



HIPOLIN LIMITED
TWENTY EIGHTH ANNUAL REPORT
2020-2021

28th Annual Report

Board of Directors: Shri Bhupendra J. Shah Chairman &
Shri Shailesh J. Shah Whole Time Director (upto 8.04.2021)
Shri Jaykumar J. Shah Chairman & Managing Director
Smt. Nitaben B. Shah Whole Time Director
Shri Ajay R. Gandhi Independent Director
Shri Umesh P. Mehta Independent Director
Shri Nirav D. Shah Independent Director

Company Secretary: Ms. Apexa A. Panchal

Chief Financial Officer: Shri Rumit B. Shah

Bankers: The Kalupur Commercial Co-operative Bank Ltd
HDFC Bank Ltd.

Auditors: Borkar & Muzumdar, Chartered Accountants, Ahmedabad.

Registered Office & Factory: A/1/1, Nilkanth Ind. Estate, Sanand-Viramgam Highway, Nr Iyava Bus Stand, Via Virochannagar (P. O.) Ta. : Sanand, Dist.: Ahmedabad 382170.
Phone No.: (02717) 284202

Corporate Office: 4th Floor, "Madhuban", Nr Madalpur Garnala, Ellisbridge, Ahmedabad : 380006.
Phone No.: (079) 26447730-31

Email Id: hipolin@hipolin.com,
csapexapanchal@gmail.com

Website: www.hipolin.com

Share Transfer Agent: Link Intime India Private Limited

C-101, 247 Park,
L.B.S. Marg, Vikhroli (West),
Mumbai – 400 083
Tel No : +91 22 49186270 Fax: +91 22 49186060
E-mail id : rnt.helpdesk@linkintime.co.in
Website : www.linkintime.co.in

Ahmedabad Unit: 5th Floor, 506 to 508,
Amarnath Business Center-I (ABC-I),
Beside Gala Business center, Nr. St. Xavier's College Corner,
Off C.G. Road, Navrangpura,
Ahmedabad-380009.
Phone No.: 079-26465179
Email Id.: ahmedabad@linkintime.co.in

NOTICE

NOTICE is hereby given that the Twenty Eighth Annual General Meeting of the Members of **HIPOLIN LIMITED (CIN: L24240GJ1994PLC021719)** will be held at **A/1/1, Nilkanth Ind. Estate Sanand -Viramgam Highway, Near Iyava Bus Stand, Via. Virochannagar, Ta:Sanand, Dist. : Ahmedabad-382170** on **Thursday, 30th September, 2021 at 2.00 p. m.** to transact the following business

1. To consider and adopt the audited Financial Statements of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors ("the Board") and Auditors thereon and in this regard, pass the following resolution as **Ordinary Resolution**:

"RESOLVED THAT the audited Financial Statements of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors ("the Board") and Auditors thereon laid before this meeting, be and are hereby considered and adopted"

2. To appoint a Director in place of Shri Shailesh J. Shah (DIN: 00777653), who retires by rotation and being eligible, offers himself for reappointment and in this regard, pass the following resolution as **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri Shailesh J. Shah (DIN: 00777653), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation."

June 28, 2021

HIPOLIN LIMITED
CIN:L24240GJ1994PLC021719
Registered Office:
A/1/1, NilkanthInd. Estate,
Sanand-Viramgam Highway
Nr. Iyava Bus Stand,
Via- Virochannagar (P.O.)
T.a. Sanand, Dist.:Ahmedabad-382170

By Order of the Board,
For HIPOLIN LIMITED,

Apexa Panchal
ACS-35725
Company Secretary

NOTES :

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business, to be transacted at the Annual General Meeting, is annexed and forms part of this Notice, if any. Information relating to the Director proposed to be appointed and those retiring by rotation and seeking re-appointment at this Meeting, as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this Notice
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. PROXY IN FORM-MGT-11 TO BE EFFECTIVE SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other person or member. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

3. **Corporate Members:** Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing the representatives to attend and vote at the 28th Annual General Meeting same should be deposited with the Company/ RTA/ Scrutinizer.
4. The Register of Members and Transfer Books of the Company will be closed from Tuesday, **September 24, 2021** to Monday, **September 30, 2021** (both days inclusive) for the purpose of 28th Annual General Meeting.
5. The members desired to change address / bank details / KYC updation / having any query /intimation/ updation / alteration, for any process respect to their data in the records of the company are requested to write the application letter seeking the procedure for bringing the change into effect along with quoting their Folio No. or Client ID No. , their PAN CARD, AADHARCARD self attested copy, photocopy of share certificate and supporting evidences to the Registrar and Transfer Agent (RTA) at following address M/S. LINK INTIME INDIA PVT. LTD., 506 TO 508, AMARNATH BUSINESS CENTRE – 1 (ABC-1), BESIDE GALA BUSINESS CENTRE, NEAR XT. XAVIER'S COLLEGE CORNER, OFF C G ROAD, NAVRANGPURA, AHMEDABAD – 380009. The RTA will guide/ act in accordance of the receipt of the documents lodged by the members.
6. Members desiring any information on Accounts are requested to write to the Company at least one week before the meeting so as to enable the management to keep the information ready. Replies will be provided at the meeting.
7. As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to bring their copies of Annual Report and the attendance slip at the Annual General Meeting.
8. Nomination facility is available to the Shareholders in respect of share held by them.
9. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio number in the attendance slip for attending the meeting.
10. Members who hold shares in the dematerialized form and want to provide/change/correct the bank account details should send the same immediately to their concerned Depository Participant and not to the Company. Members are also requested to give the MICR Code of their bank to their Depository Participants. The Company will not entertain any direct request from such members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details.

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- 11.** Members who have not registered their e-mail address and mobile number with the Company are requested to submit their valid e-mail address to LINK INTIME INDIA PVT. LTD., 506 TO 508, AMARNATH BUSINESS CENTRE – 1 (ABC-1), BESIDE GALA BUSINESS CENTRE, NEAR XT. XAVIER'S COLLEGE CORNER, OFF C G ROAD, NAVRANGPURA, AHMEDABAD – 380009 quoting their Folio No. or Client ID No.. Members holding shares in demat form are requested to register/ update their e-mail address and mobile number with their Depository Participant(s) directly.
- 12.** Members are requested to contact the Company's Registrar & Share Transfer Agent, for reply to their queries/ redressal of complaints, if any at following address M/S. LINK INTIME INDIA PVT. LTD., 506 TO 508, AMARNATH BUSINESS CENTRE – 1 (ABC-1) , BESIDE GALA BUSINESS CENTRE , NEAR XT. XAVIER'S COLLEGE CORNER, OFF C G ROAD, NAVRANGPURA, AHMEDABAD – 380009 or **e-mail at ahmedabad@linkintime.co.in**.
- 13.** The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants (DPs) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to RTA of company at following address M/S. LINK INTIME INDIA PVT. LTD., 506 TO 508, AMARNATH BUSINESS CENTRE – 1 (ABC-1) , BESIDE GALA BUSINESS CENTRE , NEAR XT.XAVIER'S COLLEGE CORNER, OFF C G ROAD, NAVRANGPURA, AHMEDABAD – 380009.
- 14.** As per SEBI vide its Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 & Notification No. SEBI/LAD-NRO/GN/2018/49 dated 30th November, 2018 amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, No fresh transfer deed of physical share certificates can be lodged to the company or its RTA after 31st March, 2019 as per SEBI announcement. The transfer deed(s) once lodged prior to deadline and returned due to deficiency in the document may be re-lodged for transfer even after the deadline of April 01, 2019. Henceforth except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository. This measure came into effect from April 01, 2019. The members are requested to refer SEBI circular SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated 07/09/2020 for re-lodgement of transfer of shares.
- 15.** Non-resident Indian shareholders are requested to inform about the following immediately to the Company or its Registrar and Share Transfer Agent or the concerned Depository Participant, as the case may be, immediately of:
 - The change in the residential status on return to India for permanent settlement.
 - The particulars of the NRE account with a Bank in India, if not furnished earlier.
- 16.** Members are requested to disclose their significant beneficial ownership to the company respect to their shareholding in the company pursuant to SEBI circular vide no. SEBI/HO/CFO/CMD1/CIR/P /2018/149 dated 7th December, 2018.
- 17.** The Registers under the Companies Act, 2013 will be available for inspection at the Registered Office of the Company during business hours between 11.00 am to 1.00 pm on all working days except on holidays. The said Registers will also be available for inspection by the members at the AGM.
- 18.** Annual Report is also uploaded on the Company's website www.hipolin.com which may accessed by the members.
- 19.** Voting Through Electronic Means:
 - I. In terms of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies(Management and Administration) Rules, 2014, as substituted by the Companies(Management and Administration) Rules, 2014 and Regulation 44 of the

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members the facility to exercise their right to vote on resolutions proposed to be considered at the 28th Annual General Meeting (AGM) by electronic means and business may be transacted through remote e-Voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-Voting") will be provided by the Central Depository Services (India) Limited.

- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The voting rights of the Shareholders shall be in proportion to their shares of the Paid Up Equity Share Capital of the Company.
- V. The Remote e-voting period commences on Monday, September 27, 2021 at 9:00a.m. and ends on Wednesday, September 29, 2021 at 5:00pm. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 23, 2021, may cast their votes electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by shareholder, the shareholder shall not be allowed to change it subsequently.

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTEE-VOTING ARE AS UNDER:

The voting period begins on Monday, September 27, 2021 at 9:00a.m and ends on Wednesday, September 29, 2021 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 23, 2021, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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A. Pursuant to abovesaid SEBI Circular, Login method for e-Voting **for Individual shareholders holding securities in Demat mode** is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" "Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to

	NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

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

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

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

B. Login method for e-Voting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

HIPOLIN LIMITED

6) If you are a first-time user follow the steps given below:

For Shareholders holding shares in Demat Form other than individual and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN Field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Manoj Shah with folio number 100 then enter MA00000100 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction Step 5).

- 7) After entering these details appropriately, click on "SUBMIT" tab.
- 8) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- 9) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- 10) Click on the EVSN of the Company i.e. **210831017** to vote.
- 11) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- 12) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- 13) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- 14) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- 15) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- 16) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

C. Facility for Non – Individual Shareholders and Custodians –Remote Voting

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

OR

Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; hipolin@hipolin.com / csapexapanchal@gmail.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company email Id: hipolin@hipolin.com / csapexapanchal@gmail.com and RTA email id: ahmedabad@linkintime.co.in or in physical form at RTA of the Company at the following address: M/s Link Intime India Pvt Limited, 506 to 508, Amarnath Business Center-1 (ABC-1), Beside Gala Business Center, Near St. Xaviers' College Corner, Off. C.G. Road, Navarangpura, Ahmedabad-380009.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

OTHER E-VOTING INSTRUCTIONS:

1. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.
2. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, MarathonFuturex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.
3. This notice has been updated with the instructions for voting through electronic means as per the amended Rules, 2015.
4. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

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5. Ms. Megha Samdani, Practicing Company Secretary (Membership No. ACS 41630 and Certificate of Practice No. 21853) has been appointed as the Scrutinizer to scrutinize the Remote e-voting and the poll process at the Annual General Meeting in a fair and transparent manner.
6. The scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses not in the employment of the Company and shall make, not later than 48 hours from the conclusion of the AGM, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, and submit the same to the Chairman or any Director of the Company authorized by the Chairman, who shall countersign the same.
7. The Results shall be declared forthwith on receipt of consolidated report from the Scrutinizer. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.hipolin.com and on the website of CDSL and shall also be communicated to the BSE Limited.

ANNEXURE TO NOTICE**Annexure A**

Brief Particulars of Directors seeking Appointment/ Re-appointment at the forthcoming Annual General Meeting Pursuant of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meeting (SS-2) issued by the ICSI:

Name of the Director	Shri Shailesh J. Shah
Director Identification Number (DIN)	00777653
Date of Birth	11.10.1951
Date of Appointment/ Re-appointment	31.07.2009
Qualifications	Undergraduate in Science
Number of the Meetings of the Board attended during the year 2020-2021	6 out of 6
Brief resume of the Director including nature of expertise in specific functional areas	Shri Shailesh J. Shah is having rich experience of more than 35 years in the field of Chemicals and Detergents. He is expert in handling multiple portfolios in the field of banking, finance and administration. He is having wide knowledge of the industry and markets that the company operates in and has been instrumental in the turnaround of the Company over the last few years.
No. of Shares held in the Company	317595 Equity shares of Rs. 10 each fully paid up
Directorships and Committee Memberships held in other Companies(excluding alternate directorships, Directorship in the Private limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act,2013. Membership and Chairmanship of Audit Committee and Stakeholders' Relationship Committee of other Public Companies.)	NIL
Inter-se Relationships between Directors	# #
Terms and Conditions of appointment	As per Remuneration and Nomination Policy of the Company as displayed on the Company's Website viz. http://www.hipolin.com .

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Brother of Shri Bhupendra J. Shah (Whole Time Director) and Shri Jaykumar J. Shah (Whole Time Director).

June 28, 2021

HIPOLIN LIMITED

CIN:L24240GJ1994PLC021719

Registered Office:

A/1/1, NilkanthInd. Estate,

Sanand-Viramgam Highway

Nr. Iyava Bus Stand,

Via- Virochannagar (P.O.)

T.a. Sanand, Dist.:Ahmedabad-382170

By Order of the Board,

For HIPOLIN LIMITED,

Apexa Panchal

ACS-35725

Company Secretary

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

[Pursuant to Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,

ECONOMY:

Indian economy appears to have now gone past the economic slowdown which was caused due to Covid-19 pandemic, persistent inflation, oscillating value of rupee and elevated fiscal deficit. GDP growth in 2019-20, prior to the COVID-19 pandemic, was 4% and contracted 7.3% in FY 2020-21.

Population growth, especially households with children, drives demand in the consumer sector, while growth in economy drives demand in the commercial sector. The profitability of individual companies depends on several factors, such as efficient operations and effective sales and marketing.

INDUSTRY HIGHLIGHTS:

Major products of soap and detergent industry include soaps, laundry detergents, dishwashing detergents, household-cleaning products, hair cleaning products, and toothpaste. Laundry detergents account for 40 % of the overall market, while soaps for 20 % and dishwashing detergent for 15 %. It is an international industry, and during the early years of 1990, world demand for its products has increased 1 to 3 percent every year. Many of the participants in the industry competed on a global basis. According to analysts, there is a firm correlation the standard of living of a nation and its usage of soap and detergent products. The analysts are expecting the industry to continue to grow in both the industrialized as well as developing nations. Our company is basically engaged in the manufacture of Detergents Powder and Cake.

The modifications in the cleaning products were also spurred by technical innovation, availability of improved ingredients, such as bleach additives, better optical brighteners, and improved technologies to improve the performance of soap and detergent products. Marketers packaged products differently to meet the needs and requirements of specialized users like households with infants or with men performing tasks that are traditionally associated with women. To meet the requirements of different market segments, the industry saw a development of brands and varieties

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE OPERATIONS::

The overall performance of our Company is not improved during the current year in comparison with the earlier performance due to Covid-19 situation. The turnover of the Company decreased to Rs. 1142.33 Lakhs compared to Rs. 1461.67 Lakhs of the previous year. The company has incurred net loss of Rs. 51.78 Lakhs compared to net profit of Rs. 23.89 Lakhs during the previous year.

OPPORTUNITIES:

According to analysts, there is a firm correlation the standard of living of a nation and its usage of soap and detergent products. The analysts are expecting the industry to continue to grow in both the industrialized as well as developing nations. Due to awareness of an average citizen, with reference to CLEAN INDIA, demand of detergent may increase having multiplying effect. However, the consciousness regarding personal hygiene and clean surrounding increased in the current situation, which stimulated the

HIPOLIN LIMITED

demand for laundry and household cleaning products, thus, enhancing the market growth of detergents. The ultimate users may be approached via e-commerce & reputed retail chain of the Bazaars like Star Bazaar, D Mart, Big Bazaar etc. Public at large has been more alert about health & hygiene.

THREATS:

The market was negatively impacted by COVID-19 in 2020. The States of the country were forced to go in lockdown owing to the pandemic scenario, which led people to minimize the usage of personal vehicles, thus creating a negative impact on the fuel demand and, in turn, decreasing the demand for fuel additives and detergents. Also, to create Company's Brand loyalty is a costly affair by means of a very aggressive marketing in all Medias like TV Advertisements, slide shows, hoardings etc. An average customer is too price sensitive & may leave Company's brand for a marginally costly product compared to a competitor just because of heavy dose of marketing cost. Brand building & generating brand loyalty in the minds of consumers like multinationals & national competitors may eat the company's major portion of resources.

RISKS AND CONCERNS:

- 1) The Company faces stiff & cut throat competition not only from multinationals but also from national/domestic competitors.
- 2) More expenses of advertising & marketing calls for deployment of funds result in higher burden of interest.
- 3) Inflationary tendency in cost elements like raw material cost, interest cost, marketing cost & transportation cost affect adversely to net margins as in competitive market selling price cannot be increased to absorb them all and hence generate low profit margin.

SEGMENT-WISE PERFORMANCE:

The Company's main business activity is manufacturing of Detergent Powder and Cake.

OUTLOOK:

The Company continues to explore the possibilities of expansion and will make the necessary investments when attractive opportunities arise.

INTERNAL CONTROL SYSTEMS:

The Company has an adequate system of Internal Controls aimed at achieving efficiency in operations, optimum utilization of resources and compliance with all applicable laws and regulations. The observations and recommendations given by the Internal Auditors, a reputed firm of Chartered Accountants, for improvement of the business operations and their implementations are reviewed by the Audit Committee.

HUMAN RESOURCES:

Talent acquisition, retention and development are an integral part of the HR Initiatives.

Your Company recognizes that transformation is successful only if the human capital is prepared for change & trained to accept new challenges. The Company has got very cordial relations with the employees at all the levels particularly with the workers. This

year, as at March 31, 2021, the Company had 33 employees on the payroll of the Company.

CAUTIONARY STATEMENT:

Certain statements in the Management Discussion and Analysis describing the Company's analysis and interpretations are forward looking. Actual results may vary from those expressed or implied. The Company assumes no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events. The risks outlines are not exhaustive. Readers are requested to exercise their own judgment in assessing the risk associated with the Company.

DIRECTORS' REPORT

To,
The Members,

Your Directors present the Twenty Eighth Annual Report and Audited Accounts of the Company for the financial year ended March 31, 2021

FINANCIAL RESULTS:

Sr. No.	Particulars	Amount (Rs. in Lakhs)	
		Year ended on	
		31-03-2021	31-03-2020
(1)	Total Income	1142.33	1461.67
(2)	Profit/(Loss) before Interest, Depreciation & Taxation	(27.57)	64.37
	Less : Interest	(3.52)	(2.19)
(3)	Profit/(Loss) before Depreciation and Taxation	(31.08)	62.18
	Less : Depreciation	(20.69)	(26.60)
(4)	Profit/(Loss) before Tax for the year	(51.78)	35.58
	Less : Provision for Taxation :		
	(a) Income Tax	Nil	(11.69)
	Add (b) Deferred Tax	Nil	Nil
	(c) Excess Provision of earlier years (Net)	Nil	Nil
	Sub-total	Nil	(11.69)
(5)	Profit/(loss) after Tax for the year	(51.78)	23.89
	Other Comprehensive Income	7.00	(5.61)
(6)	Net profit/(loss) after Tax for the year	(44.78)	18.28
(7)	Earnings per Share (EPS) of Rs. 10/- each	(1.65)	0.76

1. OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS**(A) Sales and Profit:**

During the year under review, the revenue from operations and other income of the Company were lower to Rs. 1142.33 Lakhs compared to Rs. 1461.67 Lakhs of the previous year. The company incurred loss of Rs.51.78 lakhs and loss after tax & OCI of Rs.44.78 Lakhs. The EPS on financial statements for the year ended March 31, 2021 was Rs.(1.65) on basic/diluted basis.

(B) Raw Material:

Required quantities of the Raw materials were available within India.

(C) Export:

Company has not made any exports during the year. (No exports were made during the previous year).

2. DIVIDEND:

The Board of Directors of your company, after considering holistically the relevant circumstances and keeping in view the company's dividend distribution policy, has decided that it would be prudent, not to recommend any Dividend during the year under review.

3. RESERVES:

The Board of Directors of your company has decided not to transfer any amount to the Reserves for the year under review.

4. CAPITAL STRUCTURE:

During the year, there was no change in the Capital structure i.e. Authorised, Issued and Paid Up Equity Share Capital of the Company. The Company is having only one class of shares.

5. PUBLIC DEPOSITS:

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the period under review. Hence, the requirement for furnishing the details of deposits which are in compliance with Chapter V of the Act is not applicable.

6. INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Pursuant to the provisions of section 124 of the Companies Act, 2013 and rules made thereunder, during the year, equity shares whose dividend had remained unclaimed / unpaid for a consecutive period of seven years were transferred to IEPF is not applicable.

7. MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY, HAVING OCCURRED SINCE THE END OF THE FINANCIAL YEAR AND TILL THE DATE OF THE REPORT

1. The outbreak of Coronavirus (COVID -19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing and closure of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.

COVID-19 is significantly impacting business operation of the companies, by way of interruption in production, supply chain disruption, unavailability of personnel, closure / lockdown of production facilities etc. On March 24, 2020, the Government of India ordered a nationwide lockdown for 21 days which further got extended till May 3, 2020 to prevent community spread of COVID-19 in India resulting in significant reduction in economy due to such material changes.

2. The company, with the consent of the Board of Directors in their meeting held on 16/04/2021, had entered into agreement to sell without possession dated 13/05/2021 of the land admeasuring 38351 sq. meters of Account No. 324 having aakar Rs. 38350 paisa of Block/ Survey No. 163 situated at Nilkanth industrial Estate, Sanand – Viramgam Highway, Nr. Iyava Bus Stop, Sanand – 382170, Gujarat, described as "Mouje village Iyava of Sanand Taluka of sub district and

district of Ahmedabad", together with Building, structures, rights & fixtures thereon with a clear and marketable title free from all encumbrances and claims to any person (s) and/ or entity (ies) as determined by the Board of Directors, for such consideration and on such terms and conditions as agreed by the Board of Directors and other party to the said agreement.

3. Discontinuation of Remuneration of Managing Director and Whole Time Director:

The company, on recommendation of Nomination and Remuneration Committee and with the consent of the Board of Directors in their meeting held on 28/05/2021 approved to effect the discontinuation of remuneration paid/payable to Managing Director and Whole Time Director w.e.f. 01/06/2021 as per the authority delegated by members at the 27th Annual General Meeting of the Company held on 09/11/2020.

The Managing Director and Whole Time Director of the Company had agreed to provide their services as Managing Director and Whole Time Director of the Company honorary; hence it will have no impact on the working of the Company.

8. TECHNICAL ACHIEVEMENT:

The Company keeps on exploring the possibility of technical improvement and process optimization for better yields / product mix / energy efficiency.

9. PARTICULARS OF LOANS GIVEN, GUARANTEES GIVEN, INVESTMENTS MADE AND SECURITIES PROVIDED UNDER SECTION 186 :

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are not applicable.

10. LISTING:

The Company's Securities are listed on BSE Limited at Mumbai. The Company has paid the listing fees for F.Y. 2021-22 on the paid up equity share capital.

11. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement of Section 134(5) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, the Directors hereby confirm:

- a) that in the preparation of the financial statements for the year ended March 31, 2021, the applicable Indian Accounting Standards read with requirements set out under Schedule III of the Companies Act have been followed and there are no material departures from the same;
- b) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the (Loss) of the Company for that period;
- c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the Directors have prepared the annual accounts on a 'Going Concern' basis;

- e) that the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f) that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

12. DIRECTORS:

In accordance with the provisions of Section 152 of the Act and the Articles of Association of the Company, Shri Shailesh J. Shah (DIN: 00777653) shall retire at the forthcoming Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

As on Thursday, April 8, 2021, there was a sad demise of Shri Bhupendra Jayantilal Shah, Whole Time Director (Chairman) of the Company, which is an irreparable loss to the Company. The Board of Directors, at their meeting held on April 16, 2021, had unanimously decided to appoint Shri Shailesh J. Shah (DIN: 00777653), Managing Director to act as Chairman also. Thus, Shailesh J. Shah (DIN: 00777653) will now act as a Chairman and Managing Director of the Company.

There is no change in the composition of the Board of Directors and Key Managerial Personnel of the Company during the year under review, except stated above.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS:

The Company has received declarations from all the Independent Directors of the Company, inter alia, confirming that they meet the criteria of Independence as prescribed under Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015. There has been no change in the circumstances affecting their status as independent directors of the Company.

During the year under review, the Independent Directors (non-executive) of the Company had no pecuniary relationships or transactions with the Company, other than sitting fees and reimbursement of expenses, if any, incurred by them for the purpose of attending meetings of the Board/Committee of the Company.

KEY MANAGERIAL PERSONNEL:

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2021 are: Shri Bhupendra J. Shah as Whole-time Director (Chairman) (upto 08/04/2021), Shri Shailesh Jayantilal Shah as Chairman & Managing Director, Shri Jaykumar J. Shah as Whole-time Director, Mr. Rumi Bharatbhai Shah as CFO of the company and Ms. Apexa Ajaykumar Panchal as Company Secretary.

13. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR ETC.:

Pursuant to the provisions of Section 178 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder and Regulation 19 of SEBI

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(LODR) Regulations, 2015 the Board of Directors had approved and adopted the Remuneration and Nomination Policy as recommended by the Nomination and Remuneration Committee. The salient features of the said policy covering the policy on appointment and remuneration and other matters have been explained in the Corporate Governance Report.

13. BOARD EVALUATION:

Based on the criteria for evaluation of Independent Directors and the Board as recommended by the Nomination and Remuneration Committee and as adopted by the Board, Board carried out evaluation of its own performance, the individual Directors and the Committees. The Independent Directors also carried out evaluation of Chairman and non-Independent Directors in the separate meeting. It was derived that overall the Board was functioning very well in a cohesive and interactive manner

14. MEETINGS OF THE BOARD AND COMMITTEES:

During the Financial year 2020-21, 6 (Six) meetings of the Board of Directors took place. The details of which are given in the Report on Corporate Governance that forms the part of this Annual Report. The intervening gap between the meetings was within the period prescribed under the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Details of meetings of all the Committees of the Board have been given in the Report on Corporate Governance.

15. CONFIRMATION OF COMPLIANCE OF SECRETARIAL STANDARDS:

The Company has complied with the provisions of 'revised' SS-1---Secretarial Standards on meetings of the Board of Directors which has come into effect from October 01, 2017 and also SS-2--- Secretarial Standard on General Meetings during the year.

16. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURE:

There was no employee drawing an annual salary of Rs. 102.00 lakhs or more where employed for full year or monthly salary of Rs. 8.50 Lakhs or more where employed for part of the year and therefore, information pursuant to the provisions of Rule 5 (2) and (3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is NIL.

Disclosure with respect to remuneration of the Directors and employees as required under Section 197 of the Act, and the Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as **Annexure A** to this Report.

17. AUDITORS:

• Statutory Auditors

The shareholders had at the Twenty Fourth AGM of the Company appointed M/s. Borkar & Muzumdar, Chartered Accountants (Firm Registration Number: 101569W) as Statutory Auditors of the Company to hold office from the conclusion of the Twenty Fourth AGM till the conclusion of the Twenty Ninth AGM. They have under Section 139(1) of the Act and the Rules framed thereunder furnished a certificate of their eligibility. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM had been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing AGM and a note in respect of same has been included in the Notice for this AGM.

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The Auditors' Report for FY 2020-21 form a part of this Annual Report and neither contains any qualification, reservation nor adverse remark.

- **Secretarial Auditors**

Pursuant to Section 204 of The Companies Act, 2013 read with Rules thereof, the Board of Directors had appointed M/s G R Shah & Associates., Company Secretaries, Ahmedabad, as Secretarial Auditor of the Company for the FY 2020-21. A Secretarial Audit Report for FY 2020-21 in Form MR -3 is annexed herewith this report herewith as **Annexure B** to this Report.

The said report does not contain any qualification, reservation or adverse remark.

- **Cost Auditor:**

The requirement of appointment of Cost Auditor and cost audit is not applicable for the financial year 2020-2021 pursuant to the provisions of Section 148 of the Companies Act, 2013.

- **Internal Auditor:**

The Board of Directors has appointed M/s Harish S. Patel & Co., Chartered Accountants (Firm Registration Number: 103551W) as an Internal Auditor of the Company. The Internal Auditor directly report to audit committee. The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives.

18. INTERNAL CONTROL AND ITS ADEQUACY:

The Company had commensurated with its size, single operational location and resultant requirement, Internal Control System. The firm of practicing Chartered Accountant has carried out the internal audit of the said system. Based on recommendation / report of the said firm of Internal Auditor which is presented to the Audit Committee required corrective actions were initiated / taken by the Company.

Internal Financial Controls

The Directors have laid down policies and procedures which are 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;

Details of Fraud Reporting By Auditor:

During the year, no fraud was reported by the statutory auditors under section 143(12) of the Act.

19. CORPORATE GOVERNANCE REPORT:

As per Regulation 34(3) read with schedule V of the SEBI (LODR) Regulations, 2015, the Report on Corporate Governance alongwith a Certificate from practising Company Secretary regarding compliance of conditions of Corporate Governance is annexed to this Annual Report voluntarily as the said report is not applicable to the Company as per the Regulation 15 (Listing Obligations And Disclosure Requirements) Regulations, 2015.

20. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

As stipulated in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis is given as separate section in this Annual Report

21. BUSINESS RESPONSIBILITY REPORT:

The Business Responsibility Report, as required under Regulation 34(2)(g) of SEBI (LODR) Regulations, 2015 is not applicable to the Company.

22. CORPORATE SOCIAL RESPONSIBILITY REPORT:

The company's net profit, turnover and net worth are outside the criteria of Section 135 of the Companies Act, 2013, therefore, it is not required to spend any amount under CSR Activity.

23. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

All contracts / arrangements / transactions with related parties entered into by the Company during the financial year were in the ordinary course of business and at an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with related party transactions.

24. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

As required under Companies Act, 2013 and SEBI (LODR) Regulations, the Company has put in place Vigil Mechanism/ Whistle Blower Policy for Directors and Employees so that the Directors can report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct Policy. The cases registered under Whistle Blower Policy of the Company, if any, are reported to and are subject to the review of the Audit Committee. The Whistle Blower Policy has been posted on the website of the Company (www.hipolin.com)

25. RISK MANAGEMENT POLICY:

The Company follows well-established and detailed risk assessment and minimization procedures, which is periodically reviewed by the Board. The Company has in place a business risk management framework for identifying risks and opportunities that may have a bearing on the organization's objectives, assessing them in terms of likelihood and magnitude of impact and determining a response strategy.

The Senior Management assists the Board in its oversight of the Company's management of key risks, including strategic and operational risks, as well as the guidelines, policies and processes for monitoring and mitigating such risks under the aegis of the overall business risk management framework.

26. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:

The Company firmly believes in providing a safe, supportive and friendly environment- a workplace where our values come to life through the supporting behaviors. Positive workplace environment and a great employee experience are integral part of our culture. The Company believes in providing and ensuring a workplace free from discrimination and harassment based on gender.

The Company educates its employees as to what may constitute sexual harassment and in the event of any occurrence of an incident constituting sexual harassment; the Company provides the mechanism to seek recourse and redressal to the concerned individual subjected to sexual harassment.

During the year there was no complaint of sexual harassment lodged with the Company.

27. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUT GO:

A. Conservation of Energy

The Company has not incurred significant amount on electricity, as most of the products of the company are mixing of various ingredients. The percentage of electricity expenses is very negligible to total expenses. However, the Company ensures conservation at all possible levels.

B. Technology Absorption

The Company has established a quality control laboratory and research and development laboratory. The Research & Development process does not require any sophisticated instruments.

The Company has adopted indigenously available technology for its production process. The Company has not adopted any foreign technology.

C. Foreign Exchange Earnings and outgo: NIL(For the Previous Year: NIL)

28. GLOBAL HEALTH PANDEMIC FROM COVID-19:

COVID-19 pandemic has disrupted many business operations globally due to lockdown and other directives imposed by the governments. The sole manufacturing plant of the Company closed its operations from March 20, 2020. The Company has resumed production with effect from May 18, 2020. and achieved normal business operations from June, 2020 onwards. The Company has evaluated the impact of this pandemic on its business operations, liquidity and financial position and based on management's assessment of current indicators and economic conditions. COVID-19 is significantly impacting business operation of the companies, by way of interruption in production, supply chain disruption, unavailability of personnel, closure / lockdown of production facilities etc. However, the Impact assessment of COVID-19 is a continuing process and the Company will continue to monitor any material changes to future economic conditions.

29. EXTRACT OF ANNUAL RETURN:

The extract of Annual Return in Form MGT-9 in accordance with Section 92(3) of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014 is annexed herewith as **Annexure C** to this Report. The same is also uploaded on the website of the Company i.e. (www.hipolin.com)

30. ACKNOWLEDGMENTS:

Your Board of Directors wishes to place on record its appreciation to the contribution made by the employees of the company. The Directors also wish to thank the

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Government authorities, financial institutions, banks and shareholders for their cooperation and assistance extended to the company.

For and on behalf of the Board of Directors,

Date :June 28, 2021

Place : Ahmedabad

**Shailesh J. Shah
Chairman &
Managing Director
(DIN: 00777653)**

**Jaykumar J. Shah
Whole Time Director
(DIN: 00392710)**

ANNEXURE TO DIRECTORS' REPORT**Annexure A****DISCLOSURE ON MANAGERIAL REMUNERATION**

[Pursuant to Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

1. The remuneration of each Director/KMP of the Company for the Financial year 2020-2021 is specified herewith:

Sl. No.	Directors	Designation Category	Total Remuneration paid including Provident Fund & Bonus paid by the Company for FY-2020-21 (Rs. In Lakhs)	Ratio [#] of Remuneration of Director to Median Remuneration of Employees [sub-clause (i) of Rule 5(1)]	Increase/ (Decrease) in Remuneration (%) [Sub-clause (ii) of Rule 5(1)]
1	Shri Bhupendra J. Shah [@]	Whole Time Director (Chairman) Executive	8.10	4.86:1	0.01%
2	Shri Jaykumar J. Shah [@]	Whole Time Director Executive	8.10	4.86:1	0.01%
3	Shri Shailesh J. Shah [@]	Managing Director Executive	8.09	4.85:1	---
4	Smt. Nita B. Shah [*]	Independent Director Non-Executive	NIL	N.A.	N.A.
5	Shri Ajay R. Gandhi [*]	Independent Director Non-Executive	NIL	N.A.	N.A.
6	Shri Umesh P. Mehta [*]	Independent Director Non-Executive	NIL	N.A.	N.A.
7	Shri Nirav D. Shah [*]	Independent Director Non-Executive	NIL	N.A.	N.A.

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8	Ms. Apexa Panchal [@]	Company Secretary	4.71	3.71:1	(0.12)%
9	Shri Rumit B. Shah [@]	Chief Financial Officer	12.52	8.34:1	0.04%

Ratio of Remuneration of each director to the median remuneration of the employee is calculated on basis of gross salary.

* The Non Executive Independent Directors of the Company are entitled to sitting fees as per the statutory provisions and within the limits approved by the shareholders. The details of remuneration of Non Executive Independent Directors are provided in the Report on Corporate Governance.

[@] Key Managerial Personnel (KMP).

2. There were 33 employees (other than directors) on rolls of the Company as on 31st March, 2021
3. It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees, adopted by the Company.
4. Average percentile increase already made in salaries of employees other than managerial personnel in last financial year- The average percentile increase made in the salaries of employees other than the managerial personnel is NIL as of year ended on March, 2021 compared to year ended on March, 2020 (calculated on basis of gross salary).
5. Increase in the managerial remuneration and justification thereof - The managerial remuneration is not increased in the Financial year 2020-2021. The managerial remuneration paid to the Director/ Directors is as per section 197 and Schedule V of the Companies Act 2013 and amendments thereon as approved by Board of Directors and shareholders of the company.

ANNEXURE B

Form No. MR-3

Secretarial Audit Report

(For the financial year ended on March 31, 2021)

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

To,
The Members,
Hipolin Limited
Nilkanth Industrial Estate,
Sanand Viramgam Highway,
Nr. Iyava Bus Stop,
Sanand 382170

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Hipolin Limited** (CIN: L24240GJ1994PLC021719) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the 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 ended on March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records (as per Annexure A) maintained by the Company for the period ended on March 31, 2021 according to the provisions of:

- I. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment, and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) to the extent applicable to the Company:
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

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- c) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014;
- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- f) 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;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

VI. I further report that having regard to the Compliance System Prevailing in the Company and on examination of the relevant documents and records pursuant to them of the Company has generally comply with the provision of following laws:

- Factories Act, 1948

It has been found that the Company being an listed entity was not required to comply with the provision of the laws indicated in para (IV), (V) (c), (V) (d), (V) (e), (V) (g) and (V) (h) above.

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

- a) Secretarial Standards issued by the Institute of Company Secretaries of India;
- b) The Listing Agreements entered into by the Company with BSE Limited pursuant to Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015;

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

I have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliance under other laws and regulations applicable to the company.

Majority decisions were carried out unanimously and where it was not so, the dissenting members' views were captured and recorded as part of the minutes.

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

I further report that the compliance by the company of the direct and indirect tax laws has not been reviewed during this audit as the same has been subject to review by statutory financial auditor and other designated professionals.

**For G R Shah and Associates
(Company Secretaries)**

Date: 16/06/2021
Place: Ahmedabad

**Gaurang Shah
Proprietor
COP No: 14446
UDIN: A038703C000473731**

Note: This report is to be read with our letter of even date which is annexed as **Annexure B** and forms an integral part of this report.

Annexure A

List of documents verified

1. Memorandum and Articles of Association of the Company.
2. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, CSR committee and Independent Directors Meeting along with attendance register held during the period under report.
3. Minutes of General Body meetings held during the period under report.
4. Statutory registers records under the Companies Act, 2013 and Rules made there under namely:
 - Register of the Directors and the Key Managerial Personnel
 - Register of the Directors' shareholding
 - Register of loans, guarantees and security and acquisition made by the Company
 - Register of Members.
5. Declarations received from the Directors of the Company in Form MBP-1 pursuant to the provisions of Section 184 of the Companies Act, 2013.
6. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the period under report.
7. Communications/ Letters issued to and acknowledgements received from the Independent Directors for their appointment.
8. Various policies framed by the Company from time to time as required under the Companies Act, 2013.

Annexure B

To,
The Members,
Hipolin Limited
Nilkanth Industrial Estate,
Sanand Viramgam Highway,
Nr.Iyava Bus Stop,
Sanand 382170.

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

My responsibility is to express an opinion on these secretarial records, systems, standards and procedures based on my audit.

Wherever required, I have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For G R Shah and Associates
(Company Secretaries)**

Date: 16/06/2021
Place: Ahmedabad

**Gaurang Shah
Proprietor
COP No: 14446
UDIN: A038703C000473731**

HIPOLIN LIMITED

ANNEXURE C

FORM NO.MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2021

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

I. REGISTRATION AND OTHER DETAILS:

- i. CIN:- L24240GJ1994PLC021719
- ii. Registration Date: 31.03.1994
- iii. Name of the Company:- HIPOLIN LIMITED
- iv. Category/ Sub-Category of the Company:- Public Company/ Limited by Shares
- v. Address and Contact Details:
- a. Registered Office:- A/1/1, Nilkanth Ind. Estate, Sanand-Viramgam Highway,
Nr Iyava Bus Stand, Via Virochannagar (P. O.)
Ta. : Sanand, Dist.: Ahmedabad-382170
Phone: (02717) 284202
- b. Corporate Office:- 45, Madhuban, 4th Floor, Nr. Madalpur Garnala,
Ellisbridge, Ahmedabad-380006.
Phone: (079) 26447730-31
Email: hipolin@hipolin.com
csapexapanchal@gmail.com
Website: www.hipolin.com
- vi. Whether listed company: Yes
- vii. Name, Address and Contact details of Registrar and Transfer Agent, if any:

LINK INTIME INDIA PRIVATE LIMITED.

C-101, 247 Park,
L.B.S. Marg, Vikhroli (West),
Mumbai – 400 083
Tel No : +91 22 49186270 Fax: +91 22 49186060
E-mail id: rnt.helpdesk@linkintime.co.in
Website : www.linkintime.co.in

Ahmedabad Unit: 5th Floor, 506 to 508,
Amarnath Business Center-I (ABC-I),
Beside Gala Business center, Nr. St. Xavier's College Corner,
Off C.G. Road, Navrangpura,
Ahmedabad-380009.
Phone No.: 079-26465179
Email Id.: ahmedabad@linkintime.co.in.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

The only principal business activities of the Company is manufacturing and trading of Detergent Powder and Cake and allied products which contribute 100% of the total turnover of the Company.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
	N.A.				

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IV. SHAREHOLDING PATTERN (Equity Share Capital Break-up as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (as on April 01, 2020)				No. of Shares held at the end of the year (as on March 31, 2021)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter and Promoter group									
1) Indian	—	—	—	—	—	—	—	—	—
a) Individual/HUF	1987598	Nil	1987598	63.48	2057499	Nil	2057499	65.71	2.23
b) Central Government	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Government(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corporate	148840	Nil	148840	4.75	78939	Nil	78939	2.52	-2.23
e) Banks /Financial Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any Other...	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-Total (A)(1)	2136438	0	2136438	68.23	2136438	0	2136438	68.23	0.00
(2) Foreign	—	—	—	—	—	—	—	—	Nil
a) NRIs- Individual	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corporate	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Banks /Financial Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-Total (A)(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Shareholding Promoter(s) A=A(1)+A(2)	2136438	0	2136438	68.23	2136438	0	2136438	68.23	0.00
B. Public Shareholding									
1. Institutions	—	—	—	—	—	—	—	—	—
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks /Financial Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Government	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Government(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) Foreign Institutional Investors/ Foreign Portfolio Investors	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Any Others	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-Total (B) (1)	0	0	0	0	0	0	0	0	0
2. Non-Institutions	—	—	—	—	—	—	—	—	Nil
a) Bodies Corporate/ Overseas Corporate bodies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individual	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Individuals holding nominal share capital upto Rs. 1 lakh	406073	124401	530474	16.94	388930	124201	513131	16.39	-0.55
ii) Individuals holding nominal share capital in excess of Rs. 1 lakh	331157	Nil	331157	10.58	352624	Nil	352624	11.26	0.69
c) Any Others	—	—	—	—	—	—	—	—	—
i) HUF	24787	0	24787	0.79	18602	0	18602	0.59	-0.20
ii) Bodies Corporate	22284	0	22284	0.71	24329	0	24329	0.78	0.07
iii) IEPF	84691	0	84691	2.70	84541	0	84541	2.70	0.00
iv) NRIs	1465	0	1465	0.05	1465	0	1465	0.05	0.00
v) Clearing Members	4	0	4	0.00	170	0	170	0.01	0.01
Sub- total (B) (2)	870461	124401	994862	31.77	870661	124201	994862	31.77	0.00
Total Public Shareholding (B)=(B)(1)+(B)(2)	870461	124401	994862	31.77	870661	124201	994862	31.77	0.00
C. Shares held by custodians for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	3006899	124401	3131300	100.00	3007099	124201	3131300	100.00	

HIPOLIN LIMITED

ii. Shareholding of Promoters /Promoters Group

Sl. No.	Shareholder's name	No. of Shares held at the beginnning of the year (as on April 01, 2020)			No. of Shares held at the end of the year (as on March 31, 2021)			
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ emcumbered to total share	No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ emcumbered to total share	%of change in share holding during the year
1	SHAILESHBHAI J SHAH	317595	10.14	0	317595	10.14	0	0.00
2	JYOTIBEN J SHAH	278900	8.91	0	278900	8.91	0	0.00
3	RUMIT BHARATBHAI SHAH	262745	8.39	0	262745	8.39	0	0.00
4	BHUPENDRABHAI J SHAH	232239	7.42	0	232239	7.42	0	0.00
5	SUBHASBHAI J SHAH	156700	5.00	0	170680	5.45	0	0.45
6	JAYKUMARBHAI J. SHAH	114226	3.65	0	128206	4.09	0	0.45
7	DAXABEN S SHAH	97200	3.10	0	97200	3.10	0	0.00
8	ARUNABEN B SHAH	154061	4.92	0	154061	4.92	0	0.00
9	REKHABEN B SHAH	88179	2.82	0	88179	2.82	0	0.00
10	DAXESHBHAI B SHAH	84899	2.71	0	87499	2.79	0	0.08
11	NARAYAN SOAPS AND CHEMICALS PRIVATE LIMITED	78939	2.52	0	78939	2.52	0	0.00
12	MAYURIBEN S SHAH	78300	2.50	0	81830	2.61	0	0.11
13	HIPOLIN INVESTMENT PRIVATE LIMITED.	56901	1.82	0	0	0.00	0	-1.82
14	ARPAN J SHAH	29882	0.95	0	29882	0.95	0	0.00
15	PURVIBEN D SHAH	30867	0.99	0	42247	1.35	0	0.36
16	APURVA SHAILESHBHAI SHAH	33991	1.09	0	44442	1.42	0	0.33
17	JAYANTILAL BHOGILAL CHEMICALS PRIVATE LIMITED	13000	0.42	0	0	0.00	0	-0.42
18	KRUPA HIREN SHAH	11600	0.37	0	11600	0.37	0	0.00
19	MANA R SHAH	8875	0.28	0	22855	0.73	0	0.45
20	NAIYABEN S SHETH	2700	0.09	0	2700	0.09	0	0.00
22	BIJAL S DESAI	2339	0.07	0	2339	0.07	0	0.00
23	POURVI MANISH DESAI	2300	0.07	0	2300	0.07	0	0.00
	Total	2136438	68.23	0	2136438	68.23	0	0.00

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

Sl.No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. Of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year	2136438	68.23	2136438	68.23
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/ Decrease(e.g. allotment/ transfer/ bonus/ sweat equity, etc.)	-	-	#	#
	At the end of the year				

Inter-se Transfer among Promoters/Sale/Purchase of shares

Sl.No.	Name	Shareholding at the beginning of the year (01.04.2020)					Cumulative Shareholding during the year (01.04.2020 to 31.03.2021)	
		No. of Shares at the beginning of the year (01.04.2020)	% of total Shares of the Company	Date	Increase/ Decrease in shareholding	Reason (Interse Transfer/ sale/Purchase)	No. Of Shares at the end of the year (31.03.2021)	% of total Shares of the Company
1	SHAILESHBHAI J SHAH	317595	10.14	-	-	-	317595	10.14
2	JYOTIBEN J SHAH	278900	8.91	-	-	-	278900	8.91
3	RUMIT BHARATBHAI SHAH	262745	8.39	-	-	-	262745	8.39
4	BHUPENDRABHAI J SHAH	232239	7.42	-	-	-	232239	7.42
5	SUBHASBHAI J SHAH	156700	5.00	25-08-2020	11380	Interse Transfer	-	-
		-	-	22-02-2021	2600	Interse Transfer	170680	5.45
6	JAYKUMARBHAI J. SHAH	114226	3.65	25-08-2020	11380	Interse Transfer	-	-
		-	-	22-02-2021	2600	Interse Transfer	128206	4.09
7	DAXABEN S SHAH	97200	3.10	-	-	-	97200	3.10
8	ARUNABEN B SHAH	154061	4.92	-	-	-	154061	4.92
9	REKHABEN B SHAH	88179	2.82	-	-	-	88179	2.82
10	DAXESHBHAI B SHAH	84899	2.71	22-02-2021	2600	Interse Transfer	87499	2.79
11	NARAYAN SOAPS AND CHEMICALS PRIVATE LIMITED	78939	2.52	-	-	-	78939	2.52
12	MAYURIBEN S SHAH	78300	2.50	25-08-2020	3530	Interse Transfer	81830	2.61
13	HIPOLIN INVESTMENT PRIVATE LIMITED.	56901	1.82	25-08-2020	-56901	Interse Transfer	0	0.00
14	ARPAN J SHAH	29882	0.95	-	-	-	29882	0.95
15	PURVIBEN D SHAH	30867	0.99	25-08-2020	11380	Interse Transfer	42247	1.35
16	APURVA SHAILESHBHAI SHAH	33991	1.09	25-08-2020	7851	Interse Transfer	-	-
		-	-	22-02-2021	2600	Interse Transfer	44442	1.42
17	JAYANTILAL BHOGILAL CHEMICALS PRIVATE LIMITED	13000	0.42	22-02-2021	-13000	Interse Transfer	0	0.00
18	KRUPA HIREN SHAH	11600	0.37	-	-	-	11600	0.37
19	MANA R SHAH	8875	0.28	25-08-2020	11380	Interse Transfer	-	-
		-	-	22-02-2021	2600	Interse Transfer	22855	0.73
20	NAIYABEN S SHETH	2700	0.09				2700	0.09
21	BIJAL S DESAI	2339	0.07				2339	0.07
22	POURVI MANISH DESAI	2300	0.07	-	-	-	2300	0.07

HIPOLIN LIMITED

iv Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Name	Shareholding at the beginning of the year (01.04.2020)		Change in Shareholding (no. of shares)			Cumulative Shareholding during the year (01.04.2020 to 31.03.2021)	
		No. of Shares at the Beginning of the year (01.04.2020)	% of total Shares of the Company	Date	Increase/ Decrease in shareholding	Reason (Interse Transfer/ sale/Purchase)	No. Of Shares at the end of the year (31.03.2021)	% of total Shares of the Company
1	KILLOLI HINESHBHAI GARIWALA	94202	3.01	17-07-2020	195	Transfer	-	-
		-	-	24-07-2020	100	Transfer	-	-
		-	-	31-07-2020	9310	Transfer	-	-
		-	-	07-08-2020	4756	Transfer	-	-
		-	-	14-08-2020	681	Transfer	-	-
		-	-	25-09-2020	205	Transfer	-	-
		-	-	23-10-2021	301	Transfer	-	-
		-	-	30-10-2020	5500	Transfer	-	-
		-	-	06-11-2020	745	Transfer	-	-
		-	-	13-11-2020	900	Transfer	-	-
		-	-	12-02-2021	1938	Transfer	-	-
		-	-	19-02-2021	7778	Transfer	-	-
		-	-	26-02-2021	100	Transfer	-	-
		-	-	05-03-2021	296	Transfer	-	-
		-	-	19-03-2021	500	Transfer	-	-
		-	-	26-03-2021	566	Transfer	-	-
		-	-	31-03-2021	100	Transfer	128173	4.09
2	VIPULBHAI KANTILAL SHAH	87890	2.81	-	-	-	87890	2.81
3	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY-MINISTRY OF CORPORATE AFFAIRS	84691	2.70	-	-150	Transfer to Shareholders (1204720013676)	84541	2.70
4	ARUNABEN MANHERLAL VAKIL	51720	1.65	-	-	-	51720	1.65
5	DIPAK KANAYALAL SHAH	31000	0.99	-	-	-	31000	0.99
6	HITESH RAMJI JAVERI	20092	0.64	-	-	-	20092	0.64
7	LAXMIKANT GUPTA	8039	0.26	17-04-2020	1401	Transfer	-	-
		-	-	24-04-2020	10	Transfer	-	-
		-	-	01-05-2020	979	Transfer	-	-
		-	-	14-08-2020	783	Transfer	-	-
		-	-	21-08-2020	1417	Transfer	-	-
		-	-	04-09-2020	745	Transfer	-	-
		-	-	11-09-2020	397	Transfer	-	-
		-	-	18-09-2020	624	Transfer	-	-
		-	-	30-09-2020	100	Transfer	-	-
		-	-	09-10-2020	1000	Transfer	-	-
		-	-	16-10-2020	521	Transfer	-	-
		-	-	30-10-2020	1377	Transfer	-	-
		-	-	06-11-2020	100	Transfer	-	-
		-	-	04-12-2020	1000	Transfer	18493	0.59
8	AMAR MUKESHBHAI SHAH	15354	0.49	-	-	-	15354	0.49
9	ABHAY KRISHI UDHYOG PRIVATE LIMITED	10700	0.34	-	-	-	10700	0.34
10	SHAILESH GUNVANTBHAI SHETH	7795	0.25	03-07-2020	200	Transfer	-	-
		-	-	10-07-2020	25	Transfer	-	-
		-	-	31-07-2020	500	Transfer	-	-
		-	-	05-02-2021	1	Transfer	-	-
		-	-	12-02-2021	751	Transfer	9272	0.30
9	URMILA GUPTA	14000	0.45	24-07-2020	-1000	Transfer	-	-
		-	-	31-07-2020	-5000	Transfer	-	-
		-	-	26-02-2021	-500	Transfer	7500	0.24
10	Nainesh Navinchandra Shah	17000	0.54	30-09-2020	-835	Transfer	-	-
		-	-	16-10-2020	-4165	Transfer	-	-
		-	-	23-10-2020	-800	Transfer	-	-
		-	-	30-10-2020	-1100	Transfer	-	-
		-	-	06-11-2020	-1100	Transfer	-	-
		-	-	20-11-2020	-9	Transfer	-	-
		-	-	27-11-2020	-20	Transfer	-	-
		-	-	04-12-2020	-499	Transfer	-	-
		-	-	11-12-2020	-972	Transfer	-	-
		-	-	08-01-2021	700	Transfer	-	-
		-	-	12-02-2021	-6100	Transfer	-	-
		-	-	19-02-2021	-2100	Transfer	0	0.00

Note: Top Ten Shareholders of the Company as on March 31,2021 has been considered for the above disclosure.

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V. Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name of the Directors and Key Managerial Personnel	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cummulative Shareholding during the year (01.04.2020 to 31.03.2021)	
		No. of Shares at the beginning of the year (01.04.2020)	% of total Shares of the Company				No. Of Shares at the end of the year (31.03.2021)	% of total Shares of the Company
1	Shri Bhupendra J. Shah (Whole-time Director &	232239	7.42	-	-	-	232239	7.42
2	Shri Jaykumar J. Shah (Whole-time Director)	114226	3.65	25-08-2020	11380	Inter se Transfer	-	-
				22-02-2021	2600	Inter se Transfer	128206	4.09
3	Shri Shailesh J. Shah (Managing Director)	317595	10.14	-	-	-	317595	10.14
6	Ms. Nita B. Shah (Independent- Non-Executive)	-	-	-	-	-	-	-
7	Shri Ajay R. Gandhi (Independent- Non-Executive)	3000(HUF)	0.10	-	-	-	3000(HUF)	0.10
8	Shri Umesh P. Mehta (Independent- Non-Executive)	-	-	-	-	-	-	-
10	Shri Nirav D. Shah (Independent- Non-Executive)	-	-	-	-	-	-	-
	Key Managerial Personnel (KMP)							
1	Shri Runit B. Shah (Chief Financial Officer)	262745	8.39	-	-	-	262745	8.39
2	Ms. Apexa Panchal (Company Secretary)	-	-	-	-	-	-	-

V. INDEBTEDNESS

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

(Amount in Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	212628	0	0	212628
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total(i+ii+iii)	212628	0	0	212628
Change in indebtedness during the financial year				
Addition	15583203	0	0	15583203
Reduction	(212628)	0	0	(212628)
Net Change	15370575	0	0	15370575
Indebtedness at the end of the financial year				
i) Principal Amount	15583203	0	0	15583203
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	59021	0	0	59021
Total(i+ii+iii)	15642224	0	0	15642224

HIPOLIN LIMITED

VI. REMUNERATION OF DIRECTORS AND KEY MANGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time Director and/ or Manager

Sl. No.	Particulars of Remuneration	Name of MD /WTD/ Ex. Dir. / Manager			Total
		Shri Bhupendra J. Shah	Shri Jaykumar J. Shah	Shri Shailesh J. Shah	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	8,10,540	8,10,540	8,08,806	24,29,886
	(b) Value of perquisites u/s 17(2) of the Income Tax, 1961	-	-	-	-
	(C) Profit in Lieu of Salary u/s 17(3) of the Income Tax,1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	As % of Profit	-	-	-	-
	Others Specify	-	-	-	-
5	Others, Please Specify	-	-	-	-
	Total(A)	8,10,540	8,10,540	8,08,806	24,29,886
	Ceiling as per Act	-	-	-	-

B. Remuneration to Other Directors:

Sl. No.	Particulars of Remuneration	Name of Directors				Total
		Ms. Nita B. Shah	Shri Ajay R. Gandhi	Shri Umesh P. Mehta	Shri Nirav D. Shah	
1	Independent Directors					
	· Fees for attending Board, Committee Meetings	7,500	7,500	4,500	7,500	27,000
	· Commission	-	-	-	-	-
	Others, Please Specify	-	-	-	-	-
	Total(1)	7,500	7,500	4,500	7,500	27,000
2	Other Non- Executive Directors					
	· Fees for attending Board, Committee Meetings	-	-	-	-	-
	· Commission	-	-	-	-	-
	Others, Please Specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total B = (1+2)	7,500	7,500	4,500	7,500	27,000
	Total Managerial Remuneration	-	-	-	-	-
	Overall ceiling as per Act.	-	-	-	-	-

C. Remuneration to Key Managerial Personnel Other than MD/ Manager/ WTD:

Sl. No.	Particulars of Remuneration	Key Mangerial Personnel			Total
		CEO	CFO	Company Secretary	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	12,51,883	4,71,198	17,23,081
	(b) Value of perquisites u/s 17(2) of the Income Tax, 1961	-	-	-	-
	(C) Profit in Lieu of Salary u/s 17(3) of the Income Tax,1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	As % of Profit	-	-	-	-
	Others Specify	-	-	-	-
5	Others, Please Specify	-	-	-	-
	Total(A)	-	12,51,883	4,71,198	17,23,081
	Ceiling as per Act	-	-	-	-

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VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES: NOT APPLICABLE

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	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. Directors					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. Other Officers in Default					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

REPORT ON CORPORATE GOVERNANCE

[Pursuant to Part C of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

Corporate Governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures transparency, responsibility and accountability. The Company believes in upholding highest standard of ethics, integrity, transparency and accountability in conducting the affairs of the Company so as to disseminate the information to the stakeholders in transparent manner. We have, therefore, designed our systems and action plans to enhance performance and stakeholders' value in the long run. To create a culture of good governance, your Company has adopted practices that comprise of performance accountability, effective management control, constitution of Board Committees as a part of the internal control system, fair representation of professionally qualified, non-executive and Independent Directors on the Board, adequate and timely compliance, disclosure of information on performance, ownership and governance of the Company and payment of statutory dues.

The Compliance Report on Corporate Governance herein signifies compliance of all mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [the Listing Regulations]. We believe, Corporate Governance is not just a destination, but a journey to constantly improve sustainable value creation. It is an upward-moving target that we collectively strive towards achieving.

2. BOARD OF DIRECTORS

• Composition of the Board (Board)

The Composition of the Board of Directors of the Company is in conformity with the requirement of Regulation 17 of SEBI (LODR) Regulations, 2015.

The Board of Directors as on the date of this report is comprises of Seven (7) Directors, of which Three (3) are Executive Directors and the remaining Four(4)are Non- executive Directors including one woman Director, representing optimum combination of professionalism, knowledge and experience to ensure the independence of the Board and to separate the Board functions of governance and management, who have considerable experience in their respective fields. Non-Executive and Independent Directors have expert knowledge in the fields of finance, taxation, legal and industry. Thus, the Board represents a balanced mix of professionals, who bring the benefits of their knowledge and expertise.

None of the Directors on the Company's Board is a member of more than 10 Committees and Chairperson of more than 5 Committees (Committees being, Audit Committee and Stakeholders Relationship Committee) across all Public companies in which he/she is a Director. All the Directors have made necessary disclosures regarding the positions held by them in Committees of other Companies and also Directorship of other Companies.

Attendance of each Director at the Board Meetings and last Annual General Meeting (AGM) along with the Directorship(s)/ Committee membership(s) held by them in other Companies:

Name of the Directors	Category	Attendance Particulars		No. of Directorships held in other Public Ltd. Companies Incorporated in India*	Committee Memberships*	
		Board Meeting	Last AGM		Member	Chairman
Shri Bhupendra J. Shah	Whole time Director Chairman-Executive (Promoter)	6	Yes	Nil	Nil	Nil
Shri Jaykumar J. Shah	Whole time Director (Vice Chairman) – Executive (Promoter)	6	Yes	Nil	Nil	Nil
Shri Shailesh J. Shah	Managing Director – Executive (Promoter)	6	Yes	Nil	Nil	Nil
Smt. Nita B. Shah	Independent , Non executive	5	Yes	Nil	Nil	Nil
Shri Ajay R. Gandhi	Independent , Non executive	5	Yes	Nil	Nil	Nil
Shri Umesh P. Mehta	Independent , Non executive	3	No	Nil	Nil	Nil
Shri Nirav D. Shah	Independent Non Executive	5	Yes	Nil	Nil	Nil

* For the purpose of considering the number of Directorships and Committee membership/Chairpersonship, all public limited companies(other than Hipolin Limited), whether listed or not, are included and all other companies including private limited companies, foreign companies and companies registered under Section 8 of the Companies Act, 2013 are excluded. Details of Committee comprise only of Audit Committee membership/chairpersonship and Stakeholders Relationship Committee.

Note :Shri Bhupendra J. Shah, Shri Jaykumar J. Shah and Shri Shailesh J. Shah are Brothers. Remaining Directors are not related inter-se.

During the year, there have been no materially significant related party transactions, pecuniary relationships or transactions between the company and its non-executive Directors that may have potential conflict with the interests of the Company at large.

• Board Meetings and Attendance

The Meeting of the Board of Directors is scheduled in advance. The Board meets at least once in a quarter and time elapsed between two meetings has not exceeded 120 days,

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inter-alia, to review the performance of the Company and consideration of quarterly financial results. Generally, the Board Meetings are held in Ahmedabad where the Corporate Office of the Company is situated. Each time, agenda is prepared in consultation with the Managing Director & Whole-Time Directors.

The agenda for the Board Meeting is circulated to all the Directors atleast 7 days prior to the date of the Meeting. Senior executives are also invited to attend the Board meetings as and when required. Four (6) Board meetings were held in the year 2020-21 as follows:

No.	Date of Meeting	No. of Directors Present
1	29 th June, 2020	Shri Bhupendra J. Shah Shri Jaykumar J. Shah Shri Shailesh J. Shah Shri Ajay R. Gandhi Shri Umesh P. Mehta Shri Nirav D. Shah
2	13 th August, 2020	Shri Bhupendra J. Shah Shri Jaykumar J. Shah Shri Shailesh J. Shah Smt. Nita B. Shah Shri Ajay R. Gandhi Shri Umesh P. Mehta Shri Nirav D. Shah
3	27 th August, 2020	Shri Bhupendra J. Shah Shri Jaykumar J. Shah Shri Shailesh J. Shah Shri Nirav D. Shah
4	12 th October, 2020	Shri Bhupendra J. Shah Shri Jaykumar J. Shah Shri Shailesh J. Shah Smt. Nita B. Shah Shri Ajay R. Gandhi
5	12 th November, 2020	Shri Bhupendra J. Shah Shri Jaykumar J. Shah Shri Shailesh J. Shah Smt. Nita B. Shah Shri Ajay R. Gandhi Shri Nirav D. Shah
6	09 th February, 2021	Shri Bhupendra J. Shah Shri Jaykumar J. Shah Shri Shailesh J. Shah Smt. Nita B. Shah Shri Ajay R. Gandhi Shri Umesh P. Mehta Shri Nirav D. Shah

Attendance

No.	Date of Meeting	Directors Present
1	29 th May, 2020	7
2	13 th August, 2020	7
3	27 th August, 2020	4
4	12 th October, 2020	5
5	12 th November, 2020	6
6	09 th February, 2021	7

- **Independent Directors**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and regulation 16(1) of the Listing Regulations. In the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and regulation 16(1) of the Listing Regulations.

The Independent Directors meet at least once in a financial year without the presence of Promoter Directors and management personnel. They discuss the matters pertaining to the business and other related affairs of the Company. The views expressed at such meeting are brought to the knowledge of the Chairman of the Board.

During the year, one meeting of the Independent Directors was held on 09th February, 2021. All the Independent Directors were present at the meeting.

Details of familiarization program imparted to Independent Directors are available on the Company's website on the following weblink: www.hipolin.com as per Regulation 25(7) and 46 of SEBI Listing Regulation.

- **Selection of New Directors:**

Firstly, the Nomination and Remuneration Committee identifies, based on Company's policy for such position, suitable person having an expert knowledge and skill in his / her profession / area of business and who can effectively participate in Board proceedings and recommends the same to the Board. The Board after evaluating the said Committee's recommendation takes the decision which according to the Board is in the best interest of the Company.

- **Code of Conduct**

The Company has in place separate texts of Code of Conduct – one for all the Directors and the other for all Senior Management Personnel. It seeks to achieve, among others, higher standards of personal and professional integrity. A copy of the code has been placed on the Company's website (www.hipolin.com). The code has been circulated to all the Directors and Senior Management Personnel and they affirm its compliance every year.

3. COMMITTEES OF THE BOARD:

(A) Audit Committee

The composition of Audit Committee is in line with provisions of Section 177 of the Companies Act, 2013 and is in compliance with Regulation 18 of SEBI (LODR) Regulations, 2015. The Audit Committee comprises of three Independent Directors with Smt. Nita B. Shah as the Chairperson of the Committee, Shri Ajay R. Gandhi and Shri Nirav D. Shah as the members. All the members of the Committee are financially literate and have adequate accounting knowledge. The Audit Committee met Four (4) times during the financial year 2020-21.

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The details of composition of the Committee and attendance at Meetings during the year are as follow:

Name of the Director	Status in committee	Nature of Directorship
Smt. Nita B. Shah	Chairperson	Independent Director
Shri Ajay R. Gandhi	Member	Independent Director
Shri Nirav D. Shah	Member	Independent Director

Attendance

No.	Date of Meeting	No. of Directors Present
1.	29 th June, 2020	Smt. Nita B. Shah Shri Ajay R. Gandhi Shri Nirav D. Shah
2.	13 th August, 2020	Smt. Nita B. Shah Shri Ajay R. Gandhi Shri Nirav D. Shah
3.	12 th November, 2020	Smt. Nita B. Shah Shri Ajay R. Gandhi Shri Nirav D. Shah
4.	09 th February, 2021	Smt. Nita B. Shah Shri Ajay R. Gandhi Shri Nirav D. Shah

The scope of the Audit Committee includes:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of statutory auditor and fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing with management the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub section 3 of Section 134 of the Companies Act, 2013,
 - b) Changes, if any, in accounting policies and practices and reasons for the same,
 - c) Major accounting entries involving estimates based on the exercise of judgment by management,
 - d) Significant adjustments made in the financial statements arising out of audit findings,
 - e) Compliance with listing and other legal requirements relating to financial statements,
 - f) Disclosure of any related party transactions,
 - g) Modified opinion(s) in the draft audit report
5. Reviewing with the management, the quarterly financial statements before its submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency

- monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
 8. Approval of any subsequent modification of transactions of the Company with related parties
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the Company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 14. Discussion with internal auditors, any significant findings and follow up thereon;
 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
 16. Discussion with statutory auditors before the audit commences, about nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 18. To review the functioning of the Whistle Blower mechanism;
 19. Approval of appointment of CFO (i.e., the Whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
 20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee

In addition to the areas noted above, Audit Committee looks into controls and security of the Company's internal control systems and internal audit reports.

The Committee Meetings were also attended by Internal Auditors, Statutory Auditors and Company Secretary who also acted as Secretary of the Committee.

A certificate from the Managing Director on the standalone financial statements and other matters of the Company for the financial year ended March 31, 2021 is also appended at the end of this Report.

The Chairman of the Audit Committee was present in the last Annual General Meeting to answer the shareholders' queries.

(B) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015 The Nomination and Remuneration Committee comprises of three (3) Independent Directors. Shri Ajay R. Gandhi- Chairman of the Committee, Smt. Nita B. Shah and Shri Umesh P. Mehta as the members of the Committee. The Company Secretary acts as the Secretary to the Committee.

The Nomination and Remuneration Committee met two (2) times during the financial year 2020-21. The details of Composition of the Nomination and Remuneration Committee and attendance at Meetings during the financial year 2020-21 are as follow:

HIPOLIN LIMITED

Name of the Director	Status in Committee	Nature of Directorship
Shri Ajay R. Gandhi	Chairman	Independent Director
Smt Nita B. Shah	Member	Independent Director
Shri Umesh P. Mehta	Member	Independent Director

Attendance

Sr.	Date of Meeting	Directors Attended
1.	13 th August, 2020	Shri Ajay R. Gandhi Smt. Nita B. Shah Shri Umesh P. Mehta
2.	12 th October, 2020	Shri Ajay R. Gandhi Smt. Nita B. Shah

Terms of Reference:

1. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and removal;
2. To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration for the Directors, key managerial personnel and other employees;
3. To formulate the criteria for evaluation of Independent Directors and the Board;
4. To devise a policy on Board Diversity;
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

Performance Evaluation:

Pursuant to the provisions of Companies Act, 2013 and the Listing Regulations, the Board has carried out the annual valuation of its own performance, its committees and Directors individually. A Structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the Composition of the Board and its committee, Board culture, execution and the performance of specific duties, obligations and governance. A Consolidated summary of the ratings given by each Director was then prepared. The report of performance evaluation was then discussed and noted by the Board.

The performance evaluation of the Chairman and Managing Director and the Non Independent Directors was carried by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

Remuneration Policy:

The Company has adopted a Nomination and Remuneration policy. The Nomination and Remuneration Policy is in compliance with all applicable provisions of the Companies Act, 2013, particularly Section 178 read with the applicable rules thereto and Regulation 19(4) of the SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015. The key objective of the remuneration policy is to ensure that it is aligned to the overall performance of the Company and the remuneration paid to

the Directors is in line with the remuneration policy of the Company. The remuneration policy is placed on the website of the Company.

Remuneration to Directors:

(a) Non- Executive Directors

The remuneration for Non-Executive (Independent) Directors consists of sitting fees as permissible under Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. No other payment is made to the non-executive Directors.

Details of the remuneration paid to and shareholding of Non-executive Directors is provided in MGT-9 which forms part of Directors' Report.

(b) Executive Directors:

The Executive Directors of the Company viz., Managing Director and Whole Time Directors have been appointed in terms of the resolutions passed by the shareholders at the annual general meetings. Elements of the remuneration package comprise of salary, perquisites and other allowances as approved by the members at the annual general meetings.

The details of remuneration paid to Directors during financial year 2020-21, as required under Regulation 34 of SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015 are as follows:

(Amount in
Rs.)

Directors	Salaries	Perquisites	Sitting Fees	Total
Shri Bhupendra J. Shah	8,10,540	Nil	Nil	8,10,540
Shri Jaykumar J. Shah	8,10,540	Nil	Nil	8,10,540
Shri Shailesh J. Shah	8,08,806	Nil	Nil	8,08,806
Smt. Nita B. Shah	Nil	Nil	7,500	7,500
Shri Ajay R. Gandhi	Nil	Nil	7,500	7,500
Shri Umesh P. Mehta	Nil	Nil	4,500	4,500
Shri Nirav D. Shah	Nil	Nil	7,500	7,500

The Company has not granted any stock options to its Directors.

(C) Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee comprises of Shri Ajay R. Gandhi, Independent and Non-Executive Director as Chairman of the Committee, Shri Shailesh J. Shah, Managing Director and Shri Jaykumar J. Shah, Whole Time Director as the members of the committee. At present, Ms. Apexa Panchal, Company Secretary is the Compliance Officer of the Company. The Committee met Four (4) times during the financial year 2020-21

HIPOLIN LIMITED

The details of composition of the Committee and attendance at Meetings during the financial year 2020-21 are as follow:

Name of the Director	Status in Committee	Nature of Directorship
Shri Ajay R. Gandhi	Chairman	Independent Director
Shri Shailesh J. Shah	Member	Managing Director
Shri Umesh P. Mehta	Member	Whole Time Director

Attendance

Sr.	Date of Meeting	Directors Attended
1.	29 th June, 2020	Shri Ajay R. Gandhi Shri Shailesh J Shah Shri Jaykumar J Shah
2.	13 th August, 2020	Shri Ajay R. Gandhi Shri Shailesh J Shah Shri Jaykumar J Shah
3.	12 th November, 2020	Shri Ajay R. Gandhi Shri Shailesh J Shah Shri Jaykumar J Shah
4.	09 th February, 2021	Shri Ajay R. Gandhi Shri Shailesh J Shah Shri Jaykumar J Shah

The Committee has been constituted to monitor, review and redressal of investors' grievances of security holders, if any, like Transfer / Transmission / Demat of Shares, Non-receipt of Annual Report, Non-receipt of Declared Dividends, Loss of Share Certificates etc. and instance of several trade transaction of equity shares of the company by a 'connected person'.

During the year, no complaints were received from the security holders as per the certificate of RTA. No investor complaint was pending at the beginning or at the end of the year.

Compliance Officer:

Ms. Apexa Panchal, Company Secretary and Compliance Officer can be contacted at:
HipolinLimited

Corporate Office:

45, 4th Floor, "Madhuban",
Nr. MadalpurGarnala, Ellisbridge,
Ahmedabad-380006.

Phone No. :079-26447730/31

Mail ID: csapexapanchal@gmail.com

(D) Management Committee

The Management Committee comprises of 3 Members namely (1) Shri Shailesh J. Shah, Managing Director (2) Shri Bhupendra J. Shah, Whole Time Director (Chairman) and (3) Shri Jaykumar J. Shah, Whole Time Director. The Committee looks after businesses which are administrative in nature and within the overall Board approved directions and framework. The Company Secretary acts as the Secretary to the Committee.

4. DISCLOSURES

- a) Besides the transactions mentioned elsewhere in the Annual Report, there were no materially significant related party transactions entered into by the Company which may have the potential conflict with the interest of the Company at large.

The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with related party transactions and during the year, there were no material transactions with related parties. The policy is also available on the website of the Company- (www.hipolin.com)

- (b) There were no instances of non-compliance by the Company or Penalties imposed on the Company by the Stock Exchange(s) or SEBI or any statutory authority, on any matter related to Capital Markets, during the last three years.
- (c) The Company has put in place the Whistle Blower Policy and the same is available on the website of the Company. Under the said policy, the employees are encouraged to report genuine concerns about suspected misconduct without fear of punishment or unfair treatment. During the year under review, no employee was denied the access to the Audit Committee and / or its Chairman.
- (d) The Company has complied with all mandatory requirements of Regulations 17 to 27 of SEBI (LODR) Regulations, 2015.
- (e) Where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant financial year. -Not Applicable.

5. CODE OF CONDUCT

The Company has in place Code of Conduct and Ethics for all the Directors and for all Senior Management Personnel. It seeks to achieve, among others, higher standards of personal and professional integrity. A copy of the code has been placed on the Company's website <http://fairchem.in/investor-relations/Policies/Code-of-Conduct.pdf>. The code has been circulated to all the Directors and Senior Management Personnel and they affirm its compliance every year.

The Company has also in place a prevention of Insider Trading Code based on SEBI (Prohibition of Insider Trading) Regulations, 2015. This code is applicable to all Designated Persons defined under the Code of Conduct for Prevention of Insider Trading adopted by the Company. The code ensures prevention of dealing in shares by persons having access to the unpublished price sensitive information.

6. MEANS OF COMMUNICATION WITH SHAREHOLDERS

The Company regularly interacts with shareholders through multiple channels of communication such as results' announcement, annual report, media releases, company's website and subject specific communications.

During the year, the quarterly, half yearly and annual financial results of the Company's performance were submitted to the Stock Exchange (BSE) soon after its approval by the Board of Directors at their Meetings and were also published in English and vernacular newspapers. Annual financial performance of the Company is also posted on the Company's website i.e. www.hipolin.com.

HIPOLIN LIMITED

The Quarterly Results, Shareholding Patterns and all other corporate communication to the Stock Exchange are filed through BSE Listing Center, for dissemination on their website.

The report on Management Discussion and Analysis is annexed and forms part of the annual report.

7. DETAILS OF GENERAL MEETINGS

Location, date and time of General Meetings held during the last 3 years:

Meeting	Year	Venue of General Meeting	Date & Time	No. of Special Resolutions *
25 th AGM	2017-2018	A/1/1, Nilkanth Ind. Estate, sanandViramgam Highway, Nr. Iyava Bus Stand, Via Virochannagar, (P.O.) Ta. : Sanand, Dist. : Ahmedabad-382170.	September 28, 2018 at 2:00 p.m.	Five
26 th AGM	2018-2019	A/1/1, Nilkanth Ind. Estate, sanand-Viramgam Highway, Nr. Iyava Bus Stand, Via Virochannagar, (P.O.) Ta. : Sanand, Dist. : Ahmedabad-382170.	September 30, 2019 at 2:00 p.m.	Two
27 th AGM	2019-2020	A/1/1, Nilkanth Ind. Estate, sanand-Viramgam Highway, Nr. Iyava Bus Stand, Via Virochannagar, (P.O.) Ta. : Sanand, Dist. : Ahmedabad-382170.	November 09, 2020 at 2:00 p.m.	Three

*At all the above AGMs, Special Resolutions were passed by poll and by e-voting in accordance with the applicable provisions of Section 108 of the Act and rules made thereunder.

Details of resolutions passed during F.Y. 2020-21 through postal ballot: NIL

General Shareholder Information

Day, Date, time and venue of 28th Annual General Meeting:

Thursday, 30th September, 2021 at 2.00 p.m. at registered office: A/1/1, Nilkanth Ind. Estate, sanand Viramgam Highway, Nr. Iyava Bus Stand, Via Virochannagar, (P.O.) Ta. : Sanand, Dist.: Ahmedabad-382170.

Book Closure Date: From Friday, September 24, 2021 to Thursday, September 30, 2021 (both days inclusive)

Financial Calendar (Tentative)

Financial reporting for the quarter ending June 30, 2021

Second week of August, 2021

Financial reporting for the quarter/half year ending September 30, 2021

Second week of November, 2021

Financial reporting for the quarter ending December 31, 2021

Second week of February, 2022

Financial reporting for the year ending March 31, 2022

Fourth week of May, 2022

Annual General Meeting for the year ending March 31, 2022

September, 2022

8. STOCK PRICE:

High/Low of monthly Market Price of Company's Equity Shares traded on the BSE Limited during the financial year 2020-21 is furnished below:

Month	High (Rs.)	Low (Rs.)	Volume (Nos.)
April, 2020	22.60	18.55	5,045
May, 2020	—	—	—
June, 2020	18.55	17.70	201
July, 2020	33.00	19.00	15,933
August, 2020	36.40	28.95	6,003
September, 2020	35.15	30.40	2,478
October, 2020	33.00	28.90	15,192
November, 2020	39.00	30.50	2,911
December, 2020	38.90	24.50	7,909
January, 2020	25.40	20.55	2,390
February, 2020	41.75	21.50	23,677
March, 2021	42.60	37.70	1,727

The year-end price of the equity share of the Company at BSE Limited was Rs. 37.70

Share Price Performance in comparison to broad based indices such as BSE Sensex as on March 31, 2021:

	BSE (% Change)	
	Hipolin Limited	Sensex
F.Y. 2020-21	74.94%	6.97%

9. SHARE TRANSFER SYSTEM

Transfer of shares held in physical mode is processed by Registrar and Share Transfer Agent M/s. Link Intime (India) Pvt. Ltd. Valid Share transfers in physical form and complete in all respects were approved, registered and dispatched within stipulated period respects were approved, registered and dispatched within stipulated period.

Reconciliation of Share Capital Audit & Certificate pursuant to Regulation 40 (9) of SEBI (LODR) Regulations, 2015:

A Practicing Company Secretary carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed

HIPOLIN LIMITED

capital. The audit confirms that the total issued/paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

Pursuant to Regulation 40 (9) of SEBI (LODR) Regulations, 2015, certificates, on half-yearly basis, have been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company.

Dematerialization of Shares and Liquidity

As on March 31, 2021, 96.03 %shares of the Company were held in dematerialized form and the rest in physical form. The shares are traded on BSE Limited.

Distribution of Shareholding as on March 31, 2021.

Category (shares)	No. of Shareholders	Percentage	No. of Shares	Percentage
1-500	1866	88.56	235999	7.54
501-1000	133	6.31	98223	3.14
1001-2000	41	1.95	58287	1.86
2001-3000	16	0.76	39539	1.26
3001-4000	10	0.48	35119	1.12
4001-5000	7	0.33	30729	0.98
5001-10000	8	0.38	63062	2.01
Above10001	26	1.23	2570342	82.09
Total	2107	100.00%	3131300	100.00%

Categories of Shareholders, Category-wise Shareholding as on March 31, 2021

Category	No. of Shares held	% to Total Shares
Individuals	884357	28.24%
Promoters/ Promoter Group	2136438	68.23%
Central Government/ State Government (Investors Education and Protection Fund)	84541	2.70%
Non Resident Indians	1465	0.05%
Other Bodies Corporate	24329	0.78%
Others	170	0.005%

Listing on Stock Exchanges at:**BSE Limited**

PhirozeJeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.

Listing fees for the year 2021-22 had been paid to the Stock Exchange.

Stock Codes: Bombay Stock Exchange 530853
Demat ISIN No. in NSDL & CDSL for Equity Shares INE963A01011

Registered Office & Factory : A/1/1, Nilkanth Ind. Estate, Sanand Viramgam Highway, Nr. Iyava Bus Stand, Via Virochannagar, (P.O.) Ta. : Sanand, Dist.: Ahmedabad-382170.

Corporate Office: 45, Madhuban, 4th Floor, Nr. Madalpur Garnala, Ellisbridge, Ahmedabad – 380006.
Tele. No. (079) 26447730-31

Contact Person: MsApexa Panchal - Company Secretary

E-mail: hipolin@hipolin.com
csapexapanchal@gmail.com

Website: www.hipolin.com.

Unclaimed Dividends NIL

Registrar & Transfer Agent: **Link Intime India Private Limited**
C-101, 247 Park,
L.B.S. Marg, Vikhroli (West),
Mumbai – 400 083
Corporate Office at Ahmedabad:
5th Floor, 506 to 508,
Amarnath Business Centre – 1 (ABC-1),
Beside Gala Business Centre,
Nr. St. Xavier’s College Corner,
Off C G Road, Ellisbridge,
Ahmedabad - 380006.

Declaration:

In accordance with Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Business Conduct and Ethics for Board of Directors, Senior Management & Employees, as applicable to them, for the financial year ended March 31, 2021.

Date: June 28, 2021
Place: Ahmedabad

For Hipolin Limited,

Shailesh J. Shah
Chairman &
Managing Director
(DIN: 00777653)

HIPOLIN LIMITED

CEO AND CFO CERTIFICATION

The Managing Directors and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of SEBI (LODR) Regulations, 2015. The Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33 of SEBI (LODR) Regulations, 2015. The annual certificate given by the Managing Director and the Chief Financial Officer is published in this Report.

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT POLICY

As provided under Regulation 26 (3) of SEBI (LODR) Regulations, 2015 with the Stock Exchanges, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended March 31, 2021.

Date: June 28, 2021
Place: Ahmedabad

For Hipolin Limited,

Shailesh J. Shah
Chairman &
Managing Director
(DIN: 00777653)

CEO / CFO CERTIFICATION

(Pursuant REGULATION 17(8) OF SEBI (LODR) REGULATIONS, 2015)

To,
The Board of Directors,
Hipolin Limited

- (1) We have reviewed financial statements and the cash flow statement of Hipolin Limited for the year ended March 31, 2021 and hereby certify that to the best of our knowledge and belief :
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (2) During the year, there are, to the best of our knowledge and belief, no transactions entered into by the Company which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (3) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
- (4) We have indicated to the Auditors and the Audit Committee :
 - (i) that there are no significant changes in internal control over financial reporting during the year;
 - (ii) that there are no significant changes in accounting policies during the year and
 - (iii) that there are no instances of significant fraud of which we have become aware.

Date : June 28, 2021
Place : Ahmedabad

(Shailesh J. Shah)
Chairman &
Managing Director
(DIN: 00777653)

(Rumit B. Shah)
Chief Financial Officer

**COMPLIANCE CERTIFICATE ON CORPORATE
GOVERNANCE**

To The Members of
Hipolin Limited

I have examined all relevant records of **HIPOLIN LIMITED** for the purpose of certifying compliance of the conditions of Corporate Governance as stipulated under Para C of Schedule V read with Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") for the year ended on March 31, 2021.

The Compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. This certificate is neither an assurance as to the further viability of the Company nor of the effectiveness with which the management has conducted the affairs of the Company.

On the basis of the examination of the records produced, explanations and information furnished, I certify that the Company has complied with the conditions of Corporate Governance as stipulated under Para C of Schedule V read with Regulation 34(3) of SEBI Listing Regulations.

This certificate is issued solely for the purpose of complying with the aforesaid regulations.

**For G R Shah and Associates
(Company Secretaries)**

**Date: June 28, 2021
Place: Ahmedabad**

**Gaurang Shah
Proprietor
COP No: 14446
UDIN: A038703C000473731**

STANDALONE INDEPENDENT AUDITOR'S REPORT

**To The Members of
Hipolin Limited**

Report on the Audit of Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone IndAS financial statements of **The HIPOLIN LIMITED** ("the Company"), which comprises of Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, including Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flow for the year ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significant in our audit of the standalone Ind AS financial statements for the year ended March 31, 2021. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters for each matter below our description of how our audit addressed the matter is provided in that context.

There are no key audit matters identified in our audit.

Information Other than the Standalone Ind AS Financial Statements and Auditor's report thereon:

The Company's Board of Directors is responsible for the preparation of other information. The Other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to the Board report, Corporate Governance report and Shareholder's information, but does not include the standalone IndAS financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Ind AS Financial Statements:

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

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

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements:

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable

assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

- (i) Planning the scope of our audit work and in evaluating the results of our work and
- (ii) To evaluate the effect of an identified misstatements in the standalone Ind AS financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to

communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. Pursuant to the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure "B" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and records.
 - c) The Balance sheet, the Statement of Profit & Loss including other comprehensive income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) On the basis of the written representation received from the directors as on March 31, 2021 taken on records by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a Director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS Financial Statements and the operating effectiveness of such controls, refer to our separate Report in **Annexure "A"**.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Sec 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Act.
 - h) With respect to the matters to be included in the Auditor's report in accordance with the rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements. [Refer note no 40 to standalone Ind AS financial statements]
 - (ii) The Company did not have any long-term contracts including derivative

- contracts for which there were any material foreseeable losses.
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

FOR BORKAR & MUZUMDAR

Chartered Accountants

Firm Registration No.: 101569W

Date : June 28, 2021**Place: Ahmedabad****CA GUNVANT KOTADIA**

(Partner)

Membership No.: 0033190

UDIN: 21033190AAAACG9503

ANNEXURE "A" TO THE INDEPENDENT AUDITORS REPORT

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

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

We have audited the internal financial controls over financial reporting of **Hipolin Limited** ("the Company") as of **March 31, 2021**, in conjunction with our audit of the standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

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

Auditor's Responsibility:

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operate defectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note.

FOR BORKAR & MUZUMDAR

Chartered Accountants

Firm Registration No.: 101569W

Date : June 28, 2021**Place: Ahmedabad****CA GUNVANT KOTADIA**

(Partner)

Membership No.: 0033190

UDIN: 21033190AAAACG9503

ANNEXURE "B" TO THE INDEPENDENT AUDITORS REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

1. In respect of Fixed Assets:

- The Company has maintained proper records showing full particulars, including quantitative details and situation, of fixed assets, on the basis of available information
- As explained to us, all the fixed assets have been physically verified by the management in a phased manner, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- According to the information and explanations provided to us and the title deeds of all the immovable properties are held in the Company's name.

2. In respect of Inventories:

- The physical verification of the Inventories has been conducted at reasonable intervals by the Management.
- The procedure of physical verification of Inventories followed by the management is reasonable and adequate in relation to the size of the Company and nature of its business.
- The Company has maintained proper records of Inventories and no material discrepancies were noticed on physical verification.

3. According to the information and explanations provided to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 (2) of the Companies Act 2013 ("Act"). Accordingly, the provisions of clause (iii), (a)/ (b) and (c) of Paragraph 3 of the said Order are not applicable to the Company.

4. In our opinion and according to the information and explanations provided to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to grant of loans, making investments and providing guarantees and securities.

5. According to the information and explanation provided to us, the Company has not accepted any deposits from the public. Accordingly, the provisions of clause (v) of Paragraph 3 of the said Order are not applicable to the Company.

6. The company is registered under MSME Act, 2006. As per the Company's (Cost Records and Audit) Rules 2014 as amended by Company's (Cost Records and Audit) Amendment Rules 2014 issued by the Central Government , the company is not required to maintain the cost records hence the provision of Section 148(6)) is not applicable to the company.

7. In respect of statutory dues:

- According to the information and explanation provided to us, undisputed amounts payable in respect of Provident Fund, Income Tax, Goods and Service Tax, Cess and other material statutory dues have been generally regularly deposited with the appropriate authorities. According to the records of the Company and information and explanations provided to us, no undisputed amounts payable in respect of the aforesaid dues, were outstanding as at March 31, 2021, for a period of more than six months from the date they become payable.
 - According to the records of the Company and information and explanations provided to us, particulars of disputed amounts payable in respect of, Provident Fund, Income Tax, Goods and Service Tax, Sales Tax, Value Added Tax, Customs Duty, Service Tax, Cess and other material statutory dues, as on the last day of the period ending March 31, 2021 is NIL.
8. Based on our audit procedures and on the basis of information and explanation provided to us, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institutions, banks, or government. The Company did not have any outstanding dues to debenture holders during the year.
9. The Company has neither applied for any Term Loan nor it, has raised any money by way of Initial public offer / further public offer (including debt instruments) during the year. Accordingly, the provisions of clause (ix) of Paragraph 3 of the said Order are not applicable to the Company.
10. Based upon the audit procedures performed and as per the information and explanations provided to us, we have neither come across any instance of fraud on or by the Company, its officers or employees, noticed or reported during the period, nor have we been informed of any such case by the management.
11. According to the information and explanation provided 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 read with Schedule V to the Act.
12. In our opinion, Company is not a Nidhi Company. Accordingly, the provisions of clause (xii) of Paragraph 3 of the said Order are not applicable to the Company.
13. According to the information and explanation provided to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable and the details have been disclosed in the standalone Ind AS Financial Statements etc; as required by the applicable accounting standards.
14. According to the information and explanation provided to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review.
15. According to the information and explanation provided to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions during the period with directors or persons connected

with as referred in section 192 of Companies Act, 2013. Accordingly, the provisions of clause (xv) of Paragraph 3 of the said Order are not applicable to the Company

16. According to the information and explanation provided to us and based on our examination of the records of the Company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

FOR BORKAR & MUZUMDAR
Chartered Accountants
Firm Registration No.: 101569W

Date : June 28, 2021
Place: Ahmedabad

CA GUNVANT KOTADIA
(Partner)
Membership No.: 0033190
UDIN: 21033190AAAACG9503

BALANCESHEET AS AT 31ST MARCH, 2021**(Amount in Rs. Unless otherwise stated)**

Particulars	Note No	As at 31.03.2021	As at 31.03.2020
I ASSETS			
1 Non-current Assets			
(a) Property, Plant and Equipment	3	1,20,67,762	1,41,47,206
(b) Financial assets		-	-
(i) Investments	4	17,39,257	24,62,344
(ii) Loans	5	5,20,804	4,24,534
(iii) Other financial assets	6	3,06,27,027	1,23,73,794
(c) Other non current assets	7	5,62,506	2,46,280
Total non current assets		4,55,17,356	2,96,54,158
2 Current Assets			
(a) Inventories	8	1,07,39,926	1,24,04,649
(b) Financial assets		-	-
(i) Investments	4	0	0
(ii) Trade receivables	9	2,02,68,835	1,04,03,657
(iii) Cash and cash equivalents	10	10,10,212	40,96,059
(iv) Bank balances other than (iii) above	11	85,00,000	1,51,00,000
(v) Loans	12	92,548	5,18,113
(vi) Other financial assets	13	86,879	3,927
(c) Other current assets	14	2,53,505	16,65,450
Total current assets		4,09,51,904	4,41,91,855
TOTAL ASSETS		8,64,69,260	7,38,46,013
II EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	15	3,13,13,000	3,13,13,000
(b) Other equity	16	2,52,55,568	3,04,33,360
Total equity		5,65,68,568	6,17,46,360
LIABILITIES			
1 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	0	0
(ii) Other financial liabilities	18	0	54,879
(b) Retirement Benefit Obligations	19	34,615	1,61,462
(c) Deferred tax liabilities (Net)	20	0	0
Total non current liabilities		34,615	2,16,341
2 Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	21	1,56,42,224	0
(ii) Trade payables	22	1,02,88,016	71,86,362
(iii) Other financial liabilities	23	0	2,12,629
(b) Other current liabilities	24	24,39,269	28,86,801
(c) Provisions	25	14,96,567	15,97,519
Total current liabilities		2,98,66,076	1,18,83,312
Total liabilities		2,99,00,691	1,20,99,653
TOTAL EQUITY AND LIABILITIES		8,64,69,260	7,38,46,013

The accompanying notes are an integral part of Financial Statement
As per our Report Of even date attached

FOR BORKAR & MUZUMDAR

Chartered Accountants

Firm Registration No.: 101569W

**FOR & ON BEHALF OF THE BOARD OF DIRECTORS OF
HIPOLIN LIMITED****CA GUNVANT KOTADIA**

PARTNER

Membership No.: 0033190

UDIN: 21033190AAAACG9503

SHAILESH J. SHAHCHAIRMAN &
MANAGING DIRECTOR
(DIN: 00777653)**JAYKUMAR J. SHAH**WHOLE TIME DIRECTOR
(DIN: 00392710)**RUMIT B. SHAH**

CHIEF FINANCIAL OFFICER

APEXA PANCHALCOMPANY SECRETARY
ICSI Membership No: 35725**DATE: JUNE 28, 2021****PLACE: AHMEDABAD****DATE: JUNE 28, 2021****PLACE: AHMEDABAD**

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2021**(Amount in Rs. Unless otherwise stated)**

Particulars	Note	Year ended 31 March 2021	Year ended 31 March 2020
I Revenue from operations	26	11,12,09,998	13,88,26,061
II Other income	27	30,22,567	20,38,490
III Other Gains /(Losses) - net	28	0	53,02,857
Total income		11,42,32,565	14,61,67,408
IV Expenses		-	-
(a) Raw Material Consumed	29	7,13,46,310	8,71,87,838
(b) Purchase of stock in trade	30	74,35,134	68,70,925
(c) Changes in stock of finished goods, work-in-progress and stock-in-trade	31	24,09,612	(14,76,042)
(d) Excise Duty		0	0
(e) Employee benefits expense	32	1,71,62,009	1,84,04,194
(f) Depreciation and amortisation expense	3	20,68,971	26,59,936
(g) Finance costs	33	3,52,391	2,19,771
(h) Other expenses	34	1,86,35,928	2,87,42,529
Total expenses (IV)		11,94,10,355	14,26,09,151
V Profit/ (Loss) before tax(III-IV)		(51,77,791)	35,58,257
VI Income tax expense		-	-
(a) - Current tax		0	11,69,397
(b) - Deferred tax (benefit)/ charge		0	0
(c) - Tax of earlier years		0	0
Total tax Expenses (VI)		-	11,69,397
VII Profit / (Loss) for the year (V-VI)		(51,77,791)	23,88,860
VIII Other comprehensive income		-	-
Items that will not be Reclassified to Profit & Loss		-	-
(a) - Actuarial (Gain)/ Losses on Defined Benefit Plan		(1,99,964)	66,294
- tax impact on Above		0	0
(b) Fair value changes of investment in equity shares		(4,99,743)	4,94,771
Total Other comprehensive income/(loss) for the year		(6,99,707)	5,61,065
Total comprehensive income/(loss) for the year		(44,78,084)	18,27,795
IX Earnings per Equity share (Face value per share Rs. 10 each)	35		
Basic		(1.65)	0.76
Diluted		(1.65)	0.76

The accompanying notes are an integral part of Financial Statement

As per our Report Of even Date Attached

FOR BORKAR & MUZUMDAR

Chartered Accountants

Firm Registration No.: 101569W

**FOR & ON BEHALF OF THE BOARD OF DIRECTORS OF
HIPOLIN LIMITED****GUNVANT KOTADIA**

PARTNER

Membership No.: 0033190

UDIN: 21033190AAAACG9503

SHAILESH J. SHAH

CHAIRMAN &

MANAGING DIRECTOR

(DIN: 00777653)

JAYKUMAR J. SHAH

WHOLE TIME DIRECTOR

(DIN: 00392710)

RUMIT B. SHAH

CHIEF FINANCIAL OFFICER

APEXA PANCHAL

COMPANY SECRETARY

ICSI Membership No: 35725

DATE: JUNE 28, 2021**PLACE: AHMEDABAD****DATE: JUNE 28, 2021****PLACE: AHMEDABAD**

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

(Amount in Rs. Unless otherwise stated)

	Particulars	Notes	
A.	Equity Share Capital		
	Balance as at April 1, 2020	15	3,13,13,000
	Changes in Equity Share Capital during the period		-
	Balance as at March 31, 2021	15	3,13,13,000
	Changes in Equity Share Capital during the period		

B.	Other Equity	Reserves and Surplus					Total
		Capital Reserve	Equity Security Premium	General Reserve	Other Comprehensive Income	Retained Earnings	
	Balance as at April 1, 2020	85,341	5,74,28,000	55,85,669	13,45,896	(3,40,11,546)	3,04,33,360
	Profit for the year	-	-	-	-	(51,77,791)	(51,77,791)
	Other Comprehensive Income	-	-	-	(6,99,707)	6,99,707	-
	Total Comprehensive Income for the year	-	-	-	(6,99,707)	(44,78,084)	(51,77,791)
	Balance as at March 31, 2021	85,341	5,74,28,000	55,85,669	6,46,189	(3,84,89,630)	2,52,55,569

The accompanying notes are an integral part of Financial Statement

As per our Report Of even Date Attached
FOR BORKAR & MUZUMDAR
 Chartered Accountants
 Firm Registration No.: 101569W

**FOR & ON BEHALF OF THE BOARD OF DIRECTORS OF
 HIPOLIN LIMITED**

GUNVANT KOTADIA
 PARTNER
 Membership No.: 0033190
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APEXA PANCHAL
 COMPANY SECRETARY
 ICSI Membership No: 35725

DATE: JUNE 28, 2021
PLACE: AHMEDABAD

DATE: JUNE 28, 2021
PLACE: AHMEDABAD

CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2021**(Amount in Rs. Unless otherwise stated)**

Particulars		Year ended on March 31, 2021	Year ended on March 31, 2020
A.	CASH FLOW FROM OPERATING ACTIVITIES:		
	Profit / (Loss) Before Taxation	(51,77,791)	35,58,257
	<u>Adjustments for:</u>		
	Depreciation / Amortisation	20,68,971	26,59,936
	Finance Cost	3,52,391	2,19,771
	Bad debt	54,055	5,61,046
	Interest Income	(28,35,703)	(18,28,678)
	Dividend Income	0	(65,258)
	Profit/Loss on assets sold / discarded (Net)	1,20,972	(53,02,857)
	Operating Profit/ (Loss) Before Working Capital Changes	(54,17,105)	(1,97,783)
	<u>Adjustments For Changes In Working Capital:</u>		
	(Increase)/Decrease In Inventories	16,64,723	(9,33,736)
	(Increase)/Decrease In Non Current Assets	(1,83,49,503)	88,98,869
	(Increase) In Trade receivables	(99,19,233)	73,66,349
	(Increase) / Decrease In Current Financial Assets - Loans	4,25,565	(1,43,907)
	(Increase)/ Decrease In Other Current Financial Assets	65,17,048	(1,44,52,731)
	(Increase) / Decrease In Other current assets	14,11,945	(7,50,865)
	(Increase)/Decrease In Other Non current assets	(3,16,226)	22,03,630
	Increase / (Decrease) In Non Current Liabilities	(54,879)	(1,30,120)
	Increase / (Decrease) In Current Liabilities - Provisions	(1,00,952)	3,48,166
	Increase / (Decrease) In Other Current Financial Liabilities	29,74,807	(57,12,133)
	Increase / (Decrease) In Other Current Liabilities	(4,47,535)	(6,05,632)
	Cash Generated From Operations	(2,16,11,345)	(41,09,894)
	Direct Taxes Refund / (Paid) (Net)	0	(11,69,397)
A.	Net Cash From Operating Activities	(2,16,11,345)	(52,79,291)
B.	CASH FLOW FROM INVESTING ACTIVITIES:		
	Purchase of Fixed Assets	(1,88,540)	(39,578)
	Proceeds from Sale of Fixed Assets	1,10,000	64,63,800
	(Purchase)/sale of Investments	6,91,129	(4,10,231)
	Interest Income	28,35,703	18,28,678
	Dividend Income	0	65,258
B.	Net Cash Generated / (Used In) Investing Activities	34,48,292	79,07,927
C.	CASH FLOW FROM FINANCING ACTIVITIES:		
	Proceeds of Long Term Borrowings (net)	0	0
	Repayment of Long Term Borrowings (net)	(2,12,629)	(2,36,107)
	Net Proceeds / (Repayment) of Working Capital Loan	1,56,42,224	0
	Dividend (including tax on dividend)	0	0
	Interest	(3,52,391)	(2,19,771)
C.	Net Cash Used In Financing Activities	1,50,77,204	(4,55,878)
	Net Increase in cash and cash equivalents (A+B+C)	(30,85,850)	21,72,758
	Cash and Cash Equivalents as at the beginning of the period	40,96,059	19,23,300
	Cash and Cash Equivalents as at the end of the period	10,10,212	40,96,059

(Amount in Rs. Unless otherwise stated)

Particulars	For the year Ended on 31.03.2021	For the year Ended on 31.03.2020
Cash and Cash Equivalents		
Cash on Hand	324886	3,14,696
Bank Balance		
In Current Accounts	685326	12,31,363
In Fixed Deposit Account with Bank	0	25,50,000
Effect of Exchange differences on balances with banks in foreign currency		
	10,10,212	40,96,059
Notes : (1)The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS 7 - "Statement of Cash Flows".		

This is the Standalone Statement of Cash Flows referred to in our report of even date.

FOR BORKAR & MUZUMDAR
Chartered Accountants
Firm Registration No.: 101569W

**FOR & ON BEHALF OF THE BOARD OF DIRECTORS OF
HIPOLIN LIMITED**

GUNVANT KOTADIA
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Membership No.: 0033190
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APEXA PANCHAL
COMPANY SECRETARY
ICSI Membership No: 35725

DATE: JUNE 28, 2021
PLACE: AHMEDABAD

DATE: JUNE 28, 2021
PLACE: AHMEDABAD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021.**1. (I) Background of the Company**

Hipolin Limited ("The Company") was incorporated on March 31, 1994 under the provision of the Companies Act, 1956. The Company is engaged in manufacturing of Detergent Powder & Cake and alike products. The manufacturing facility for the same is set up at A/1/1, Nilkanth Ind. Estate, Sanand-Viramgam Highway, Nr Iyava Bus Stand, Via Virochannagar (P. O.) Ta. : Sanand, Dist.: Ahmedabad, Gujarat. The equity shares of the Company are listed on BSE Limited.

(II) Significant accounting policies

This Note provides a list of the significant accounting policies adopted by the Company in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation**i) Compliance with Ind AS**

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

ii) New standards or interpretations adopted by the Company

The Company has applied the following amended Ind as for the first time for its annual reporting period commencing 1st April, 2020

Ind AS 107 Financial Instruments: Disclosures

Ind AS 109 Financial Instruments

iii) Historical cost convention

The Financial Statements have been prepared on a historical cost basis, except for the following:

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

iv) Current versus non-current classification

The company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle, or
- Held primarily for the purpose of trading, or
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period, all other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle, or
- It is held primarily for the purpose of trading, or
- It is due to be settled within twelve months after the reporting period, or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period, all other liabilities are classified as non-current.

b) Foreign currency transactions and translations**(i) Functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Indian rupee (INR).

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions and from translation of monetary assets and liabilities at the reporting date are recognised in the Statement of Profit and Loss.

c) Revenue recognition**Sale of products**

Timing of recognition: Revenue from Sales of goods is recognized when significant risks and rewards of ownership of goods have been passed on to the buyers.

Measurement of revenue: Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of Excise duty and net of returns, trade allowances, rebates, and amounts collected on behalf of third parties, valued added tax, goods and service tax (GST).

d) Income tax

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in India. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset deferred tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity in which

case, the tax is recognised in other comprehensive income or directly in equity, respectively.

e) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Assets are reviewed for possible reversal of the impairment at the end of each reporting period.

When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased such reversal of impairment loss is recognised in the statement of profit and loss, to the extent the amount was previously charged to the statement of profit and loss.

f) Cash and cash equivalents

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

g) Trade receivables

Trade receivables are recognised initially at fair value less provision for impairment, if any. The trade receivables are non interest bearing.

h) Inventories

Raw materials, packing material, trading goods, stores and finished goods are stated at the lower of cost and net realisable value. The cost of raw materials, packing materials, trading goods, stores is determined based on first-in, first-out (FIFO) method and comprises cost of purchase. Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition.

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

i) Financial assets and liabilities**(I) Financial assets****1. Classification**

The Company classifies its financial assets in the following measurement categories

- at fair value (either through other comprehensive income, or through profit or loss), and
- at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable selection at the time of initial recognition to account for the equity investment at

fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

2. Initial Recognition and Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit or loss.

3. Subsequent Measurement

Measured at amortised cost:

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the EIR method less impairment, if any. The amortisation of EIR and loss or gains arising from impairment, if any is recognised in the Statement of Profit and Loss.

Measured at fair value through other comprehensive income (FVOCI):

Financial assets that are held within a business model whose objective is, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognised in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to "Profit or Loss" in the Statement of Profit and Loss.

Measured at fair value through profit or loss (FVPL): A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

Equity instruments:

The company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payments is established.

Impairment losses (and reversal of impairment losses) on equity investments measured at Fair Value through Other Comprehensive Income (FVOCI) are not reported separately from other changes in fair value.

4. Impairment of financial assets

The Company is required to assess on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 36 details how the Company determines whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind

AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

5. De recognition

A financial asset is de recognised only when the Company

- has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

6. Income recognition

Interest income from debt instruments is recognised using the EIR method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

"Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably."

(II) Financial liabilities:

1. Initial Recognition and Measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at its fair value plus or minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue of the financial liability.

2. Subsequent Measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

3. De recognition

A financial liability is de recognised when the obligation specified in the contract is discharged, cancelled or expires.

j) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

k) Property, plant and equipment

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be

measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/expense.

(i) Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

(ii) Depreciation methods, estimated useful lives and residual value

Depreciation is provided on pro-rata basis on the straight-line method over the estimated useful life as per Part-C of Schedule II of the Companies Act, 2013.

Estimated useful life of the assets/significant component thereof is as under:

SR NO	ASSETS CLASS	USEFUL LIFE (IN YEARS)
1.	BUILDING	30 TO 60
2.	PLANT AND MACHINERY	3 TO 10
3.	FURNITURE AND FIXTURES	10
4.	VEHICLES	80 TO 10

l) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

m) Borrowings

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

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

n) Borrowings costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale.

Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

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

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

o) Provisions and Contingencies

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

p) Employee Benefits

(i) Defined contribution plans

Company's contribution to Provident fund and other funds are determined under the relevant schemes and/or statute and charged to revenue. The Company contributes to a Government administered Provident Fund and has no further obligation beyond making its contribution.

The Company makes contributions to state plans namely Employee's State Insurance Fund and Employee's Pension Scheme 1995 and has no further obligation beyond making the payment to them. The Company's contributions to the above funds are charged to Statement of Profit and Loss every year.

(ii) Defined benefit plans

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees, which is funded. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined using the Projected Unit Credit method at the end of each year. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet

Gratuity Fund contributions are made to a trust administered by the Company which has further invested in Life Insurance Corporation. The contributions made to the trust are recognised as plan assets. The defined benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets.

(iii) Other employee benefits

Compensated Absences: Accumulated compensated absences, which are expected to be availed at future date from the end of the year and are treated as long term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end is not ascertained as per actuarial valuation, the same is not provided and not quantified. It is the practice of the company to account for same on payment basis.

q) Segment reporting

The company has only one reportable Business Segment i.e. Detergent Powder & Cake as Primary Segment.

r) Earnings per share**i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

- The profit/(loss) attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

s) Rounding off

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupee.

2. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies.

The areas involving critical estimates or judgements are:

- Estimation of defined benefit obligation – Note 25(a)
- impairment of trade receivables – Note 36
- Estimation of useful life of tangible assets – Note 1(II)(k)

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company.

NON CURRENT ASSETS

NOTE 3: PROPERTY, PLANT AND EQUIPMENTS

(Amount in Rs. Unless otherwise stated)

PARTICULARS	GROSS BLOCK (at carrying amount)					ACCUMULATED DEPRECIATION					NET BLOCK	
	As At 01.04.2020	Additions during the year	Disposal during the year	Translation Adjustment s	As at 31.03.2021	As at 01.04.2020	Charge for the year	Disposal during the year	Translation/ Deduction/ Adjustments	As at 31.03.2021	As at 31.03.2021	As at 31.03.2020
1.Freehold Land	58,55,860	0	0	0	58,55,860	0	0	0	0	0	58,55,860	58,55,860
2.Factory Building	8,73,591	0	0	0	8,73,591	92,011	1,40,137	0	0	2,32,148	6,41,443	7,81,580
3.Office Buiding	20,84,405	0	0	0	20,84,405	2,66,824	59,760	0	0	3,26,584	17,57,821	18,17,581
4.Plant & Machineries	29,31,230	1,88,541	0	0	31,19,771	14,46,479	2,86,110	0	0	17,32,589	13,87,182	14,84,751
5.Furniture & Fixtures	6,91,445	0	0	0	6,91,445	6,12,812	3,059	0	0	6,15,871	75,574	78,633
6.Vehicles	1,16,77,616	0	7,46,272	0	1,09,31,344	75,48,815	15,79,905	5,47,258	0	85,81,462	23,49,882	41,28,801
Total	2,41,14,147	1,88,541	7,46,272	0	2,35,56,416	99,66,941	20,68,971	5,47,258	0	1,14,88,654	1,20,67,762	1,41,47,206

PARTICULARS	GROSS BLOCK (at carrying amount)					ACCUMULATED DEPRECIATION					NET BLOCK	
	AS AT 01.04.2019	Additions during the year	Disposal during the year	Translation Adjustment s	As at 31.03.2020	As at 01.04.2019	Charge for the year	Disposal during the year	Translation/ Deduction/ Adjustments	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019
1.Freehold Land	58,55,860	0	0	0	58,55,860	0	0	0	0	0	58,55,860	58,55,860
2.Factory Building	30,24,614	0	21,51,023	0	8,73,591	8,00,853	2,81,238	9,90,080	0	92,011	7,81,580	22,23,761
3.Office Buiding	20,84,405	0	0	0	20,84,405	2,07,064	59,760	0	0	2,66,824	18,17,581	18,77,341
4.Plant & Machineries	28,91,652	39,578	0	0	29,31,230	10,67,835	3,78,644	0	0	14,46,479	14,84,751	18,23,817
5.Furniture & Fixtures	6,91,445	0	0	0	6,91,445	4,24,920	1,87,892	0	0	6,12,812	78,633	2,66,525
6.Vehicles	1,16,77,616	0	0	0	1,16,77,616	57,96,413	17,52,402	0	0	75,48,815	41,28,801	58,81,203
					0							
Total	26225592	39578	2151023	0	24114147	8297085	2659936	990080	0	99,66,941	14147206	17928507

NOTE 4: Non Current Financial Assets-Investments

(A) Quoted Equity Instruments

Numbers Of Shares		Particulars	As At 31.03.2021	As At 31.03.2020
31-03-2021	31-03-2020			
400	2400	Adani Power Limited	17896	330752
0	5000	Arvind Mills Ltd	0	231091
3000	3000	GMR Infrastructure limited	260732	260732
0	300	HDFC Life Insurance	0	179140
1100	1100	Reliance Communication limited	443908	443908
1312	1312	Reliance Power Limited	458363	458363
1000	1000	Tele Data Informatics Ltd	13827	13827
500	500	TeleData Marine Solutions Ltd	27653	27653
500	500	TeleData Technology Solutions Ltd	27653	27653
1300	1300	Unitech Limited	49326	49326
Total - A			1299357	2022444

(B) Un-quoted equity instruments

Numbers Of Shares		Particulars	As At 31.03.2021	As At 31.03.2020
31-03-2021	31-03-2020			
17402	17,402	K.C.C.B Bank	435050	435050
200	200	Global Trust Ltd	4850	4850
Total - B			439900	439900
Total (A+B)			1739257	2462344
Aggregate amount of quoted investments			1299357	2022444
Aggregate market value of quoted investments			117330	340674
Aggregate amount of unquoted investments			439900	439900
Aggregate amount of impairment in value of investments			0	0

NOTE 4- Current Financial Assets- Investments

Numbers		Particulars	As At 31.03.2021	As At 31.03.2020
(A) Investment in Equity instruments				
31-03-2021	31-03-2020	Quoted equity instruments	0	0

NON CURRENT FINANCIAL ASSETS

(Amount in Rs. Unless otherwise stated)

NOTE 5: Loans

Particulars	As at 31 March 2021	As at 31 March 2020
(Unsecured considered good, unless otherwise stated)		
Loan to Related Parties	0	0
Loan to Employees	5,20,804	4,24,534
Total	5,20,804	4,24,534

NOTE 6: Other non-current financial assets

Particulars	As at 31 March 2021	As at 31 March 2020
Investment in term Deposits (with remaining maturity of more than twelve months)	3,00,00,000	1,18,50,000
Security deposits		
- Related Parties		
- Others	2,76,317	1,65,638
Other assets (includes other receivables etc.)	3,50,710	3,58,156
Total	3,06,27,027	1,23,73,794

NOTE 7: OTHER NON CURRENT ASSETS

Particulars	As at 31 March 2021	As at 31 March 2020
Capital Advances	0	0
Balances with Government Authorities	5,29,758	2,46,280
Advances to Vendor / Suppliers	32,748	0
Total	5,62,506	2,46,280

CURRENT ASSETS

NOTE 8: INVENTORIES

Particulars	As at 31 March 2021	As at 31 March 2020
Raw materials	36,34,978	34,12,921
Packaging Material	22,73,170	17,50,338
Finished goods	47,64,254	71,13,150
Stock-in-trade(Traded goods)	67,524	1,28,240
TOTAL	1,07,39,926	1,24,04,649

CURRENT FINANCIAL ASSETS

NOTE 9: Trade Receivables

Particulars	As at 31 March 2021	As at 31 March 2020
Unsecured, considered good	2,02,68,835	1,04,03,657
Less: Provision for doubtful	0	0
TOTAL	2,02,68,835	1,04,03,657

NOTE 10: Cash and Cash Equivalent

Particulars	As at 31 March 2021	As at 31 March 2020
Cash on hand	3,24,886	3,14,696
Balances with Banks		
-In Current Account	6,85,326	12,31,363
-Term deposits with original maturity of less than three months	0	25,50,000
TOTAL	10,10,212	40,96,059

(Amount in Rs. Unless otherwise stated)

NOTE 11: Bank Balances other than NOTE 10 above

Particulars	As at 31 March 2021	As at 31 March 2020
Earmarked balances with banks - Unpaid Dividend	0	0
Investments in term Deposit having original maturity of more than three months but less than twelve months	85,00,000	1,51,00,000
Total	85,00,000	1,51,00,000

NOTE 12: Loans

Particulars	As at 31 March 2021	As at 31 March 2020
(Unsecured considered good, unless otherwise stated)		
Loan & Advances to employees	92,548	5,18,113
Total	92,548	5,18,113

NOTE 13: Other Current Financial Assets

Particulars	As at 31 March 2021	As at 31 March 2020
Security Deposits	0	0
Interest Receivable	30,822	0
Other Receivables	56,057	3,927
Total	86,879	3,927

NOTE 14: OTHER CURRENT ASSETS

Particulars	As at 31 March 2021	As at 31 March 2020
Advances to Suppliers	0	1,43,905
Balances with Govt. Authorities	76,847	13,28,291
Prepaid expenses	1,76,658	1,93,254
Total	2,53,505	16,65,450

EQUITY AND LIABILITIES

NOTE 15: EQUITY SHARE CAPITAL

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of Shares	Amount	Number of Shares	Amount
AUTHORISED	-	-	-	-
Equity shares of Rs. 10/- each	50,00,000	5,00,00,000	50,00,000	5,00,00,000
ISSUED, SUBSCRIBED AND FULLY PAID UP	-	-	-	-
Equity shares of Rs.10/- each	31,31,300	3,13,13,000	31,31,300	3,13,13,000
Total	31,31,300	3,13,13,000	31,31,300	3,13,13,000

a) Reconciliation of Number of Shares

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of Shares	Amount	Number of Shares	Amount
Balance as at the beginning of the year	31,31,300	3,13,13,000	31,31,300	3,13,13,000
Add: issued during the year	-	-	-	-
less: shares cancelled on buy back of equity shares	-	-	-	-
Balance as at the end of the year	31,31,300	3,13,13,000	31,31,300	3,13,13,000

(Amount in Rs. Unless otherwise stated)

Notes:

During the period of five financial years immediately preceding the balance sheet date, the company has not:

- (i) allotted any fully paid- up equity shares by way of bonus shares;
- (ii) allotted any equity share pursuant to any contract without payment being received in cash;
- (iii) bought back any equity shares

b) Right, Preferences and Restriction Attached to Shares

The company has only one class of share referred to as ' equity share' having per 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 preferential amounts. The distribution will be in proportion to the number of equity share held by the share holders.

c) Details of equity shares held by shareholders holding more than 5% of the aggregate share in the company

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of Shares	%	Number of Shares	%
Equity share holders names				
Shailesh J Shah	3,17,595	10.14	3,17,595	10.14
Jyotiben J Shah	2,78,900	8.91	2,78,900	8.91
Rumit B Shah	2,62,745	8.39	2,62,745	8.39
Bhupendra J Shah	2,32,239	7.42	2,32,239	7.42
Subhash J Shah	1,70,680	5.45	1,56,700	5.00

NOTE 16: OTHER EQUITY

Particulars	As at 31 March 2021	As at 31 March 2020
Capital Reserve	85,341	85,341
Equity Security Premium	5,74,28,000	5,74,28,000
	5,75,13,341	5,75,13,341
General Reserve		
Opening balance	55,85,669	55,85,669
Add : Transferred during the year	0	0
Less: Transfer to capital redemption reserve	0	0
Closing balance	55,85,669	55,85,669
Other Comprehensive Income		
Opening balance	13,45,896	7,84,831
Add : Re-measurement of defined benefit plans	(1,99,964)	66,294
Add : Fair value changes of investment in equity shares	(4,99,743)	4,94,771
Closing balance	6,46,189	13,45,896
Retained Earnings		
Opening balance	(3,40,11,546)	(3,58,39,340)
Add : Retained earnings/(Loss) during the year	(51,77,791)	23,88,860
Less: Transfer to other comprehensive income	6,99,707	(5,61,065)
Closing balance	(3,84,89,630)	(3,40,11,546)
Total	2,52,55,568	3,04,33,360

(Amount in Rs. Unless otherwise stated)

NON CURRENT FINANCIAL LIABILITIES**NOTE 17: Borrowings**

Particulars	As at 31 March 2021	As at 31 March 2020
Secured		
Term Loan from Other	0	0
Total	0	0

The terms of Repayment for Loans Outstanding as on 31st March, 2021 (Secured)

Vehicle Loans as per the Details given below:

Particulars	Non-Current Portion		Current Portion	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
TATA MOTORS FINANCE LTD	0	0	0	212628
Total	0	0	0	212628

Note:

The above stated loans from Finance Company are Vehicle Loans which are secured by Hypothecation of vehicles and Personal Guarantee of Directors.

NOTE 18: Other Non-current Financial Liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Trade Payable (Exceeding One Year)	0	54,879
Total	0	54,879

NOTE 19: RETIREMENT BENEFITS OBLIGATIONS

Particulars	As at 31 March 2021	As at 31 March 2020
Retiring Gratuity	34,615	1,61,462
Total	34,615	1,61,462

NOTE 20: DEFERRRED TAX LAIBILITIES (NET)

Particulars	As at 31 March 2021	As at 31 March 2020
Deferred Tax Liabilities		
- Depreciation	0	0
Total	0	0
Deferred Tax Assets		
- On account of Unabsorbed Depreciation / Bussiness Losses	0	0
Depreciation		
Total	0	0
Movement in deferred tax liabilities	0	0

(Amount in Rs. Unless otherwise stated)

CURRENT FINANCIAL LIABILITIES**NOTE 21: Borrowings**

Particulars	As at 31 March 2021	As at 31 March 2020
Secured		
Loan Repayable on demand from banks		
Overdraft against fixed deposit	1,56,42,224	0
Total	1,56,42,224	0

Note: Overdraft against fixed Deposits of Rs.1,56,42,224/- (Previous Year Rs.NIL) of Kalupur Commercial Co.Op. Bank Ltd having Current Rate of Interest ranging between 7.01% to 7.04% p.a based on the Rate of Interest of FD. (PY Rate of Interest ranging between 7.5% to 8.5%).

NOTE 22: Trade Payables:

Particulars	As at 31 March 2021	As at 31 March 2020
Trade payables	1,02,77,492	71,86,362
For Micro, Small And Medium Enterprises	10,524	0
Total	1,02,88,016	71,86,362

Note: Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED). Certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with management, outstanding dues to the Micro, Small and medium enterprise as defined in the MSMED Act, 2006 is disclosed as below:

Due to Micro, Small and Medium Enterprises:

Particulars	As at 31 March 2021	As at 31 March 2020
Principal amount remaining unpaid to any supplier as at the year end.	10524	0
Interest due thereon	0	0
Amount of interest paid by the Company in terms of section 16	0	0
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED.	0	0
Amount of interest accrued and remaining unpaid at the end of accounting year.	0	0
Total	10,524	0

NOTE 23: Other Current Financial Liabilities:

Particulars	As at 31 March 2021	As at 31 March 2020
Secured		
Current maturity of term loans from Bank	0	2,12,629
Unsecured		
Unpaid dividends	0	0
Creditors for capital expenditure	0	0
Total	0	2,12,629

(Amount in Rs. Unless otherwise stated)

NOTE 24: OTHER CURRENT LIABILITIES:

Particulars	As at 31 March 2021	As at 31 March 2020
Advance received from customers	4,89,461	4,65,130
Statutory liabilities(including provident fund, tax deducted at source and others)	14,68,537	6,17,330
Other payables	4,81,271	18,04,341
Total	24,39,269	28,86,801

NOTE 25: CURRENT PROVISIONS:

Particulars	As at 31 March 2021	As at 31 March 2020
Provision for employee benefits (refer below note)	14,96,567	15,97,519
Total	14,96,567	15,97,519

(a) Provisions for Employees Benefits:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non-current	Current	Non-current
Gratuity	0	34,615	0	1,61,462
Bonus	14,96,567	0	15,97,519	0
Total Provision for Employee Benefits	14,96,567	34,615	15,97,519	1,61,462

(b) Long Term Employees Benefit Obligations:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur- 12 months Not assessed.

(c) Post Employment Obligations:**Defined Benefit Plans****Gratuity**

The company provides for gratuity for employees as per the Payment of Gratuity Act, 1972 and as per Company policy. The amount of gratuity payable on retirement/termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan. The scheme is funded with Life Insurance Corporation in the form of a qualifying insurance policy.

Defined Contribution Plans:

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, and ESI which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to statement of profit and loss as they accrue.

(Amount in Rs. Unless otherwise stated)

The expenses recognised during the period towards defined contribution plan are:

Particulars	As at March 31, 2021	As at March 31, 2020
Employer's Contribution to Provident Fund	8,85,245	9,14,280
Employer's Contribution to Employee State Insurance	1,17,969	1,67,233
Total	10,03,214	10,81,513

Balance sheet Amount (Gratuity)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at April 01, 2019	19,96,714	19,57,250	39,464
Current service cost	2,28,125	0	2,28,125
Past service cost	0	0	0
Interest expense/(income)	97,866	1,01,730	(3,864)
Total amount recognised in statement of profit and loss	3,25,991	1,01,730	2,24,261
Remeasurements			
Return on plan assets, excluding amount included in interest expense	0	31,793	(31,793)
(Gain)/loss from change in demographic assumptions	(122)	0	(122)
(Gain)/loss from change in financial assumptions	67,242	0	67,242
Experience (gains)/losses	30,967	0	30,967
Total amount recognised in other comprehensive income	98,087	31,793	66,294
Employer contributions	0	1,68,557	(1,68,557)
Benefit payments	(31,533)	(31,533)	0
As at March 31, 2020	23,89,259	22,27,797	1,61,462

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at March 31, 2020	23,89,259	22,27,797	1,61,462
Current service cost	2,09,380	0	2,09,380
Past Service Cost	0	0	0
Interest expense/(income)	1,02,458	99,293	3,165
Total amount recognised in statement of profit and loss	3,11,838	99,293	2,12,545
Remeasurements			
Return on plan assets, excluding amount included in interest expense	0	18,766	(18,766)
(Gain)/loss from change in demographic assumptions	0	0	-
(Gain)/loss from change in financial assumptions	47,362	0	47,362
Experience (gains)/losses	(2,28,560)	0	(2,28,560)
Total amount recognised in other comprehensive income	(1,81,198)	18,766	(1,99,964)
Employer contributions	0	1,39,428	(1,39,428)
Benefit payments	(37,739)	(37,739)	0
As at March 31, 2021	24,82,160	24,47,545	34,615

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Fair value of plan assets	24,47,545	22,27,797
Present value of funded obligations	24,82,160	23,89,259
Surplus/(Deficit) of gratuity plan	(34,615)	(1,61,462)

Categories of plan of Assets are as follow:

Particulars	As at March 31, 2021	As at March 31, 2020
Insurer managed funds	24,47,545	22,27,797
Total	24,47,545	22,27,797

(Amount in Rs. Unless otherwise stated)

Significant Estimates: Actuarial Assumptions And Sensitivity

The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Discount Rate	5.75%	6.25%
Salary growth Rate	7.00%	7.00%
Withdrawal Rate	2.00%	2.00%

Sensitivity analysis: The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Impact on defined benefit obligation					
	Change in assumptions		Increase in assumptions		Decrease in assumptions	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Discount Rate	0.50%	0.50%	24,34,798	23,40,455	25,33,545	24,42,240
Salary growth Rate	0.50%	0.50%	25,27,145	24,37,210	24,39,701	23,43,942
Withdrawal Rate	10.00%	10.00%	24,81,161	23,88,672	24,83,154	23,89,820

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis are not comparable as the data for earlier period is not available.

Risk exposure:

- I. **Investment Risk:** For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.
- II. **Liquidity Risk:** Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cash flows.
- III. **Market Risk:** Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.
- IV. **Legislative Risk:** Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

Defined benefit liability and employer contributions

Expected contributions to post-employment benefit plans for the year ending March 31, 2021 are INR 34,615.

The weighted average duration of the defined benefit obligation is 4.06 years.

(Amount in Rs. Unless otherwise stated)

The expected Cash Flow based on past service liability is as follows:

Particulars	Year 1	Year 2	Between 2-5 years	Over 5 years	Total
As at March 31, 2021					
Defined benefit obligation (gratuity)	15,96,259	49,202	3,27,111	3,36,990	23,09,562
As at March 31, 2020					
Defined benefit obligation (gratuity)*	14,99,847	20,228	96,772	4,93,021	21,09,868

INCOME:**NOTE 26: REVENUE FROM OPERATIONS**

Particulars	Year ended on 31 March 2021	Year ended on 31 March 2020
(a) Sale of Product		
Manufactured Goods - Domestic	11,58,16,734	15,03,69,045
- Exports	0	12,68,736
	11,58,16,734	15,16,37,781
Less: GST	(1,76,67,658)	(2,31,36,337)
	9,81,49,076	12,85,01,444
(b) Sales/Resales Trading	1,30,60,922	1,03,24,617
Total	11,12,09,998	13,88,26,061

NOTE 27: OTHER INCOME

Particulars	Year ended on 31 March 2021	Year ended on 31 March 2020
Dividend Income : Share/Mutual Funds	0	65,258
Rate Difference A/c.	1,79,581	57,491
Round Off	24	28
Fixed deposit Interest	26,08,905	18,28,678
Interest on I.T. Refund	2,26,798	35,309
Other Misc Income	1,978	24,500
Sales tax Refund	5,281	0
Damage goods	0	27,226
Total	30,22,567	20,38,490

NOTE 28: OTHER GAINS/ (LOSSES)-NET

Particulars	Year ended on 31 March 2021	Year ended on 31 March 2020
Net Gain (losses) on disposal of Property, Plant & Equipment	0	53,02,857
Gain / (Losses) on sales of Investments (net)	0	0
Total	0	53,02,857

(Amount in Rs. Unless otherwise stated)

EXPENSES**NOTE 29: RAW MATERIAL CONSUMED**

Particulars	Year ended on 31 March 2021	Year ended on 31 March 2020
Raw Material		
Opening	34,12,921	38,81,591
Add: Purchase	5,80,64,115	7,02,66,256
Less : Closing Stock	(36,34,978)	(34,12,921)
	5,78,42,058	7,07,34,926
Packing Material		
Opening	17,50,338	18,23,974
Add: Purchase	1,40,27,084	1,63,79,275
Less : Closing Stock	(22,73,170)	(17,50,338)
	1,35,04,252	1,64,52,912
Total	7,13,46,310	8,71,87,838

NOTE 30: PURCHASE STOCK IN TRADE

Particulars	Year ended on 31 March 2021	Year ended on 31 March 2020
PURCHASE OF TRADED GOODS	74,35,134	68,70,925
Total	74,35,134	68,70,925

NOTE 31: CHANGES IN STOCK OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

Particulars	Year ended on 31 March 2021	Year ended on 31 March 2020
Opening balances		
(a) Work-in progress	0	0
(b) Finished and semi finished goods	71,13,150	56,12,148
(c) Stock in trade	1,28,240	1,53,200
Total opening balances	72,41,390	57,65,348
(Less) Closing balances:		
(a) Work-in progress	0	0
(b) Finished and semi finished goods	47,64,254	71,13,150
(c) Stock in trade	67,524	1,28,240
Total closing balances	48,31,778	72,41,390
Total	24,09,612	(14,76,042)

NOTE 32: EMPLOYEES BENEFIT EXPENSES

Particulars	Year ended on 31 March 2021	Year ended on 31 March 2020
Salaries, wages and bonus	1,57,18,307	1,68,99,822
Contribution to provident and other funds	12,83,486	11,99,919
Staff welfare expenses	1,60,216	3,04,453
Total	1,71,62,009	1,84,04,194

NOTE 33: FINANCE COST

Particulars	Year ended on 31 March 2021	Year ended on 31 March 2020
Interest expenses on:-		
- Term loan	8,371	29,093
- Other Interest	3,44,020	1,90,678
- Bank charges and other finance cost	0	0
Total	3,52,391	2,19,771

(Amount in Rs. Unless otherwise stated)

NOTE 34: OTHER EXPENSES

Particulars	Year ended on 31 March 2021	Year ended on 31 March 2020
Stores and Spares Consumed	88,502	1,50,733
Factory Exps	2,44,902	6,95,316
Carraige Inward	2,27,435	41,795
Power, fuel and water charges	9,90,825	13,65,852
Repairs and Maintenance :-	-	-
- Plant and machinery	2,94,487	4,11,285
- Building maintenance	0	1,32,744
- Others	2,06,571	7,61,741
Laboratory Exps	6,983	8,340
Labour Charges	46,41,047	67,94,001
Bad Debts	54,055	5,61,046
Rents, Rates and taxes	62,529	3,81,402
Insurance cost	2,95,926	3,25,381
Travelling and Conveyance	6,87,788	13,69,221
Commission and Brokerage	35,822	42,194
Legal and professional fees	9,44,275	10,88,675
Advertisement expenses	83,71,473	1,35,03,271
Payment to Auditors	1,80,000	1,75,000
Office & other Miscellaneous expenses	11,82,335	9,34,533
Loss on sale of Asset / Shares (Net)	1,20,972	0
Total	1,86,35,928	2,87,42,529

NOTE 35: DETERMINATION OF PROFIT & CAPITAL FOR COMPUTATION OF EPS:

Particulars	Year ended on 31 March 2021	Year ended on 31 March 2020
Profit / (losses) for the year After Tax	(51,77,791)	23,88,860
No. of Equity Shares of Rs. 10/- each		
Basic	31,31,300	31,31,300
Add: Effect of dilutive issue	-	-
Diluted	31,31,300	31,31,300
Earning per shares in Rs.		
(a) Basic	(1.65)	0.76
(b) Diluted	(1.65)	0.76

NOTE 36: FAIR VALUE MEASUREMENTS

Financial instruments by Category

Particulars	As at March 31, 2021			As at March 31, 2020		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investment in Equity Instruments	0	0	17,39,257	0	0	24,62,344
Security Deposits	0	0	2,76,317	0	0	1,65,638
Margin Money Deposits	0	0	0	0	0	0
Trade Receivables	0	0	2,02,68,835	0	0	1,07,61,813
Cash and cash equivalents	0	0	10,10,212	0	0	40,96,059
Bank balances other than cash and cash equivalents above	0	0	85,00,000	0	0	1,51,00,000
Loans to Employees	0	0	6,13,352	0	0	9,47,078
Interest Accrued but not due	0	0	0	0	0	-
	0	0	0	0	0	0
Total financial assets	0	0	3,24,07,973	0	0	3,35,32,932
Financial liabilities						
Borrowings	0	0	1,56,42,224	0	0	2,12,628
Trade payables	0	0	1,02,88,016	0	0	1,02,27,517
Unclaimed dividends	0	0	0	0	0	0
Creditors for Capital Goods	0	0	0	0	0	0
Employee benefit payable	0	0	14,96,567	0	0	15,97,519
Total financial liabilities	0	0	2,74,26,807	0	0	1,20,37,664

Fair Value Hierarchy

All financial instruments have been measured at amortised cost. For all financial instruments referred above that have been measured at amortised cost, their carrying values are reasonable approximations of their fair values. The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements). All financial instruments referred above have been classified as Level 3.

The categories used are as follows:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. Considering that all significant inputs required to fair value such instruments are observable, these are included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Valuation technique used to determine fair value

The fair value of the financial instruments is determined using discounted cash flow analysis.

Valuation processes

The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Chief Financial Officer (CFO). Discussions of valuation process and results are held between the CFO and the valuation team at least once in three months, in line with the company's quarterly reporting period. Changes in the fair value are analysed at the end of each reporting period during the quarterly valuation discussion between the CFO and the valuation team.

Fair value of financial assets/liabilities measured at amortised cost

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, investments, margin money deposits, loans to employees, security deposits, trade payables, capital creditors, interest accrued but not due on borrowings, unclaimed dividends, employee benefit payable and other deposits are considered to be as their fair values, due to their current nature.

The fair values of borrowings have been calculated based on cash flows discounted using a current lending rate. They are classified as level 3 in the hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

For Level 3 financial instruments, the fair value has been based on present values and the discount rates used, are adjusted for counterparty or own risk.

NOTE 37: FINANCIAL RISK MANAGEMENT

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has constituted a Risk Management framework, through which management develops and monitors the Company's risk management policies. The key risks and mitigating actions are also placed before the Board of directors of the Company. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and to control and monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Risk Management framework of the Company is supported by the Finance team and experts of respective business divisions that provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The activities are designed to:

- protect the Company's financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Company's financial investments, while maximising returns.

The Treasury department provides funding and foreign exchange management services for the Company's operations. In addition to guidelines and exposure limits, a system of authorities and extensive independent reporting covers all major areas of treasury's activity.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

(A) Management of Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

Cash and cash equivalents & bank balances

The Company is also exposed to credit risk on cash and cash equivalents and bank balances other than cash and cash equivalents. These balances (other than cash on hand) are with high credit rating banks which are governed by Reserve Bank of India. The company believes its credit risk in such bank balances is immaterial.

Security deposits and other receivables

With respect to other financial assets namely security and other deposits and other receivables, the maximum exposure to credit risk is the carrying amount of these classes of financial assets presented in the balance sheet. These are actively monitored and confirmed by the treasury department of the Company.

Trade receivables

The Company measures the expected credit loss of trade receivables from customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends which is very negligible.

(Amount in Rs. Unless otherwise stated)

Ageing	0-90 days	91-180 days	181-360 days	More than 360 days	Total
Gross carrying amount	2,00,57,573	1,44,640	66,621	3,50,072	2,06,18,906
Expected loss rate	0	0	0	0	0
Expected credit losses (Loss allowance provision)	0	0	0	0	0
Carrying amount of trade receivables (net of impairment)	2,00,57,573	1,44,640	66,621	3,50,072	2,06,18,906

Based on the historical data, loss on collection of receivable as at March 31, 2021 and as at April 01, 2020 is not material hence no additional provision considered.

(B) Management of Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. Material and sustained shortfall in cash flow could undermine the company's credit rating and impair investor confidence.

The company maintained a cautious funding strategy, with a positive cash generation from operating activities throughout the year ended March 31, 2021, March 31, 2020. Cash flow from operating activities provides the funds to service the financing of financial liabilities on a day-to-day basis.

Financing Arrangement

The Company has access to the following undrawn borrowing facilities at the end of the reporting period.

(Amount in Rs. Unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Floating rate		
Expiring within one year	0	0

Maturities of financial liabilities

The following table shows the maturity analysis of the company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance sheet date:

(Amount in Rs. Unless otherwise stated)

Contractual maturities of financial liabilities As at March 31, 2021	Note	Carrying amount	Less than 12 months	More than 12 months	Total
Borrowings	17,21	1,56,42,224	1,56,42,224	0	1,56,42,224
Trade payables	18,22	1,02,88,016	1,02,88,016	0	1,02,88,016
Unclaimed dividends	-	0	0	0	0
Creditors for Capital Goods	-	0	0	0	0
Employee benefit payable	-	14,96,567	14,96,567	0	14,96,567
Total liabilities		2,74,26,807	2,74,26,807	0	2,74,26,807

Contractual maturities of financial liabilities As at March 31, 2020	Note	Carrying amount	Less than 12 months	More than 12 months	Total
Borrowings	17,21	2,12,628	2,12,628	0	2,12,628
Trade payables	18,22	72,41,241	71,86,362	54,879	72,41,241
Unclaimed dividends	-	0	0	0	0
Creditors for Capital Goods	-	0	0	0	0
Employee benefit payable	25	15,97,519	15,97,519	-	15,97,519
Total liabilities		90,51,388	89,96,509	54,879	90,51,388

(C) Management of Market Risk

Market risk comprises of foreign currency risk and interest rate risk. Foreign currency risk arises from transactions that are undertaken in a currency other than the functional currency of the company. Further, the financial performance and financial position of the company is exposed to foreign currency risk that arises on outstanding receivable and payable balances at a reporting year end date. Interest rate risk arises from variable rate borrowings that expose the company's financial performance, financial position and cash flows to the movement in market rates of interest.

(D) Interest rate risk

The Company is mainly exposed to interest rate risk due to its variable interest rate borrowings. The interest rate risk arises due to uncertainties about the future market interest rate of these borrowings. The Company mitigates the interest rate risk for borrowing in functional currency, which is linked with MCLR, by negotiating and fixing the rate at the time of renewal of bank facility which remains effective for one year from the date of renewal. In case of borrowing in

foreign currency, which is linked with Libor rate, the company mitigates the risk by fixing the margin at the time of renewal of bank facility which remains effective for one year from the date of renewal.

The Company has various non current and current borrowings whose facilities are on a variable interest rate basis. Refer below table for interest rate exposure.

Interest Rate Exposure

The exposure of Company's borrowings to interest rate changes at the end of the reporting period are as follows:

(Amount in Rs. Unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Variable Rate Borrowings	0	2,12,628

Sensitivity - Interest Rate

The sensitivity of profit or loss to higher/ (lower) interest expense from borrowings as a result of change in borrowing rates is as follows:

(Amount in Rs. Unless otherwise stated)

Particulars	Impact on profit before tax	
	As at March 31, 2021	As at March 31, 2020
Interest Rates - increase by 0.5%	(4,343)	(16,544)
Interest Rates - decrease by 0.5%	4,343	16,544

NOTE 38: CAPITAL MANAGEMENT

(a) Risk management

The Company considers the Networth of its Balance Sheet as managed capital: "net worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, , after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, reduce capital or issue new shares.

Consistent with others in the industry, the company monitors capital on the basis of the following gearing ratios:

Net debts (Total borrowings net of cash and cash equivalents) divided by Total 'Equity'(as shown in the Balance Sheet)

The gearing ratios were as follows:

(Amount in Rs. Unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Net Debts	61,32,012	0
Total Equity	5,65,68,569	6,17,46,360
Net Debt to Equity Ratio	0.11	0.00

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The management monitors the return on capital as well as the level of dividends to shareholders. The Company's goal is to continue to be able to provide return to shareholders by continuing to distribute dividends in future periods. Refer the below note for the final dividend declared and paid.

NOTE 39: RELATED PARTY DISCLOSURES

Relationships

Key Managerial Personnel:

Shri Bupendrabhai J. Shah (upto 08.04.2021)
Shri Jaykumar J. Shah
Shri Shailesh J. Shah
Shri Rumit B. Shah

Relative of Key Managerial Personnel

Shri Daxesh B. Shah
Shri Apurva S. Shah
Shri Subhash J. Shah

Transactions

(Amount in Rs. Unless otherwise stated)

Name of the related party	Nature of the relationship	For the year ended March 31, 2021	For the year ended March 31, 2020
<u>Remuneration</u>			
Shri Bhupendra J Shah	Key Management Personnel	8,10,540	8,05,363
Shri Jaykumar J Shah	Key Management Personnel	8,10,540	8,05,363
Shri Shailesh J Shah	Key Management Personnel	8,08,806	8,05,375
Shri Rumit B Shah	Key Management Personnel	12,51,883	12,07,735
Shri Subhash J Shah	Key Management Personnel	8,01,876	7,32,000
Shri Daxesh B Shah	Relative of Key Management Person	12,51,883	12,68,538
Shri Apurva S Shah	Relative of Key Management Person	12,51,883	12,68,538
Total		69,87,411	68,92,912

Terms and Conditions

- 1) Transactions with related parties are at normal commercial terms.

NOTE 40: CONTINGENT LIABILITIES**(Amount in Lakhs Unless otherwise stated)**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
In respect of disputed Income Tax matter	0	5.96

NOTE 41: SEGMENT REPORTING

The company has only one reportable Business Segment i.e. Detergent Powder & Cake as Primary Segment.

NOTE 42: IND AS 115- REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company has adopted Ind-AS 115 "Revenue from Contracts with Customers" which is effective from April 1, 2018. The Company has opted for modified retrospective approach and accordingly, reviewed its existing customer contracts in this regard. Management has used judgement in respect of matters such as identification of performance obligations; allocation of consideration to identified performance obligations and recognition of revenue over a period of time or at a point in time based on timing when control is transferred to customer. The adoption of this standard does not have any material impact to the standalone financial statements of the Company.

- (A) The Company is primarily in the Business of manufacturing of Detergent powder & Cake and alike products. All sales are made at a point in time and revenue recognized upon satisfaction of the performance obligations which is typically upon dispatch or delivery. The Company has a credit evaluation policy based on which the credit limits for the trade receivables are established. The Company does not give significant credit period resulting in no significant financing component.

- (B) Reconciliation of revenue recognised from Contract liability:

(Amount in Rs. Unless otherwise stated)

PARTUCULARS	As at March 31, 2021	As at March 31, 2020
Opening Contract liability	4,65,130	1,28,390
Less: Recognised as revenue during the year	(2,78,99,023)	(1,92,20,280)
Add: Addition to contract liability during the year	2,74,50,821	(1,96,26,570)
Add: Other Adjustments	(4,72,530)	69,550
Closing Contract liability	(4,55,602)	4,65,130

(C) Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

(Amount in Rs. Unless otherwise stated)

PARTUCULARS	As at March 31, 2021	As at March 31, 2020
Revenue from contract with customer as per Contract price	11,21,31,521	13,97,37,193
Less: Discounts and incentives	(1,48,465)	(9,10,555)
Less:- Sales Returns /Credits / Reversals	(7,31,120)	(577)
Revenue from contract with customer as per statement of profit and loss	11,12,14,998	13,88,26,061

The accompanying notes are an integral part of Financial Statement

As per our Report of even date attached

FOR BORKAR & MUZUMDAR
Chartered Accountants
Firm Registration No.: 101569W

**FOR & ON BEHALF OF THE BOARD OF DIRECTORS OF
HIPOLIN LIMITED**

GUNVANT KOTADIA
PARTNER
Membership No.: 0033190
UDIN: 21033190AAAACG9503

SHAILESH J. SHAH
CHAIRMAN &
MANAGING DIRECTOR
(DIN: 00777653)

JAYKUMAR J. SHAH
WHOLE TIME DIRECTOR
(DIN: 00392710)

RUMIT B. SHAH
CHIEF FINANCIAL OFFICER

APEXA PANCHAL
COMPANY SECRETARY
ICSI Membership No: 35725

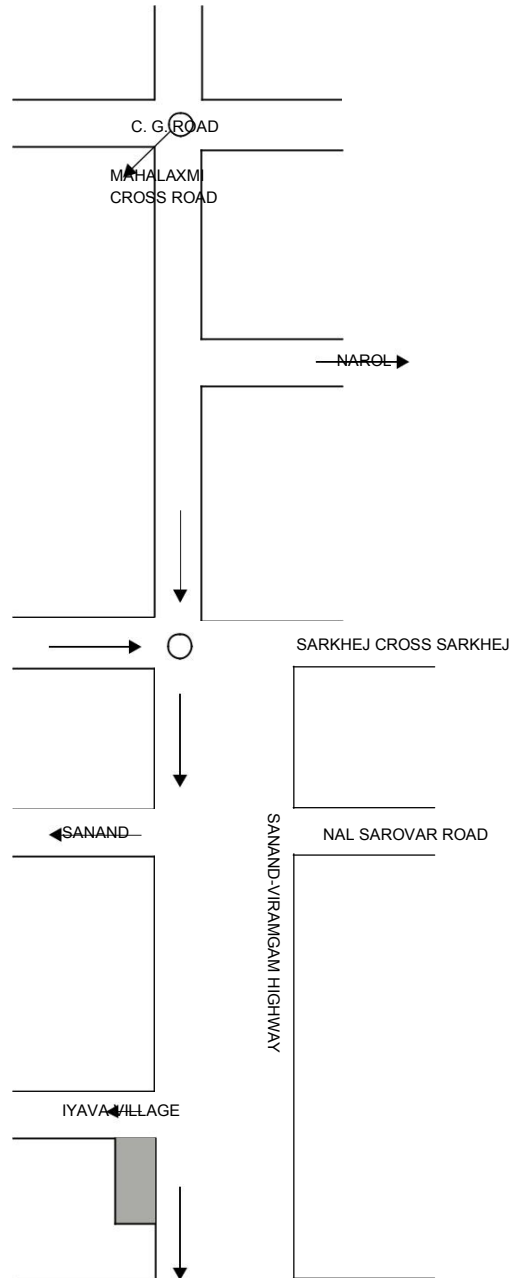
DATE: JUNE 28, 2021
PLACE: AHMEDABAD

DATE: JUNE 28, 2021
PLACE: AHMEDABAD

ROUTE MAP FOR VENUE OF THE AGM

HIPOLIN LIMITED

CIN: L24240GJ1994PLC021719



PROXY FORM
HIPOLIN LIMITED

Regd. Office: A/1/1, Nilkanth Ind. Estate, sanand Viramgam Highway, Nr. Iyava Bus Stand,
Via Virochannagar, (P.O.) Ta. : Sanand, Dist.: Ahmedabad-382170.

Ph. No.079-26447730-31 CIN: L24240GJ1994PLC021719

Email: hipolin@hipolin.com, csapexapanchal@gmail.com web: www.hipolin.com

Form MGT-11

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

Name of the member(s) : _____

Registered Address : _____

: _____

E-mail Id : _____

Folio No./*Client Id : _____

*DP Id : _____

I/We being the member(s) of _____ shares of **Hipolin Limited**, hereby appoint:

1) _____ of _____ having email-id _____ or failing him

2) _____ of _____ having email-id _____ or failing him

3) _____ of _____ having email-id _____

and whose signatures(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **28th Annual General Meeting** of the Company, to be held on Thursday, September 30, 2021 at 2:00 p.m. at Registered Office of the Company at A/1/1, Nilkanth Ind. Estate, sanand Viramgam Highway, Nr. Iyava Bus Stand, Via Virochannagar, (P.O.) Ta. : Sanand, Dist.: Ahmedabad-382170 and at any adjournment thereof in respect of such resolutions as are indicated below:

****I wish my above Proxy to vote in the manner as indicated in the box below:**

Resolution No.	For	Against
1. Consider and adopt Audited Financial Statements, for the year ended on 31 st March, 2021		
2. Re-appointment of Shri Shailesh J. Shah (DIN 00777653), as Director- Promoter Category, who retires by rotation		

Signed this _____ day of _____ 2021

Signature of shareholder

Signature of first proxy holder _____

Signature of second proxy holder _____

Signature of third proxy holder _____

Affix
Revenue
Stamp
Re.1

Notes:

- 1) **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**
- 2) **A proxy need not be a member of the Company.**
- 3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- **4)** This is only optional. Please put (✓) in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- 5) Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.
- 6) In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

ATTENDANCE SLIP

HIPOLIN LIMITED

Regd. Office: A/1/1, Nilkanth Ind. Estate, sanand Viramgam Highway, Nr. Iyava Bus Stand,
Via Virochannagar, (P.O.) Ta. : Sanand, Dist.: Ahmedabad-382170.
Ph. No.079-26447730-31 CIN: L24240GJ1994PLC021719
Email: hipolin@hipolin.com, csapexapanchal@gmail.com web: www.hipolin.com

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING PLACE

Joint shareholders may obtain additional Slip at the venue of the meeting.

DP Id* _____ Folio No. _____

Client Id* _____ No. of Shares _____

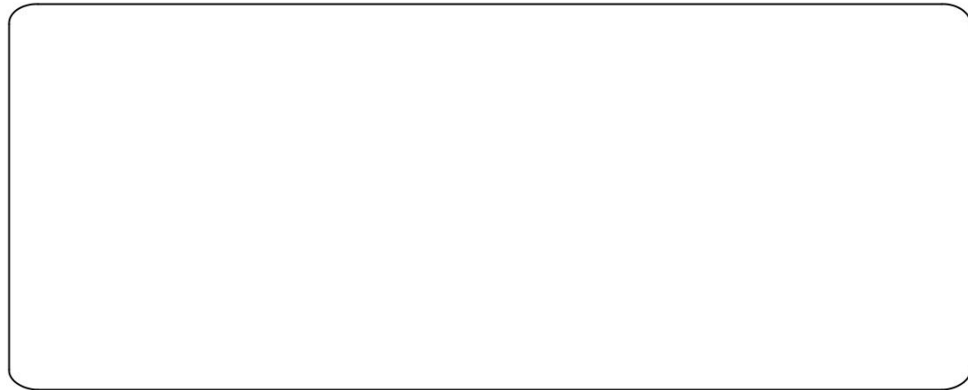
Address _____

I hereby record my presence at the 28th ANNUAL GENERAL MEETING of the Company held on Thursday, September 30, 2021 at 2:00 p.m. at Regd. Office A/1/1, Nilkanth Ind. Estate, Sanand-Viramgam Highway, Nr. Iyava Bus Stand, Via Virochannagar, (P.O.) Ta. : Sanand, Dist.:Ahmedabad-382170.

Signature of Shareholder/Proxy

* Applicable for investors holding shares in electronic form.

COURIER / REGD. POST / SPEED POST



If undelivered, please return to :
HIPOLIN LIMITED
45, Madhuban, 4 th Floor,
Nr. Madalpur Garnala,
Ellisbridge, Ahmedabad 380 006.