352	2,90,96,350	Nil	31,72,94,702
Change in Indebtedness During the financial year				
• Addition	2,73,76,657	34,01,350	Nil	Nil
• Reduction	7,27,49,144	61,96,030	Nil	4,81,67,168
Net Change	4,53,72,487	(27,94,681)	Nil	4,81,67,168
Indebtedness at the end of the financial year				
(i)Principal Amount	23,08,37,592	2,63,01,669	Nil	25,71,39,261
(ii)Interest due but not paid	---	Nil	Nil	Nil
(iii)Interest accrued but not due	20,16,090	Nil	Nil	20,16,090
Total (i+ii+iii)	23,28,53,682	2,63,01,669	Nil	25,91,55,351

FORM MGT 9 - EXTRACT OF ANNUAL RETURN

(VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Sr. No	Particulars of Remuneration	Managing Director	Wholetime Director	Total Amount
1.	Gross Salary: (a) Salary as per provision contained in section 17(1) of the Income tax Act, 1961 (b) Value of perquisites under section 17(2) Income-tax Act, 1961 © Profits in lieu of salary under section 17(3) Income-tax Act, 1961	---	---	---
2.	Stock option	---	---	---
3.	Sweat equity	---	---	---
4.	Commission: - As % of profit - Other, specify...	---	---	---
5.	Others, please specify	---	---	---
	Total (A)	---	---	---

FORM MGT 9 - EXTRACT OF ANNUAL RETURN

B. Remuneration to other Directors:

Sr No	Particulars of Remuneration				Independent Director			Total Amount
		Mr Kamleshbhai Bokarwadiya	Mrs. Madhuben Gandhi	Mr. Ashok Pandya	Mr. Narendra Vegad	Mr. Hemant Maru		
1	Independent Director							
-	Fees for attending Board/ Committee Meeting	---	---	---	---	---	---	
-	Commission	---	---	---	---	---	---	
--	Other, please specify							
	TOTAL (B) (1)							
2	Other Non - Executive Director							
-	Fees for attending Board/ committee meeting	---	---	---	---	---	---	
-	Commission							
--	Other, please specify							
	TOTAL (B) (2)							
	TOTAL (B) (2)	---	---	---	---	---	---	
	Total (B) = (1+2)	---	---	---	---	---	---	
	Total Managerial Remuneration	---	---	---	---	---	---	

FORM MGT 9 - EXTRACT OF ANNUAL RETURN

C. Remuneration to Key Managerial Personnel other than as Managing Director/Manager/Whole-time Director:

Sr No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CFO	Company Secretary	Total
1.	Gross Salary <ul style="list-style-type: none"> • Salary as per provisions contained in section 17 (1) of the Income tax Act, 1961 • Value of perquisites under section 17(2) Income tax Act, 1961 • Profit in lieu of salary under section 17(3) Income tax, 1961 	---	---	---	---
2.	Stock Option	---	---	---	---
3.	Sweat Equity	---	---	---	---
4.	Commission <ul style="list-style-type: none"> • As % of profit • Other, specify 	---	---	---	---
5.	Other, please, specify	---	---	---	---
	Total	---	---	---	---

FORM MGT 9 - EXTRACT OF ANNUAL RETURN

(VII) 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	---	---	---	---	---

Date: 01/09/2018
Place: Gondal

By Order of the Board of Directors
For, Gujarat Hy-spin Limited,

Maganlal Parvadia
Chairman & Wholetime Director
[DIN: 03190749]

Kaushik Dave
Managing Director
[DIN: 06551940]

Form AOC 2
“Annexure – II”

To

Directors’ Report of Gujarat Hy-spin Limited
(Pursuant to Section 134 (3) (h) of the Act read with 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 at not Arm’s length basis.

Not applicable

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

SL. No.	Name (s) of the related party & nature of relationship	Nature of contracts/arrangements/ transaction	Duration of the contracts/arrangements/ transaction	Salient Features & value	Date of approval by the Board	Amount paid as advances, if any
a)	Gujarat Ginning and Oil Industries Entity in which KMP have significant influence	Lease Rent Expenses	Annual	. Total Rent Expenses paid Rs. 36,000/-	NA	NIL
b)	Gujarat Ginning and Oil Industries Entity in which KMP have significant influence	Purchase of Raw Material	Annual	Total Raw Material Cost paid Rs. 37,63,20,585/-	NA	NIL
c)	Gujarat Ginning and Oil Industries			Total Cost of		

	Entity in which KMP have significant influence	Jobwork	Annual	Jobwork 6,18,750/-	NA	NIL
d)	Paras Cotton Entity in which KMP have significant influence	Sales	Annual	Total amount of Rs. 1,27,51,488/-	NA	NIL

Note:

The transactions were on an arm's length basis and in ordinary course of business.

Date : 01/09/2018

Place : Gondal

By Order of the Board of Directors
For, Gujarat Hy-spin Limited,

Maganlal Parvadiya
Chairman & Wholetime Director
[DIN: 03190749]

Kaushik Dave
Managing Director
[DIN: 06551940]



Form No MR-3
SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31st March, 2018

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

To,
The Members,
Gujarat Hy Spin Limited
Gondal,
Dist. Rajkot

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GUJARAT HYPIN LIMITED (CIN: L17110GJ2011PLC063898)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **GUJARAT HYPIN LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its Officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended March 31, 2018, 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.

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made there under :
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- III. The Depositories Act, 1996 and the Regulations and bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extend 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'):-



- a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (Note:- The Company had listed its securities on 8th February, 2018, so the Regulations were applicable to the Company only with effect from that day);
- c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (Note:- The Company had listed its securities on 8th February, 2018, so the Regulations were applicable to the Company only with effect from that day);
- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit Period);**
- f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period);**
- g) 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 -
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period);** and
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period);**

We have also examined, in general, compliance with the applicable clauses of the following:

- I. Secretarial Standards with respect to Meetings of Board of Directors and Committees (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective 1st July, 2015) and revised (SS-1) & (SS-2) were effective from 1st October, 2017.



- II. The Listing Agreement entered into by the Company with BSE LTD -SME Platform as per SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

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

- a) The Company had not submitted Shareholding Pattern within prescribed time to the Stock Exchange, from date of allotment of its shares pursuant to the Initial Public Offer.
- b) Form MGT 7 for year ended on 31st March, 2017, was filed with the Registrar of Companies, Gujarat, after prescribed time, with payment of additional fees
- c) The Company was not regular in repayment of installments of credit facilities availed by it from Bank/s.
- d) Appointment of Internal Auditors was pending as on 31st March, 2018

We 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.

As explained to us, adequate notice is given to all the 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.

Decisions at the meetings of the Board of Directors/ Committees of the Company were carried unanimously. We were informed that there were no dissenting views of the members on any of the matters during the year that were required to be captured and recorded as part of the minutes.

We further report that based on the review of compliance mechanism established by the information provided by the company, its officers and authorised representatives during the conduct of the audit and compliance certificate (s) placed before the board meeting, there are adequate systems and processes in the company commensurate with the size and its operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines such as Environment Protection Act, 1986 and other environmental laws; Factories Act, 1948; Trade Marks Act, 1999 and rules, notification issued under Employees Provident Fund and Miscellaneous Provisions Act, 1952; and other applicable labour laws and Indian Stamp Act, 1999;

We further report that during the audit period, there were no instances of:

- (i) Rights / Preferential issue of shares / debentures / sweat equity.
- (ii) Redemption / buy-back of securities.
- (iii) Merger/ amalgamation/reconstruction etc.
- (iv) Foreign technical collaborations.

We further report that :

The Compliance by the Company of the applicable financial laws, like Direct and Indirect tax Laws has not been reviewed in this Audit Since the same have been subject to the review by the Statutory Auditors and other designated professionals.



Date: 01.09.2018

Place: Kalol

CS BINAL PATEL

Practicing Company Secretary

ACS : 55252 CP : 20793

Please note that the Secretarial Audit report is to be read with my letter of even date attached as Annexure A to the report and letter also forms the integral part of report.

ANNEXURE A

To,
The Members,
Gujarat Hy Spin Limited
Gondal
Dist. Rajkot

Our Secretarial Audit Report of even date for the Financial Year ended on 31st March, 2018 is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We, have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under other laws and regulations applicable to the Company and verification of documents and records procedures on test check basis.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Date: 01.09.2018

Place: Kalol



CS BINAL PATEL

Practicing Company Secretary

ACS : 55252 CP : 20793

Annexure-IV
Management Discussion and Analysis Report

Industry Structure and Developments:

Incorporated in 2011, our Company, “Gujarat Hy-spin Limited” is engaged in manufacturing and processing of yarn. Gujarat Hy-spin Limited is a leading player in the field of yarn manufacturing. Gujarat Hy-spin provides special types of threads in the garment industry. Our technical expertise, reliability, flexibility of production helps us to have an upper hand in this field.

We believe in manufacturing and delivering quality products and our manufacturing process is under constant supervision by qualified person. At Company, we desire to demonstrate its capability to provide various products conforming to needs of its customers. We aim satisfy the needs of customers including product requirements, the regulatory authorities and accreditation bodies and to achieve customer satisfaction by maintaining the best standards at all level from procurement to dispatch.

Opportunities and Strength:

1. Experienced Promoters and Management

Mr. Maganbhai Parvadiya, Promoter as well as whole-time director and Mr. Chandubhai Parvadiya, Promoter as well as whole-time director of the Company is coming from rich Agriculture background and having experience of 29 years in the line of cotton textile.

We believe our senior management team is able to leverage our market position and their collective experience and knowledge in the industry, to execute our business strategies and drive our future growth. In addition, we believe the strength and entrepreneurial vision of our Promoters and senior management has been instrumental in driving our growth and implementing our strategies. We believe our position as an yarn manufacturing Company represents a significant competitive advantage in attracting and retaining high-quality talent.

2. Strong Relationship with reputed institutional customers

We believe that our operations and quality control processes have enabled us to develop strong relationships with our customers over the years.

3. Operational Excellence

We believe our business model, together with our quality control measures, and efficient management systems optimize our cost structure and ensure quality products.

Procurement of raw material: The Company has been sourcing major portion of raw material from its promoter group entity Gujarat ginning and oil Industries thus may enjoy favorable terms in both price as well as supplies.

4. Quality Control

We believe that we are a quality focused company. We are committed to maintain quality for the satisfaction of our customer. We have established a quality control team which has the responsibility to ensure compliance with manufacturing practices.

Threats and risk:

- i. Significant Economic changes
- ii. Seasonal factors
- iii. Technological advancement and changes
- iv. Significant changes in Government or regulatory policies
- v. Competitive prices and desired Quality

Internal Control Systems and their adequacy:

There is an adequate internal control procedures commensurate with the size of the company and nature of the business for inventory, fixed assets and for the sale of goods or services. The Company has implemented proper and adequate systems of internal control to ensure that all assets are safeguarded and protected against loss from any unauthorized use or disposition and all transactions are authorized, recorded and reported correctly. The system ensures appropriate information flow to facilitate effective monitoring. The internal audit system also ensures formation and implementation of corporate policies for financial, reporting, accounting and information security.

The Company has constituted Audit committee to overlook the internal control systems and their adequacy. Audit committee regularly reviews and gives recommendations on proper and adequate internal control systems.

Financial performance:

During the Financial year 2017-18, the Company has earned Net revenue from the operations of Rs **54.30 Crores** as compared to previous year revenue i.e Rs **51.88 crores**. However, the Company has earned net profit (after tax) of Rs. 40.27 lacs compared to previous year net profit of Rs 4.72 lacs. Your Company's business cycle faced new economic and industry related challenges confronted with all and came out with the above results.

Segments:

Gujarat Hy-spin Limited does not have multiple segments. Hence, comments on segments are not required.

Human Resources:

Our entire team of employees is well trained, skilled, loyal, dedicated, dependable and working with an "Ownership" concept.

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our business.

We rely on the skills, expertise and experience of our employees to provide quality services to our customer. Our employee may terminate their employment with us prematurely and we may not be able to retain them which may affect our business position. Highly talented and experienced employees in textile industry may be sought rarely in this competitive era. The Core of our success is our people. We do not view our employees as "resources", we consider them our most valuable asset, and have been working towards keeping them engaged and inspired.

Cautionary statements:

All statements made in Management and Discussion Analysis have been made in good faith. Many unforeseen factors may come into play and affect the actual results, which may be different from what the management envisages in

terms of performance and outlook. Factors such as economic conditions affecting demand/supply and priced conditions in domestic & international markets in which the Company operates, and changes in Government regulations, tax laws, other statues and other incidental factors, may affect the final results and performance of the Company.

By Order of the Board of Directors
For, Gujarat Hy-spin Limited,

Date : 01/09/2018

Place : Gondal

Maganlal Parvadiya
Chairman & Wholetime Director
[DIN: 03190749]

Kaushik Dave
Managing Director
[DIN: 06551940]



Maharishi & Co.

Chartered Accountants

"Aparna", Behind Jeevandeep Hospital, Limda Lane, Jamnagar - 361 001, Gujarat, India.

Tel : +91 - 288 - 2665023, 2665024, 2662637, 2661612

e-mail : info@jainandmaharishi.com

INDEPENDENT AUDITORS' REPORT

**To the Members of
Gujarat Hy-Spin Limited**

Report on the Financial Statements

We have audited the accompanying financial statements of **GUJARAT HY-SPIN LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The company's board of directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to preparation and presentation of these financial statement that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India, including the Accounting Standards specified u/s 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records , relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and operating





Maharishi & Co.

Chartered Accountants

"Aparna", Behind Jeevandeep Hospital, Limda Lane, Jamnagar - 361 001, Gujarat, India.

Tel : +91 - 288 - 2665023, 2665024, 2662637, 2661612

e-mail : info@jainandmaharishi.com

effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by company's directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

- a. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- b. in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matters

1. We draw attention to Note No. 38 to the financial statements which describe the impact of prior period items on the profit for the year ended 31 March, 2018 and Reserves as at 31 March, 2018. Our opinion is not qualified in respect of this matter.
2. We draw attention to Note No. 39 to the financial statement which describe treatment VAT liability and uncertainty related to Gujarat Textiles Policy incentives after introduction of GST. Our opinion is not qualified in respect of this matter.

Other Matters

The comparative financial information of the company for the year ended March 31, 2017 prepared in accordance with the Accounting principles generally accepted in India, included in these Financial Statements have been audited by the predecessor auditors. The report of predecessor auditors on the comparative financial information dated August 31, 2017 expressed an unmodified opinion.

Report on Other Legal and Regulatory Requirements

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

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 purpose of our audit.





Maharishi & Co.

Chartered Accountants

"Aparna", Behind Jeevandeep Hospital, Limda Lane, Jamnagar - 361 001, Gujarat, India.
Tel : +91 - 288 - 2665023, 2665024, 2662637, 2661612
e-mail : info@jainandmaharishi.com

- b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
- c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account
- d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, 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**", and
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us;
 - i. According to records of the company, there are no disputes or case pending against the Company.
 - ii. The company does not have any long-term contracts including derivative contracts, hence the question of any material foreseeable losses does not arise;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

For Maharishi & Co.
Chartered Accountants
Firm Registration No. 124872W

Kapil Sanghvi

Kapil Sanghvi
Partner

Membership No. 141168



Signed at Gondal on 01/09/2018



Maharishi & Co.

Chartered Accountants

"Aparna", Behind Jeevandeep Hospital, Limda Lane, Jamnagar - 361 001, Gujarat, India.

Tel : +91 - 288 - 2665023, 2665024, 2662637, 2661612

e-mail : info@jainandmaharishi.com

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Gujarat Hy-Spin Ltd on the financial statements for the year ended 31st March, 2018]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All the fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were 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, the title deeds of immovable properties are in the name of the company.
- (ii) The inventory (excluding stocks with third parties and work in progress) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable. Discrepancies noticed during physical verification were not material and the same has been dealt with in the books of account.
- (iii) As informed, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act, accordingly, the provisions stated in paragraph 3 (iii)(a) and 3(iii)(b) of the Order are not applicable.
- (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 section 186 of the act, with respect to guarantee and investments made.

- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public within the provisions of section 73 to 76 of the Act and rules framed there under.





Maharishi & Co.

Chartered Accountants

"Aparna", Behind Jeevandeep Hospital, Limda Lane, Jamnagar - 361 001, Gujarat, India.

Tel : +91 - 288 - 2665023, 2665024, 2662637, 2661612

e-mail : info@jainandmaharishi.com

- (vi) The Central Government has prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act for the products of the company and such records have been so made & maintained.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, income-tax, and other material statutory dues applicable to it except GST. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2018 for a period of more than six months from the date on when they become payable except GST amount of Rs. 13,82,205/- which are outstanding at year end for more than six months. Further, in respect of payment of VAT we draw your kind attention to note no 39 of the financial statement describing requirement of payment of VAT to avail benefit of subsidy as per Gujarat Textile Policy 2012.
- (b) According to the information and explanation given to us, no dues are outstanding as at March 31, 2018 on account of any dispute.
- (viii) According to the information and explanations given to us, the Company has defaulted in repayment of its dues to bank as at 31st March, 2018. The particulars of delays in repayment of dues (including interest) are as follows:

Particulars	Principal Amount	Interest	Total
Term Loan - I SBI Bank	30,86,473	15,63,894	46,50,367/-
Term Loan - II SBI Bank	6,74,982	3,52,912	10,27,894/-
Term Loan -III SBI Bank	15,83,711	99,284	16,82,995/-

- (ix) During the year, company has made public offer of securities by way of offer for sale by an existing shareholder through issue of prospectus and company has not received any proceeds of the offer.
- (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 fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.





Maharishi & Co.

Chartered Accountants

"Aparna", Behind Jeevandeep Hospital, Limda Lane, Jamnagar - 361 001, Gujarat, India.

Tel : +91 - 288 - 2665023, 2665024, 2662637, 2661612

e-mail : info@jainandmaharishi.com

- (xi) According to the information and explanations given to us and based on our examination of the records of the company, the company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197.
- (xii) In our opinion, the Company is not a nidhi company. Accordingly, the provisions of clause (xii) of paragraph 4 of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- (xiii) According to information and explanation given to us and on the basis of books of accounts and other relevant records of the company, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Note 36 of the Financial Statements as required by the applicable accounting standards.
- (xiv) Company has not made any private placement or preferential allotment during the year.
- (xv) According to information and explanation given to us and on the basis of books of accounts of the company no non-cash transaction is entered into by the company during the year.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Maharishi & Co.

Chartered Accountants

Firm Registration No.124872W

Kapil Sanghvi

Partner

Membership No. 141148



Signed at Jamnagar on 01/09/2018



Maharishi & Co.

Chartered Accountants

"Aparna", Behind Jeevandeep Hospital, Limda Lane, Jamnagar - 361 001, Gujarat, India.

Tel : +91 - 288 - 2665023, 2665024, 2662637, 2661612

e-mail : info@jainandmaharishi.com

Annexure B to the Auditors' report

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

We have audited the internal financial control over financial reporting of GUJARAT HY-SPIN LIMITED ('the company') as of 31st March, 2018 in conjunction with our audit of the standalone financial statement of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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





Maharishi & Co.

Chartered Accountants

"Aparna", Behind Jeevandeep Hospital, Limda Lane, Jamnagar - 361 001, Gujarat, India.

Tel : +91 - 288 - 2665023, 2665024, 2662637, 2661612

e-mail : info@jainandmaharishi.com

Meaning of Internal Financial Control over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that;

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorization of the management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018 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 Maharishi & Co.
Chartered Accountants
Firm Registration No.124872W

Kapil Sanghvi

Kapil Sanghvi
Partner

Membership No.141168



Signed at Jamnagar on 01/09/2018

GUJARAT HY-SPIN LIMITED
Balance Sheet for the year ended as at 31st March, 2018

Particulars	Note	(Amount in Rs.)	
		31-Mar-18	31-Mar-17
I EQUITY AND LIABILITIES			
1 Shareholders' fund			
(a) Share Capital	3	16,75,00,000	16,75,00,000
(b) Reserves & Surplus	4	1,91,43,067	1,83,99,336
Total Shareholder's Fund		18,66,43,067	18,58,99,336
2 Non - Current liabilities			
(a) Long-term borrowings	5	13,12,00,000	17,98,00,000
(b) Other Long term liabilities			
(c) Deferred Tax Liabilities (net)	6	62,76,800	-
(d) Long term provisions	7	3,80,819	-
Total Non - Current Liabilities		13,78,57,619	17,98,00,000
3 Current Liabilities			
(a) Short term Borrowings	8	12,59,39,261	13,48,60,116
(b) Trade payables	9		
(i) total outstanding dues of micro enterprises and small enterprise			
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises			
(c) Other current liabilities		2,93,38,936	1,27,80,046
(d) Short Term Provisions	10	6,23,19,660	5,43,11,401
Total Current Liabilities	11	72,40,058	6,17,076
TOTAL EQUITY & LIABILITIES		54,93,38,601	56,82,67,975
II ASSETS			
1 Non-Current Assets			
(a) Fixed Assets			
(i) Tangible assets	12	23,62,14,332	27,60,11,612
(b) Non Current Investment	13	14,005	14,005
(c) Loans and advances	14		9,702
(e) Other Non-Current Assets	15	1,97,28,015	1,97,28,016
Total - Non Current Assets		25,59,56,352	29,57,63,335
2 Current Assets			
(a) Inventories	16	12,45,64,021	14,21,56,620
(b) Trade receivables	17	14,66,70,783	11,54,21,615
(c) Cash and Cash equivalents	18	8,89,507	10,57,699
(d) Short term Loans and advances	19	2,01,65,740	1,28,28,440
(e) Other Current Assets	20	10,92,197	10,40,266
Total - Current Assets		29,33,82,249	27,25,04,640
TOTAL ASSETS		54,93,38,601	56,82,67,975

Significant Accounting Policies 2.1

The notes referred to above forms an integral part of the Balance Sheet.

As per our report of even date

For Maharishi & Co

Chartered Accountants

Firm Reg. No. 124872W

Kapil Sanghvi

Kapil Sanghvi

Partner

Membership No. : 141168

For and on behalf of Board of Directors

Maganlal Parvadiya

Maganlal Parvadiya
Chairman and
Wholetime Director

DIN : 03190749

Kaushik Dave

Kaushik Dave
Managing
Director

DIN : 06551940

Paras Parvadiya

Paras Parvadiya
Chief Financial Officer

Signed at Gondal on 01.09.2018



GUJARAT HY-SPIN LIMITED

Statement of Profit & Loss for the year ended 31st March, 2018

(Amount in Rs.)

Particulars		Note	31-Mar-18	31-Mar-17
I	INCOME			
	Revenue from operations	21	54,30,25,852	51,87,95,964
	Other income	22	12,33,263	16,65,323
	TOTAL REVENUE		54,42,59,114	52,04,61,287
II	EXPENSES			
	Cost of materials consumed	23	39,27,10,221	34,71,16,299
	Purchase of Stock in trade	24	-	-
	Changes in inventories			
	Work in Process	26	1,13,81,568	-1,14,52,854
	Finished goods	25	-1,01,78,606	1,28,80,867
	Employee benefits expense	27	89,88,316	1,00,53,798
	Finance costs	28	2,62,38,741	3,15,40,133
	Depreciation and amortization expense	12	4,05,62,603	5,55,84,852
	Other expenses	29	7,16,85,589	7,42,41,332
	TOTAL EXPENSES		54,13,88,433	51,99,64,427
III	Profit before exceptional and extraordinary items and tax		28,70,681	4,96,861
IV	Tax Expenses	30		
	Current Tax		23,58,739	24,837
	Less: MAT credit of earlier years utilised		-6,13,360	-
	Deferred Tax		-13,12,219	-
	Deferred Tax for prior periods		-15,89,581	-
	Total Tax Expenses		-11,56,421	24,837
V	PROFIT/(LOSS) FOR THE YEAR (III-IV)		40,27,102	4,72,024
VI	Earnings per equity share	31	0.24	0.03
	Basic & Diluted			

Significant Accounting Policies

2.1

The notes referred to above forms an integral part of the Statement of Profit & Loss

As per our report of even date

For Maharishi & Co
Chartered Accountants
Firm Reg. No. 124872W

Kapil Sanghvi
Kapil Sanghvi
Partner
Membership No. : 141168



For and on behalf of Board of Directors

Maganlal Parvadiya
Maganlal Parvadiya
Chairman and Wholetime
Director
DIN : 03190749

Kaushik Dave
Kaushik Dave
Managing
Director
DIN : 06551940

Paras Parvadiya
Paras Parvadiya
Chief Financial Officer

Signed at Gondal on 01.09.2018



GUJARAT HY-SPIN LIMITED
Cash Flow Statement for the year ended 31 March, 2018

Particulars	(Amount in Rs.)	
	31-Mar-18	31-Mar-17
A. Cash flow from operating activities		
Net profit before taxation	28,70,681	4,96,861
<u>Adjustment for:</u>		
Depreciation & Amortization		
Interest Income	4,05,62,603	5,55,84,852
Finance Cost	-12,13,507	-15,31,268
Operating Profit before working capital changes	2,62,38,741	3,15,40,133
<u>Movements in working capital:</u>	6,84,58,518	8,60,90,578
<u>Decrease/-Increase in Inventories</u>		
Decrease/-Increase in Trade Receivable	1,75,92,599	-4,16,17,839
Decrease/-Increase in Loans and Advances	-3,12,49,168	1,83,67,824
Decrease/-Increase in Other Current Assets	-74,89,674	1,71,97,845
Increase/-Decrease in Trade Payables	-51,931	-8,28,000
Increase/-Decrease in Other Current Liabilities	1,65,58,890	-41,63,835
Increase/-Decrease in Provisions	54,57,450	-1,01,93,058
Sub-Total Movement in Working Capital	53,53,099	2,24,074
Cash generated from operations	61,71,264	-2,10,12,989
Direct taxes paid (net of refunds)	7,46,29,782	6,50,77,588
	67,399	-58,975
NET CASH FROM OPERATING ACTIVITIES	7,46,97,181	6,50,18,613
B. Cash flow from investing activities		
Purchase of fixed assets including Capital WIP & Capital Advance	-7,65,323	-2,60,518
Proceeds from sale of fixed assets	-	11,218
Investment in Fixed deposits	-	-5,41,730
Increase in interest receivable	12,13,507	15,31,268
NET CASH FLOW FROM INVESTING ACTIVITIES	4,48,184	7,40,239
C. Cash flow form financing activities		
Proceeds / Repayment of Long-term borrowings	-4,60,49,191	-4,86,91,204
Proceeds / Repayment of Short-term borrowings	-89,20,855	57,50,854
Finance Cost	-2,62,38,741	-3,15,40,133
Capital Subsidy received	58,95,229	76,77,830
NET CASH CLOW FROM FINANCING ACTIVITIES	-7,53,13,558	-6,68,02,653
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	-1,68,192	-10,43,801
Cash and cash equivalents at the beginning of the year	10,57,699	21,01,500
Cash and cash equivalents at the end of the year	8,89,507	10,57,699
Components of cash and cash equivalents as at the end of the year		
Cash and cheques on hand		
With bank	8,61,235	9,97,043
- In current account		
TOTAL	8,89,507	10,57,699

Significant Accounting Policies

The notes referred to above forms an integral part of the Cash Flow Statement

As per our report of even date
 For Maharishi & Co
 Chartered Accountants
 Firm Reg. No. 124872W

Kapil Sanghvi
 Kapil Sanghvi
 Partner
 Membership No. : 141168

For and on behalf of Board

Maganlal Parvadiya *Kaushik Dave*
 Maganlal Parvadiya Chairman and Managing Director
 Wholetime Director
 DIN : 03190749 DIN : 06551940

Paras P M
 Paras Parvadiya
 Chief Financial Officer

Signed at Gondal on 01.09.2018



GUJARAT HY-SPIN LIMITED

Notes on Accounts & Significant Accounting Policies :

1 Corporate Information :

Gujarat Hy-Spin Limited was incorporated as private limited company on 01 February, 2011 and converted to public limited company in February 2017. The Company is engaged in manufacturing of Cotton Yarn/ Other Yarns having combed counts of 30s at its Gondal Plant (Gujarat). During the year company get listed on SME platform of BSE (BSE SME).

2 Basis of Preparation:

The financial statements have been prepared to comply in all material respects with the standards specified under Section 133 of the Companies Act, 2013 ("Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act. The financial statements have been prepared under historical cost convention on an accrual basis except in case of assets for which provision for impairment is made. The accounting policies have been consistently applied by the Company and except for the changes in accounting policy discussed below, are consistent with those used in the previous year.

2.1 Significant Accounting Policies :

(A) Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumption that effect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the financial statements and the results of operations during the reporting period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future result could differ from those estimates. The effects of change in accounting estimates are reflected in the financial statements in the period in which the results are known and if material, are disclosed in the financial statements.

(B) Inventories:

a Raw Materials and stores and spares are valued at lower of cost and net realizable value. However materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials and stores and spares is determined on a First In First Out basis.

b Work - in - progress is valued at estimated cost based on the stage of completion and finished goods are valued as lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a First In First Out basis. Net realizable value is the estimated selling price in the ordinary course of the business.

c Traded goods are valued at lower of cost and net realizable value. Cost include cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a First In First Out basis.

(C) Cash Flow Statement:

a Cash Flows are presented using indirect method, whereby profit/(loss) before extra ordinary items and tax is adjusted for the effects of transactions of non -cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the company is segregated based on the available information.



- b Cash comprises of cash on hand and demand deposits with banks. Cash equivalents are short term balances, highly liquid investment with maturity of 3 months or less that are readily convertible into cash.

(D) Depreciation & Amortisation:

- a Depreciation on tangible assets is provided on pro-rata basis using written down value method over the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act 2013 except for those referred to in (c).

The company estimates that the useful lives as given below best represent the useful lives of these assets based on internal assessment and supported by technical advice where necessary which may be different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Sr No	Assets Category	Useful Life (Years)
1	Building	30 Years
2	Computers	3 Years
3	Furniture & Fixtures	10 Years
4	Plant & Machinery	15 Years
5	Vehicle	8 Years

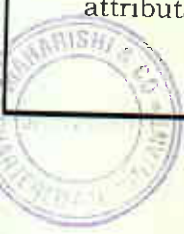
- c Depreciation on the following assets are provided considering the useful life with supporting of technical opinion of Patcon Consultancy, Chartered Engineer as below:
Spinning Plant and Machinery single shift - 32 years
Spinning Plant and Machinery triple shift - 16 years

(E) Revenue Recognition:

- a Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Company collects sales tax and value added tax on behalf of the government and therefore, there are not economic benefits followings to the company. Hence, they are excluded from revenue.
- b Interest Income are recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.
- c Revenue in respect of other income is recognised when no significant uncertainty as to its determination or realisation exists.

(F) Fixed Assets:

- Tangible Fixed Assets are stated at cost less accumulated depreciation / amortisation and impairment loss, if any, except freehold land which is carried at cost. The cost of Tangible Fixed Assets comprises its purchases price, borrowing cost and any cost directly attributable to the bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustment arising from exchange rate variations attributable to the assets. Subsequent expenditures related to an item of Fixed Assts are added to its book value only if they increases the future benefits from the existing asset beyond its previously assessed standard of performance. Projects under which assets are not ready for their intended use are disclosed under Capital Work in Progress, comprising direct cost, related incidental expenses and attributable interest.



b All other expenses on fixed assets, including repair and maintenance expenditure and replacement expenditure of parts, are charged to Statement of Profit and Loss for the period during the which such expenses are incurred

c Gains or losses that arise on disposal or retirement of an asset are measured as the difference between net disposal proceeds and the carrying value of an asset and are recognised in the statement of profit and loss when the asset is derecognised

d Exchange Loss/Gain in case of Imported of Plant & Machinery are capitalized to respective assets account.

(G) Foreign Currency Transactions:

a Initial Recognition:

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting current and the foreign currency at the date of the transactions.

b Conversion:

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non- monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transactions. Non- monetary items, which are measured at fair value or others similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

c Exchange Differences:

The company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as below:

All exchange differences arising of transactions / settlement of foreign currency monetary items are recognized as income or as expenses in the period in which they arise.

(H) Government Grants:

a Government grants are recognised where there is reasonable assurance that the enterprise will comply with the conditions attached to them and it is reasonable that the ultimate collection will be made. Receivables of such grants are shown under Other Current Assets.

b Government grants (net of deferred tax if any) in the nature of promoters contribution are credited to capital reserve and treated as a part the shareholder's funds.

c When the grant or subsidy relates to revenue, it is recognised as income or set off against the related cost, which they are intended to compensate.

(I) Investment:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

a On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.



- Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.
- b
 - c
- On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(J) Employee Benefits:

- Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contributions payable to the provident fund scheme as an expenditure, when an employee renders the related services.
- a

- The Company has defined benefit plans for its employees, viz., gratuity. The cost of providing benefits under this plans are determined on the basis of actuarial valuation at each year end. Actuarial valuation is carried out for the plan using the projected unit credit method. Actuarial gains and losses for defined benefit plans are recognised in full in the period in which they occurs in the statement of profit and loss.
- b

(K) Borrowing Costs:

- Borrowing cost includes interest and ancillary costs incurred in connection with the arrangement of borrowings and foreign exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest costs
- a

- Borrowing costs directly attributable to the construction of an asset that necessarily take a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All of there borrowing costs are expensed in the period they are incurred.
- b

(L) Segment Reporting:

The company is engaged mainly in the manufacturing of Combed Cotton Yarn. These, in the context of Accounting Standard 17 on Segment Reporting, as specified in the Companies (Accounting Standard) Rules, 2006, are considered to constitute one single primary segment. Further, there is no reportable secondary segment i.e. Geographical segment.

(N) Lease:

- Assets taken on lease by the Company in its capacity as lessee, where the company has substantially all the risks and rewards of ownership are classified as finance lease. Such a lease is capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability of each year.
- a

- Lease arrangement where the risks and rewards incidental to ownership of an asset substantially vest with the lesser, are recognised as operating leases. Lease rentals under operating leases are recognised in the statement or profit and loss on a straight line basis over the lease term
- b

(O) Earning Per Share:

Basic earnings per share is calculated by dividing the net profit/ loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes, if any) by weighted average number of equity shares outstanding during the year.



(P) Taxation:

Provision for tax comprises of current and deferred tax. Provision is made on the basis of reliefs and deductions available under relevant tax laws. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward for timing differences of items other than unabsorbed depreciation and accumulated losses only to the extent that there is a reasonable certainty that the assets can be realised in future.

However, if there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realise the assets. Deferred tax assets are reviewed as at each balance sheet date for their reliability.

(Q) Impairment of Assets:

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(R) Provision, Contingent Liabilities and Contingent Assets:

Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates reviewed at each reporting date and adjusted to reflect the current best estimate

a Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are not recognised in the financial statements.



GUJARAT HY-SPIN LIMITED

Notes forming part of the Balance sheet & Profit & loss account

Note No.	Particulars	31.Mär.18	31.Mär.17
3	<u>SHARE CAPITAL</u>		
(a)	<u>Authorized Share Capital</u>		
	Equity Shares of Rs. 10 each	No. of Equity Shares	16,750,000
		Amount	167,500,000
	Issued, Subscribed & Paid up Share Capital	No. of Equity Shares	16,750,000
	Equity Shares of Rs. 10 each	Amount	167,500,000
	TOTAL SHARE CAPITAL		167,500,000
(b)	<u>Reconciliation of the shares outstanding at the beginning and at the end of the reporting period</u>		
	At the beginning of the period	No. of Equity Shares	16,750,000
		Amount	167,500,000
	Issued during the period	No. of Equity Shares	-
		Amount	-
	Outstanding at the end of the period	No. of Equity Shares	16,750,000
		Amount	167,500,000
(c)	<u>Terms/Rights attached to Equity Shares</u>		
	The company has only one class of equity shares having a per share value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.		
	In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.		
(d)	<u>Details of shareholders holding more than 5% shares in the company</u>		
		<u>No.</u>	<u>% of total holding</u>
		<u>No.</u>	<u>% of total holding</u>
	Maganlal S. Paravadiya	35 37 190	21.12%
	Chandulal S. Paravadiya	12 43 470	7.42%
	Ketanbhai M. Paravadiya	12 25 185	7.31%
	Yogesh M. Paravadiya	10 79 190	6.44%
	Paras M. Paravadiya	8 85 620	5.29%
	Kamleshbhai B. Bokarvadia	8 00 000	4.78%
		8 00 000	4.78%
	As per records of the company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.		
4	<u>RESERVES & SURPLUS</u>		
(a)	<u>Capital Reserve</u>		
	Opening Balance		23,808,932
	Add : subsidy received during the year		5,895,229
	Less: Deferred Tax on subsidy received during year		-1,821,600
	Less: Deferred Tax on subsidy received in prior periods (Note 38a)		-7,357,000
	Sub-Total		20,525,561
(b)	<u>Surplus / (Deficit) in Statement of Profit and Loss</u>		
	Opening Balance		-5,409,597
	Add: Profit during the year		4,027,102
	Sub-Total		-1,382,494
	TOTAL RESERVE & SURPLUS		19,143,067
			18,399,336



GUJARAT HY-SPIN LIMITED

Notes forming part of the Balance sheet & Profit & loss account

Note No.	Particulars	31.Mär.18	31.Mär.17
5	<u>LONG TERM BORROWINGS</u>		
	<u>Term Loans from Bank (Non-Current Portion)</u>		
	Term Loan I	103,300,000	140,500,000
	Term Loan II	23,400,000	31,800,000
	Term Loan III	4,500,000	7,500,000
		131,200,000	179,800,000
	The above amount includes		
	Secured borrowings	131,200,000	179,800,000
	Unsecured borrowings	-	-
	Total Borrowings	131,200,000	179,800,000
	<u>Term Loans from Bank</u>		
	Term Loans I,II & III from SBI are secured against hypothecation of plant and machinery and other fixed assets and factory building. It is also secured against personal guarantee of directors & firm of directors.		
	Term Loan I		
	Interest rate of term loan is 4.60% over 1 year MCLR viz. presently 8.15%. Hence effective rate is 12.75%.		
(a)	Term Loan A is repayable in 89 monthly instalment of Rs. 31,00,000/- & 1 installment of Rs. 41,00,000 commencing from 01/07/2014.		
(b)	There is delay in repayment of Term Loan. Amount of overdue installment as at 31 March 2018 is Rs. 30,86,473/- & as at 31 March 2017 is Rs. 11,50,154/-.		
(c)	Term Loan II		
(a)	Interest rate of term loan is 4.60% over 1 year MCLR viz. presently 8.15%. Hence effective rate is 12.75%.		
(b)	Term Loan B is repayable in 33 monthly instalment of Rs. 6,00,000/- and 56 monthly instalment of Rs.7,00,000/- 1 instalment of Rs. 10,00,000/- commencing from 01/07/2014.		
(c)	There is delay in repayment of Term Loan. Amount of overdue installment as at 31 March 2018 is Rs. 6,74,982/- & as at 31 March 2017 is Rs.2,20,895/-.		
	Term Loan III		
(a)	Interest rate of term loan is 4.60% over 1 year MCLR viz. presently 8.15%. Hence effective rate is 12.75%.		
(b)	Term Loan C is repayable in 66 monthly instalment of Rs. 2,50,000/- commencing from 01/11/2015.		
(c)	There is delay in repayment of Term Loan. Amount of overdue installment as at 31 March 2018 is Rs. 15,83,711/- & as at 31 March 2017 is Rs.14,23,308/-.		
6	<u>DEFERRED TAX LIABILITY (NET)</u>		
	<u>Deferred Tax Liability</u>		
	Capital Subsidy	9,178,600	
	<u>Deferred Tax Assets</u>		
	Difference of Written Down Value of Assets	-2,781,900	
	Gratuity Provision	-119,900	
	TOTAL	6,276,800	
7	<u>Long Term Provisions</u>		
	Provision for Employee Benefit	380,819	
	TOTAL	380,819	



GUJARAT HY-SPIN LIMITED
Notes forming part of the Balance sheet & Profit & loss account

Note No.	Particulars	31.Mär.18	31.Mär.17
8	<u>SHORT TERM BORROWINGS</u>		
	<u>Secured borrowing from Bank</u>		
	Cash Credit	99,637,592	105,763,766
	<u>Loans from Promoters and Promoters Group</u>	26,301,669	29,096,350
	TOTAL	125,939,261	134,860,116
	The above amount includes		
	Secured borrowings	99,637,592	105,763,766
	Unsecured borrowings	26,301,669	29,096,350
	Total Borrowings	125,939,261	134,860,116
	<u>Cash Credit</u>		
	(a) Cash Credit is secured against hypothecation of whole current assets of the company including Inventory, Book Debts, Consumables and Stores & Spares etc and personal guarantee of directors & firm of directors.		
	(b) Interest rate on Cash Credit is 4.60% over 1 year MCLR viz. presently 8.15%. Hence effective rate is 12.75%.		
	(c) It is repayable on demand.		
	<u>Loans from Promoters, Promoters Group</u>		
	(a) Loans and advances from promoters and promoters groups are unsecured and Interest free.		
	(b) Loans are repayable on demand.		
9	<u>TRADE PAYABLES</u>		
	Dues to parties registered under MSMED Act, 2006		
	Others	29,338,936	12,780,046
	TOTAL	29,338,936	12,780,046
	The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company. The amount of principal and interest outstanding as at 31.03.17 is given below:		
	(i) Amounts unpaid as at end of period	Principal	-
		Interest	-
	(ii) Amounts paid after appointed date during the period		-
	(iii) Amount of interest accrued and unpaid as at period end		-
	(iv) Amount of interest paid during the period as per section 16		-
10	<u>OTHER CURRENT LIABILITIES</u>		
	Statutory dues (Note 39)	6,332,480	267,458
	Advances from Customers	25,924	15,000
	Interest accrued but not due for payment on term loan	2,016,090	2,634,586
	Current Maturities of long term borrowings	53,945,166	51,394,357
	TOTAL	62,319,660	54,311,401
11	<u>SHORT TERM PROVISIONS</u>		
	Provision for Employee Benefits	496,400	487,399
	Provision for Income Tax	1,745,379	94,677
	Other Provisions	4,998,279	35,000
	TOTAL PROVISION	7,240,058	617,076



GUJARAT HY-SPIN LIMITED**Notes forming part of the Balance sheet & Profit & loss account**

Note No.	Particulars	31.Mär.18	31.Mär.17
13	NON CURRENT INVESTMENT		
	Other Investment	14,005	14,005
	TOTAL	14,005	14,005
	Aggregate amount of quoted investments		
	Market Value of quoted Investment		
	Aggregate amount of unquoted investments		
	Value of Investment Property		
	Value of Other Investment	14,005	14,005
14	LONG TERM LOANS & ADVANCES		
	(Unsecured, Considered Good)		
	Security Deposit	-	9,702
	TOTAL	-	9,702
15	OTHER NON-CURRENT ASSETS		
	Fixed Deposit held for more than 12 months (secured against bank guarantees issued by SBI)	19,728,015	19,728,016
	TOTAL	19,728,015	19,728,016
16	INVENTORIES		
	(Cost or NRV whichever is lower)		
	Raw Material		
	Work In Progress	58,963,593	2,268,560
	Finished Goods	32,899,536	20,253,726
	By-products	30,094,015	75,353,230
		2,606,877	44,281,104
	TOTAL	124,564,021	142,156,620
17	TRADE RECEIVABLES		
	(Unsecured, Considered Good)		
	Outstanding for more than 6 months from the date they are due for payment	77,576,932	14,832,885
	Others	69,093,851	100,588,730
	TOTAL	146,670,783	115,421,615
18	CASH & CASH EQUIVELENT		
	Cash Balance		
	Balances with Bank	861,235	997,043
	On Current Account	28,272	60,656
	TOTAL	889,507	1,057,699



GUJARAT HY-SPIN LIMITED

Notes forming part of the Balance sheet & Profit & loss account

Note No.	Particulars	31.Mär.18	31.Mär.17
19	SHORT TERM LOANS & ADVANCES (Unsecured, Considered Good)		
	Security Deposit	445,000	-
	Advances to be received in cash or in kind	114,402	42,699
	Balances with Govt Authority	19,606,338	12,785,741
	TOTAL	20,165,740	12,828,440
20	OTHER CURRENT ASSETS (Unsecured, Considered Good)		
	Other assets	1,092,197	1,040,266
	TOTAL	1,092,197	1,040,266
21	REVENUE FROM OPERATIONS		
	Sale of Products		
	Manufactured goods	543,025,852	518,795,964
	Traded Goods	-	-
	TOTAL REVENUE FROM OPERATION	543,025,852	518,795,964
22	OTHER INCOME		
	Interest	1,213,507	1,531,268
	Other	19,756	134,055
	TOTAL	1,233,263	1,665,323
23	COST OF MATERIAL CONSUMED		
	<u>Opening Stock</u>		
	Raw Material	75,353,230	30,791,590
	<u>Purchases (net of return)</u>		
	Purchase of Raw Material	376,320,585	391,677,939
	<u>Closing Stock</u>		
	Raw Material	58,963,593	75,353,230
	TOTAL	392,710,221	347,116,299
	Consumption of raw materials		
	Cotton Bales	392,710,221	347,116,299
	Total	392,710,221	347,116,299
24	PURCHASE OF TRADED GOODS		
	Purchase of Traded Goods	-	-
	TOTAL	-	-
25	CHANGES IN INVENTORIES OF FINISHED GOODS & BY PRODUCTS		
	<u>Finished goods & By-Products</u>		
	Opening Stock	22,522,286	35,403,153
	Closing Stock	32,700,892	22,522,286
	change in inventory of finished goods	-10,178,606	12,880,867



GUJARAT HY-SPIN LIMITED
Notes forming part of the Balance sheet & Profit & loss account

Note No.	Particulars	31.Mär.18	31.Mär.17
26	CHANGES IN INVENTORIES OF WORK IN PROCESS		
	Opening Stock	44,281,104	32,828,250
	Closing Stock	32,899,536	44,281,104
	change in inventory of work in process	11,381,568	-11,452,854
27	EMPLOYEE BENEFIT EXPENSES		
	Salary, Wages & Bonus	7,552,709	8,030,497
	Directors Remuneration	-	-
	Contribution to provident and other fund	398,094	522,824
	Gratuity Expenses (Note 38c)	387,952	-
	Staff Welfare Expenses	649,562	1,500,477
	TOTAL	8,988,316	10,053,798
28	FINANCE COST		
	Interest on Working Capital Loan	12,498,615	13,459,732
	Interest on Term Loan	12,592,433	15,527,933
	Other Interest	46,347	1,136,612
	Other Bank Charges	1,101,346	1,415,856
	TOTAL	26,238,741	31,540,133
29	OTHER EXPENSES		
	Advertising & Sales Promotion	31,676	1,325,574
	Communication cost	40,214	128,497
	Consumption of Stores, tools & Packing Material	8,846,906	10,636,098
	Freight & Forwarding Charges	113,659	17,061
	Insurance Expenses	429,941	644,030
	Legal & consultancy Charges	1,526,045	874,848
	Office Admin Exp	312,673	297,778
	Other misc exp	707,018	706,713
	Power & Fuel	58,112,495	56,843,607
	Rates and taxes	117	3,110
	Rent	36,000	36,000
	Repairs & Maintenance		
	Building	100,000	-
	Machineries	153,500	121,037
	Others	-	-
	Processing Charges	618,750	2,125,855
	Travelling & Conveyance	212,579	446,124
	Total	71,241,573	74,206,332
	Payment to auditors includes		
	For Audit fee	65,000	35,000
	For Taxation Fee	-	-
	Total	65,000	35,000
	Prior Period items		
	Write off of ipo expense for previous year	1,150	-
	Write off of preliminary expense (Note 38b)	377,866	-
	Total	379,016	-
	Total Other Expenses	71,685,589	74,241,332



GUJARAT HY-SPIN LIMITED

Notes forming part of the Balance sheet & Profit & loss account

Note No.	Particulars	31.Mär.18	31.Mär.17
30	Tax Expenses		
	<u>Current Tax</u>		
	Provision for current year	2,358,739	24,837
	Less: MAT credit of earlier years utilised	-613,360	-
		1,745,379	24,837
	<u>Deferred Tax</u>		
	Deferred Tax of earlier year	-1,312,219	-
		-1,589,581	-
	TOTAL	433,161	24,837
31	EARNING PER SHARE		
	Net profit as per P & L	4,027,102	472,024
	Weighted Avg. No. of Shares	16,750,000	16,750,000
	TOTAL AVERAGE	0.24	0.03
32	GRATUITY		
	Every employee who has completed five years or more service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.		
	The Following table summaries the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the balance sheet for the respective plans.		
	Amount in Balance Sheet:-		
	Defined Benefit Obligation (DBO)	388,042	516,329
	Fair Value of Plan Assets	-	-
	Liability/ (Asset) recognised in the Balance Sheet	388,042	516,329
	Amount Recognised in the statement of Profit & Loss:-		
	Current Service Cost	203,860	182,329
	Interest Cost	39,750	28,541
	Net Actuarial Losses / (Gains)	-371,897	-79,019
	Total Expenses/ (income) included in "Employee Benefit Expenses	-128,287	131,851
	Change in Present Value of Benefit Obligation during the Period		
	Defined Benefit Obligation, Beginning of Period	516,329	384,478
	Current Service Cost	203,860	182,329
	Interest Cost	39,750	28,541
	Actuarial (Gains)/ Losses	-371,897	-79,019
	Actual Benefit Paid	-	-
	Defined Benefit Obligation, End of Period	388,042	516,329
	The Principal assumptions used in determining gratuity benefit obligations for the company's plan are as below:		
	Discount Rate	7.70%	7.40%
	The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand of the employment market.	7.50%	7.50%
	TOTAL	388,042	516,329



GUJARAT HY-SPIN LIMITED

Notes forming part of the Balance sheet & Profit & loss account

Note No.	Particulars	31.Mär.18	31.Mär.17
33	VALUE OF STORES RAWMATERIALS AND PACKING MATERIAL CONSUMED		
(i)	Total value of Raw Material consumed during the year		
	Indigenous		
(ii)	Spares, tools & Packing Material Consumed	392,710,221	347,116,299
	Indigenous	8,846,906	10,636,098

34 RELATED PARTY DISCLOSURE

A. Related Parties under AS - 18 with whom transaction have taken place during the year
Names of related parties and related party relationship

Key Managerial Personal

Maganlal Parvadiya

Kaushik Dave

Chandulal Parvadiya

Paras Parvadiya

Mahendra Rajput

Designation

Chairman & Wholetime Director

Managing Director

Wholetime Director

Chief Financial Officer

Company Secretary

Relative of Key Managerial Personal

Niramalaben Parvadiya

Hansaben Parvadiya

Ketan Parvadiya

Divyesh Parvadiya

Yogesh Parvadia

Entities in which Managing Director & Key managerial Person have significant influence

Gujarat Ginning & Oil Industries

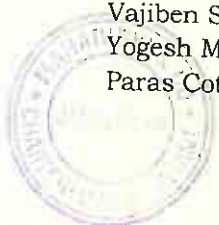
Paras Cotton

35 RELATED PARTY TRANSACTION

Name of person	Nature of transaction	2017-18	2016-17
(C) Entities in which Managing Director & Key managerial Person have significant influence			
Gujarat Ginning & Oil Industries	Lease Rent	36,000	36,000
Gujarat Ginning & Oil Industries	Purchase (net of return)	376,320,585	380,107,826
Gujarat Ginning & Oil Industries	Jobwork	618,750	888,750
Paras Cotton	Sales	12,751,488	130,323,601
Paras Cotton	Brokerage	-	98,920

Balance Outstanding at the end of the year

Name of person	Nature	2017-18	2016-17
Chandubhai S. Parvadia	Loan	677,660	75,000
Bindiya K. Parvadia	Loan	1,371,350	970,000
Chandubhai S. Parvadia (HUF)	Loan	4,000,000	4,000,000
Divyesh C. Parvadia	Loan	70,000	70,000
Hansaben C. Parvadia	Loan	-	2,000,000
Ketanbhai M. Parvadia	Loan	5,500,000	5,500,000
Maganbhai S. Parvadia	Loan	5,202,660	6,600,000
Maganbhai S. Parvadia (HUF)	Loan	4,500,000	4,500,000
Nidhiben P. Parvadia	Loan	2,000,000	2,000,000
Vajiben S. Parvadia	Loan	2,950,000	2,950,000
Yogesh M. Parvadia	Loan	30,000	30,000
Paras Cotton	Trade Receivable	15,650,373	20,981,926



GUJARAT HY-SPIN LIMITED**Notes forming part of the Balance sheet & Profit & loss account**

Note No.	Particulars			31.Mär.18	31.Mär.17
36	<u>Consumption</u>	<u>Amount</u>	<u>%</u>		
	Imported	-	-	-	-
	Indigenous	-	0.00%	-	0.00%
	Total	392,710,221	100.00%	347,116,299	100.00%
		392,710,221	100.00%	347,116,299	100.00%
37	<u>Contingent Liabilities not acknowledged as debt</u>				
	Bank has sanctioned bank guarantee upto Rs. 219.29 lakhs which is issued in favour of PGVCL, Central Government for duty receivable under EPCG and Letter of Credit issued to Machinery Supplier. As at 31 March, 2018 company has an export obligations of Rs. 5074.13 lakhs against advance authorization license issued under EPCG Scheme which needs to be fulfilled within 6 years of date of authorisation. This amount pertains to import made at concessional rate of import duty against advance license.				
38	<u>Prior Period Items</u>				
a	Till 31/03/2017 company has not recognised deferred tax liability. However, during current financial year company has recognised deferred tax expenses of Rs. -14,30,081/- in statement of profit and loss and Rs.73,57,000/- pertaining to capital subsidy to Capital Reserves.				
b	Till 31/03/2017 company has not recognised preliminary expenditure in the year in which they were incurred, but was deferred for 5 years. However, amount outstanding as at 01.04.2017 of Rs. 3,77,866/- is fully written off as per AS 26.				
c	Till 31/03/2017 company has not recognised gratuity liability. Unrecognised Gratuity Liability upto 31.03.2017 is Rs. 5,16,239/-.				
39	<u>Gujarat Textiles Policy</u>				
a	As per Gujarat Textile Policy, 2012 company is eligible for VAT subsidy in against investment in plant and machinery, subject to payment of VAT collected from customers without set off of Input VAT Credit. However, company has paid VAT on sales by utilisation of Input Tax Credit. Hence, to claim subsidy company first needs to pay VAT without utilisation of Input Tax Credit. Amount of VAT paid through utilisation of Input tax credit upto 31.03.2018 is Rs.2,84,18,296/-. As condition of policy is not fulfilled, subsidy is not recognised in respect of this amount and no liability is created as at 31.03.2018.				
b	After introduction of GST with effect from 01.07.2017, revision in Gujarat Textiles Policy and mechanism of subsidy is under revision. Hence, no subsidy is recognised for the period 01.07.2017 to 31.03.2018.				
40	<u>Other Notes</u>				
	Previous year figures are regrouped, re arranged & re casted wherever necessary.				



GUJARAT HY-SPIN LIMITED

Note	Particulars								
12	<u>Tangible Assets</u>	<u>Building</u>	<u>Plant & Machinery</u>	<u>Furniture & Fixtures</u>	<u>Electrical Installation</u>	<u>Office Equipment</u>	<u>Vehicles</u>	<u>Computers & Software</u>	<u>TOTAL</u>
	Cost								
	As at 1st April, 2016	87,972,760	387,576,857	1,340,572	9,302,059	1,480,775	2,967,970	519,391	491,160,384
	Additions		13,125	186,243		49,500		519,391	260,518
	Disposals		11,218					11,650	11,218
	As at 31st March, 2017	87,972,760	387,578,764	1,526,815	9,302,059	1,530,275	2,967,970	531,041	491,409,684
	Additions			178,005		570,320		17,000	765,325
	Disposals								
	As at 31st March, 2018	87,972,760	387,578,764	1,704,820	9,302,059	2,100,595	2,967,970	548,041	492,175,009
	Depreciation								
	As at 1st April, 2016	17,893,113	135,057,260	421,642	4,158,688	941,615	1,415,613	388,505	160,276,436
	Additions	6,657,608	46,067,981	245,347	1,331,871	253,174	484,801	86,603	55,127,385
	Disposals		5,749						5,749
	As at 31st March, 2017	24,550,721	181,119,492	666,989	5,490,559	1,194,789	1,900,414	475,108	215,398,072
	Additions	6,025,131	32,771,318	257,674	986,984	148,066	333,398	40,033	40,562,603
	Disposals								
	As at 31st March, 2018	30,575,852	213,890,810	924,663	6,477,543	1,342,855	2,233,812	515,141	255,960,675
	Net Block								
	At 31st March 2017	63,422,039	206,459,272	859,826	3,811,500	335,486	1,067,556	55,933	276,011,612
	At 31st March, 2018	57,396,908	173,687,954	780,157	2,824,516	757,740	734,158	32,900	236,214,332



GUJARAT HY-SPIN LIMITED

Groupings forming part of Balance Sheet

Not	PARTICULARS	31.Mär.18	31.Mär.17
	<u>EQUITIES & LIABILITIES</u>		
3	SHARE CAPITAL		
	Authorized Share Capital		
	Issued, Subscribed And Paid Up Capital	167,500,000	167,500,000
	Bonus Shares Issued	167,500,000	167,500,000
	Total Share Capital	167,500,000	167,500,000
4	RESERVE & SURPLUS		
	A) Capital Reserve		
	Add: Subsidy received during the year	23,808,932	16,131,102
	Less: Deferred Tax on subsidy received during year	5,895,229	7,677,830
	Less: Deferred Tax on subsidy received during prior periods	-1,821,600	-7,357,000
		-7,357,000	
	Sub-Total	20,525,561	23,808,932
	B) Profit & Loss Account		
	Add: Current Year	-5,409,597	-5,881,620
		4,027,102	472,024
	Sub-Total	-1,382,494	-5,409,597
	Total Reserve & Surplus	19,143,067	18,399,336
5	LONG TERM BORROWINGS		
	Term Loans		
	SBI		
	Term Loan I		
	Term Loan II	103,300,000	140,500,000
	Term Loan III	23,400,000	31,800,000
		4,500,000	7,500,000
	Sub-Total	131,200,000	179,800,000
	Total Long Term Borrowings	131,200,000	179,800,000
6	Deferred Tax Liabilities		
		6,396,700	
7	LONG TERM PROVISION		
	Gratuity Expense		
		380,819	
	Long Term Provisions	380,819	
8	SHORT TERM BORROWINGS		
	Secured Loans		
	Loans repayable on Demand From Banks		
	SBI Bank (CC) A/c. No.33514510924	99,637,592	105,763,766
	Sub-Total	99,637,592	105,763,766



GUJARAT HY-SPIN LIMITED

Groupings forming part of Balance Sheet

Not	PARTICULARS	31.Mär.18	31.Mär.17
	(ii) Unsecured Loan from Promoters, Promoters Group		
	Babubhai G.Makadiya	-	401,350
	Bindiya K. Parvadia	1,371,350	970,000
	Chandubhai S. Parvadia	677,660	75,000
	Chandubhai S. Parvadia (HUF)	4,000,000	4,000,000
	Divyesh C. Parvadia	70,000	70,000
	Hansaben C. Parvadia	-	2,000,000
	Ketanbhai M. Parvadia	5,500,000	5,500,000
	Maganbhai S. Parvadia	5,202,660	6,600,000
	Maganbhai S. Parvadia (HUF)	4,500,000	4,500,000
	Nidhiben P. Parvadia	2,000,000	2,000,000
	Vajiben S. Parvadia	2,950,000	2,950,000
	Yogesh M. Parvadia	30,000	30,000
	Sub-Total	26,301,669	29,096,350
	Total Short Term Borrowing	125,939,261	134,860,116
9	TRADE PAYABLES		
	Acas Enteprise	-	16,239
	Ahmedabad Textile Industry's Research Association	-	4,117
	Airtech Engineers	6,780	-
	AMAR TEXTILES TRADERS	69,030	-
	Amtex Accessories	5,470	5,470
	Apco Agencies	52,136	178,806
	Asha Offset	52,225	54,612
	Ashis Kumar Ganguli	-	68,460
	Aver India Equipment	24,725	24,725
	BALE STRAP CO.	760	-
	Bering Center	3,717	315
	Bharat Printing Press	5,000	-
	Bhavesh Texcone Industries	1,031,536	1,044,917
	Bhavtex Engineering Industries	35,206	35,206
	Ciba Aquatech	11,898	-
	Cotton Association Of India	1,487	840
	Credit Analysis & Research Limited	-	31,355
	Darshan Plastics	91,183	55,692
	DEVDEEP MULTI PRINT	56,764	33,338
	Diya Overseas	142,216	230,118
	Dlc Enterprise	26,282	5,176
	Dr. Mahesh G. Jotangia	16,500	16,500
	Drive & Control System	26,768	-



GUJARAT HY-SPIN LIMITED**Groupings forming part of Balance Sheet**

Not	PARTICULARS	31.Mär.18	31.Mär.17
	Dynamic Textiles Enineers		
	Everest Cotton	14,893	-
	Gajraj Roadways	-	91,017
	Galaxy Packsol Pvt Ltd	26,500	-
	Gaurav Packaging	312,315	-
	Gujarat Labour Welfare Fund	32,568	-
	Gujarat Packaging Industries	552	552
	H2O Scientific	966,945	878,053
	Hem Infotech	115,238	115,238
	Interglobe Aviation (Indigo) Ltd	7,500	10,900
	ISC Tex Tech Pvt Ltd	13,965	-
	Jagruti Rewinding Works	7,310	-
	Jatan Industries	11,800	-
	Jevin Enterprise	63,300	-
	KEPREJ SALES CORPORATION	14,850	-
	Khodiyar Engineering	2,360	-
	Kishor G Vaghela	2,860	1,800
	LASER-TECH FIRE PROTECTION	29,700	29,700
	MADHAV SALES AGENCY	6,637	-
	Maharishi & Co.	10,706	10,706
	Maruti Industries	43,200	-
	Maruti Multipack	18,586	-
	MMB Electrical & Electronics	573,517	-
	Nagar Engineering	570	-
	Navkar Belting	687,336	949,865
	New Rajhans Sales Agency	112,842	-
	Nobel Paper Product	161,364	113,974
	Orient Agency	612,215	-
	Orient Enterprise(Gujarat)Pvt Ltd	53,248	-
	Pabari Associates	21,057	4,646
	Pantomath Capital Advisor (P) Ltd.	336,857	235,967
	Paragbhai K Vaghela	3,319,031	-
	Patel Book Store	34,000	34,000
	Perfect Paper Cones	64,626	64,626
	Power Systems	1,648,508	1,648,508
	QC Air Solution	77,444	-
	QC Corporation	23,595	-
	QC Enterprise	34,639	-
		-	21,000



GUJARAT HY-SPIN LIMITED

Groupings forming part of Balance Sheet

Not	PARTICULARS	31.Mär.18	31.Mär.17
	RAJ TRADERS		
	Ravine Hi-Tech Lubricants	20,485	15,551
	Rudrang Technotrade	32,320	37,806
	S Lalbhai	19,558	-
	S. R. & Co.	5,104	30,110
	Sahjanand Paper Cone & Packaging	52,037	31,300
	Saudaminiben R Shah	392,888	-
	Shiv Shakti Industires	39,656	39,656
	Shiv Traders	4,349	-
	Shree Datt Tradelink	65,229	73,757
	Shree Maruti Courier Service Pvt Ltd	-	16,326
	Shree Vinayak Jal Pvt Ltd	-	200
	Shree Yash Vepar Company	175,394	-
	Shreeji Packaging	27,346	-
	Shri Gundala Gram Panchayat Kacheri - Gundala	965,207	-
	Shyam Polyspin Pvt. Ltd.	20,190	-
	Silver Tex Industires	14,849,045	-
	Sonal Marketing	367,356	-
	Sterling Enterprise	18,644	-
	Sunrise Engineers	9,998	-
	Swastik Paper Cone	4,718	-
	Tejal Enterprise	916,902	-
	The Indian Card Clothing Company Limited	-	2,370
	The Orient Enterprise Company Limited	25,898	25,898
	Uttam Electricals	44,813	-
	V.M.Enterprise	8,412	-
	Veckay Associates	10,674	299
	Vinayak Cotex	58,378	58,378
	Vinayak Enterprise	-	6,409,396
	Vodafone West Limited	42,760	-
	Welkar India	-	9,714
		39,258	12,848
	Total Trade Payables	29,338,936	12,780,046
10	OTHER CURRENT LIABILITEIS		
	Statutory liabilities		
	Cash Ledger(CGST) - Primary Unit		
	Cash Ledger(IGST) - Primary Unit	2,784,235	-
	Cash Ledger(SGST) - Primary Unit	94,163	-
	TDS 92-B	2,960,824	-
	TDS 94-C	11,590	-
	TDS 94-H	12,375	-
	TDS 94-J	1,584	-
	Vat Payable A/c.	467,709	47,127
		-	220,331
	Sub-Total	6,332,480	267,458



GUJARAT HY-SPIN LIMITED

Groupings forming part of Balance Sheet

Not	PARTICULARS	31.Mär.18	31.Mär.17
	Advances from Customers		
	Ashish Traders	-	-
	R.K. TRADERS	-	-
	VIJAI TEXTILES	10,924	-
		15,000	15,000
	Sub-Total	25,924	15,000
	Interest on term Loan	2,016,090	2,634,586
	Current Maturities of Long-term borrowings		
	Term Loan I	40,286,473	38,350,154
	Term Loan II	9,074,982	8,620,895
	Term Loan III	4,583,711	4,423,308
		53,945,166	51,394,357
	Total Other Current Liability	62,319,660	54,311,401
11	SHORT TERM PROVISIONS		
	<u>Provision for Employee Benefits</u>		
	Gratuity expense	7,133	-
	Professional Tax	90,510	39,860
	Employee Provident Fund Organisation Payable	133,904	38,142
	Salary Payable	264,853	409,397
		496,400	487,399
	<u>Income Tax</u>		
	Provision for Income Tax	2,358,739	94,677
	Less: MAT credit of earlier years utilised	-613,360	-
	Sub-Total	1,745,379	94,677
	<u>Other Provisions</u>		
	Audit Fees	25,000	35,000
	Provision for electricity expense	4,973,279	-
	Sub-Total	4,998,279	35,000
	Total Short Term Provision	7,240,058	617,076
	TOTAL EQUITIES & LIABILITIES	549,458,501	568,267,975



GUJARAT HY-SPIN LIMITED

Groupings forming part of Balance Sheet

Not	PARTICULARS	31.Mär.18	31.Mär.17
12	Tangible Assets	236,214,332	276,011,612
13	NON CURRENT INVESTMENT		
	N S C	14,005	14,005
	Total of Investment	14,005	14,005
14	LONG TERM LOANS & ADVANCES		
	Security Deposits		
	PGVCL Deposit	-	9,702
	Total Long Term Loans & Advances	-	9,702
15	OTHER NON-CURRENT ASSETS		9,702
	Fixed Deposits		
	SBI FD A/C.33058703988		
	SBI FD A/C.33146579961	1,571,168	1,571,168
	SBI FD A/C.33193076701	646,867	646,867
	SBI FD A/C.33266337153	3,208,976	3,208,977
	SBI FD A/C.33305750487	314,195	314,195
	SBI FD A/C.33459545846	443,215	443,215
	SBI FD A/C.34061001965	458,908	458,908
	SBI FD A/C.34537192564	70,122	70,122
	SBI FD A/C.35039731288	10,580,841	10,580,841
	SBI FD A/C.35106515999	1,950,760	1,950,761
	Total	482,962	482,962
		19,728,015	19,728,016
16	INVENTORIES		
	Cotton Waste		
	Cotton Yarn	2,606,877	2,268,560
	F.P. Cotton Bales	30,094,015	20,253,726
	Stock In Process	58,963,593	75,353,230
	Total Inventories	32,899,536	44,281,104
		124,564,021	142,156,620
17	TRADE RECEIVABLE		
	Unsecured and Consider Good		
	Captain Ginning & Pressing Factory		
	DLP Cotton	988,881	-
	Fiber Solutions	506,728	506,728
	Giriraj Cotton Limited	1,036,486	-
		8,976,260	-



GUJARAT HY-SPIN LIMITED

Groupings forming part of Balance Sheet

Not	PARTICULARS	31.Mär.18	31.Mär.17
	Hiren Cotton		
	Jash Corporation	18,063,349	23,522,991
	Kalpataru Textiles	21,429,861	23,982,975
	Kamdhenu Textiles	163,384	163,384
	Mohini Fibers Pvt Ltd.	734,219	761,569
	Paras Cotton	-	3,949
	Ravi Cotton	15,650,373	20,981,926
	Santaram Spinners Ltd.	14,823,677	14,823,677
	Sarvottam Enterprise.	57,972,315	-
	SETH MANGALCHAND CHAMPALAL	4,854,085	25,536,959
	Shantinath Textile	121,539	-
	SHREE SIDDHI VINAYAK ENTERPRISE	711,539	-
	Shri Sainath Cottons Pvt Ltd	534,600	534,600
	SUHASINI TEXTILES PRIVATE LIMITED	98,228	-
	Uma Fabrics	-	4,597,598
		5,259	5,259
	Total Trade Receivable	146,670,783	115,421,615
18	CASH & CASH EQUIVALENT		
	Cash		
	Cash on Hand		
		861,235	997,043
	Sub-Total (Cash)	861,235	997,043
	Bank		
	<u>Current Account</u>		
	CBI Bank A/c. No.3140190634		
	SBI Bank A/c. No. 31624553956	6,053	6,053
		22,219	54,603
	Sub-Total (Balance in Current Account)	28,272	60,656
	Total Cash & Cash Equivalent	889,507	1,057,699
19	SHORT TERM LOANS & ADVANCES		
	Advances Receivable In Cash Or Kind Or For Value To Be Received		
	Security Deposit		
	BSE Limited (Deposit)		
	Sub-Total	445,000	-
		445,000	-
	Advances to Supplier For Material & Services		
	Central Depository Services (India) Limited.		
	Indian Clearing Corporation Limited	6,290	-
	BSE Limited	4,416	-
		9,635	-



GUJARAT HY-SPIN LIMITED

Groupings forming part of Balance Sheet

Not	PARTICULARS	31.Mär.18	31.Mär.17
	Lakshmi Machine Works Limited		7,515
	Murata Machinery India Pvt. Ltd.	25,932	3,127
	National Securites Depository Limited.	33,872	-
	Oswal Associates	3,817	-
	Pantomath Capital Advisor (P) Ltd.	3,927	-
	Vetal Hitech Machines Pvt Ltd	-	32,058
	Voltas Limited.	13,741	-
		12,773	-
	Sub-Total	114,402	42,699
	Balance With Customs, Excise, Income Tax Etc.		
	Advance Income Tax		150,000
	Income Tax Refund	-	-
	TDS Rec.	190,765	-
	VAT CR/DB A/C.	121,311	135,442
	Vat Refund (30-06-2015) A/c.	10,693	-
	Vat Refund (30-09-2015) A/c.	3,662,226	3,662,226
	Vat Refund (31-03-2016) A/c.	420,000	420,000
	Vat Refund (31-12-2015) A/c.	517,000	517,000
	Insurance Pre-Paid A/c.	612,000	612,000
	Interest Subcidy A/c.	155,420	45,241
	Power Subcidy A/c.	6,605,747	-
	Tuff's Subsidy A/c.	5,802,333	2,207,360
		1,508,843	5,036,472
	Sub-Total Balance With Govt Authority	19,606,338	12,785,741
	Total Short term Loans & Advances	20,165,740	12,828,440
20	OTHER CURRENT ASSETS		
	Interest on F.D. Receivable		-
	Priliminary and Pre-operative Expenses	1,092,197	-
	Sub Total	1,092,197	1,040,266
	Total Other Current Assets	1,092,197	1,040,266
	TOTAL ASSETS	549,338,601	568,267,975



GUJARAT HY-SPIN LIMITED
Groupings forming part of Profit & Loss Account

Note	Particular	31.Mär.18	31.Mär.17
21	Revenue From Operations		
	Sale		
	Sale of Product		
	Sale of Traded Goods	543,025,852	518,795,964
	Sub-Total - Sale	543,025,852	518,795,964
	TOTAL REVENUE FROM OPERATIONS	543,025,852	518,795,964
22	OTHER INCOME		
	Interest		
	Interest on FDR		
	Interest on IT Refund	1,213,507	1,444,917
		-	86,351
	Other	1,213,507	1,531,268
	Kasar Income		
	Insurance Income	603	11,695
	Discount Income	18,757	72,076
	Welfare Fund	-	50,284
		396	-
		19,756	134,055
	TOTAL OTHER INCOME	1,233,263	1,665,323
	TOTAL INCOME	544,259,114	520,461,287
23	Purchases of Finished Goods		
	Finished Goods		
	TOTAL PURCHASE OF TRADED GOODS		
24	COST OF MATERIAL CONSUMED		
	Opening Stock		
	Raw Material	75,353,230	30,791,590
		75,353,230	30,791,590
	Purchase		
	Raw Material	395,593,313	391,677,939
		395,593,313	391,677,939
	Purchase return	19,272,728	-
	Closing Stock		
	Raw Material	58,963,593	75,353,230
		58,963,593	75,353,230
	TOTAL COST OF RAW MATERIAL CONSUMED	392,710,221	347,116,299



GUJARAT HY-SPIN LIMITED
Groupings forming part of Profit & Loss Account

Note	Particular	31.Mär.18	31.Mär.17
25	CHANGES IN STOCK-IN-TRADE AND WORK-IN-		
	Finished Goods & By-Products		
	Opening Stock		
	Closing Stock	22,522,286	35,403,153
		32,700,892	22,522,286
		-10,178,606	12,880,867
	Work In Progress		
	Opening Stock (WIP)		
	Closing Stock (WIP)	44,281,104	32,828,250
		32,899,536	44,281,104
	TOTAL CHANGE IN INVENTORY	11,381,568	-11,452,854
		1,202,962	1,428,013
26	EMPLOYEE BENEFIT EXPENSES		
	Staff Salary and Wages		
		7,552,709	8,030,497
	Sub-Total - Salaries		
		7,552,709	8,030,497
	DIRECTORS' REMUNERATION	-	-
	CONTRIBUTION TO PROVIDENT FUND		
		398,094	522,290
	CONTRIBUTION TO LABOUR WELFARE FUND		
		-	534
	Gratuity and Retrenchment		
	Gratuity provision pertaining to prior period		
	Reversal during the year	516,239	
	Sub-Total - Gratuity & retrenchment	-128,287	
		387,952	
	WORKMEN AND STAFF WELFARE EXPENSES		
	Staff Lodging Expenses		
	Medical Expense	621,462	1,408,337
	Sub-Total - Staff Welfare Exp	28,100	92,140
	TOTAL EMPLOYEE BENEFITS	649,562	1,500,477
		8,988,316	10,053,798
27	OTHER EXPENSES		
a	Advertising And Sales Promotion		
	Advertisement		
	Commission		
	Sub-Total	31,676	1,325,574
		31,676	1,325,574
b	Communication Cost		
	Post & Courier		
	Telephone Expense	24,928	15,007
	Sub-Total	15,286	113,490
		40,214	128,497



GUJARAT HY-SPIN LIMITED

Groupings forming part of Profit & Loss Account

Note	Particular	31.Mär.18	31.Mär.17
c	Consumption of Stores		
	Opening Stock		
	Store Purchase	-	1,515,788
	Closing Stock	8,846,906	9,120,310
	Sub-Total		-
		8,846,906	10,636,098
d	Freight And Forwarding Charges		
	Transportation Charges		
	Sub-Total	113,659	17,061
		113,659	17,061
e	Insurance		
	Vehicle Insurance		
	Factory Building and Machinery	71,095	-
	Other Insurance	253,500	-
	Sub-Total	105,346	644,030
		429,941	644,030
f	Legal & Consultation Charges		
		1,526,045	874,848
g	Office Admin Charges		
	Computer Expenses		
	Fees and Subscription Expenses	86,568	40,050
	Lease Fee Exp. A/c.	-	17,958
	Printing & Stationery	17,094	-
	Credit Analysis & Research Expense	100,406	130,664
	Kasar	35,000	45,950
	Office Expense	-	1,458
	Sub-Total	73,605	61,698
		312,673	297,778
h	Other Expense		
	Weight Shortage		
	Weight Scale Renewal Expenses	3,992	-
	Rate Difference	-	2,275
	Stock Audit fee	-	31,477
	Licence Fee	17,700	12,000
	Water Expense	32,300	11,475
	Laboratory Expense	377,031	152,000
	Factory Expense	26,040	22,813
	Trademark Service Expenses	219,655	402,942
	Valuation Fees	-	6,300
	Internet Expense	-	65,431
	Fire Extinguisher Refill Exp.	20,300	-
	Sub-Total	10,000	-
		707,018	706,713
i	Power and Fuel		
		58,112,495	56,843,607



GUJARAT HY-SPIN LIMITED

Groupings forming part of Profit & Loss Account

Note	Particular	31.Mär.18	31.Mär.17
k	Rates And Taxes		
	Service Tax Expense		
	Vat Assessment tax	117	-
	Sub-Total	117	3,110
l	Rent Expense		
	Land Rent		
	Sub-Total	36,000	36,000
m	Repairs And Maintenance Others		
	Building		
	Machinery	100,000	
	Repairing - Others	153,500	121,037
	Sub-Total	253,500	121,037
n	Processing Charges		
	Jobwork expense		
	Sub-Total	618,750	2,125,855
o	Travelling And Conveyance		
	Vehicle running Expense		
	Car Diesel expense	23,692	108,694
	Travelling Expense	34,080	175,663
	Sub-Total	154,807	161,767
p	Auditor's Remuneration		
	Statutory Audit		
	Sub-Total	65,000	35,000
q	Prior Period items		
	Reversal of ipo expense		
	Write off preliminary expense	1,150	
	Sub-Total	377,866	
	TOTAL OTHER EXPENSES	71,685,589	74,241,332



GUJARAT HY-SPIN LIMITED

Groupings forming part of Profit & Loss Account

Note	Particular	31.Mär.18	31.Mär.17
28	FINANCE COST		
	Interest		
	Bank Interest CC	12,498,615	13,459,732
	Bank Interest Term Loan	12,592,433	15,527,933
	Interest on VAT & TDS	46,347	1,136,612
		25,137,395	30,124,277
	Other Finance Cost		
	Bank Charges	27,027	1,415,856
	Loan Process and Stamp Charges	1,074,319	-
		1,101,346	1,415,856
	TOTAL FINANCE COST	26,238,741	31,540,133
30	DEPRECIATION/AMORTIZATION & IMPAIRMENT LOSS		
	Depreciation	40,562,603	55,121,636
	Amortization of Preliminary expense		463,216
	TOTAL	40,562,603	55,584,852
	TOTAL EXPENSES	541,388,433	519,964,427
	PROFIT BEFORE TAX	2,870,681	496,861
30	Tax Expenses		
	Current Tax		
	Provision for the year	2,358,739	24,837
	Less: MAT credit of earlier years utilised	-613,360	-
	Sub-total	1,745,379	24,837
	Deferred Tax	-1,312,219	-
	Deferred Tax of earlier year	-1,589,581	-
	Sub-total	-2,901,800	-
	Total	-1,156,421	24,837
	NET PROFIT	4,027,102	472,024

