

SHABA CHEMICALS LIMITED

34th

**ANNUAL REPORT FOR THE
F.Y. 2020-21**

SHABA CHEMICALS LIMITED

CIN: L24111MP1986PLC003741

Regd. Office: 101, Rajani Bhawan, 569/2, M. G. Road, Indore, (MP) 452001

E-Mail ID: bharatneema_col2@yahoo.com Contact: 0731-4299232, 98270-39432

Website: shabachemicals.com

BOARD OF DIRECTORS

Mrs. Sangeeta Neema, Managing Director

Mr. Jay KisanNema, Director

Mr. Indrakumar Mahajan, Independent Director

AUDITORS

M/s S.N. Kabra & Company

Chartered Accountants

207 C Block, Silver Mall, Rabindranath Tagore Marg,

Indore (M.P.)-452001

Contact no.: 0731 252 8638

SECRETARIALAUDITOR

M/s Ramesh Chandra Bagdi & Associates

Company Secretaries

31, Shraddhanand Marg, Chhawani, Indore (M.P.)-452001

Contact no.: 0731- 2528933

REGISTERED OFFICE OF THE COMPANY

101, Rajani Bhawan, 569/2, M. G. Road,

Indore, (M.P.)-452001

Contact no.: 0731-4299232



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Notice is hereby given that the 34th Annual General Meeting of the Members of SHABA CHEMICALS LIMITED will be held on Tuesday, 29th day of September, 2021 at 11.30 a.m. at the registered office of the Company at 101, Rajani Bhawan, 569/2, M. G. Road, Indore, (MP) to transact the following business.

ORDINARY BUSINESS

- 1) To receive, consider and adopt the Audited Financial Statements for the Financial Year ended 31st March, 2021 together with the reports of the Board and the Auditors thereon.
- 2) To Appoint a Director in place of Mr. Jai Kishan Nema (DIN No. 06749729) who retires by rotation and, being eligible, offers himself for re-appointment.
- 3) To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the appointment of M/s. S.N. Kabra & Co., Chartered Accountants (Partnership firm Reg. No 003539C) made by members up to the AGM of the Company to be held in the year 2022, be and is hereby ratified for the FY 2021-22 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors."

For and on behalf of the Board of
Directors
SHABA CHEMICALS LIMITED



Sangeeta

Sd/-

SANGEETA NEEMA

MD

(DIN:01871324)

Date: 08/09/2021

Place: Indore

1. The relative Explanatory Statement pursuant to section 102 of the Companies Act, 2013 (Act), wherever applicable.
2. A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as 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. 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 shareholder.
3. The Register of Members and Transfer Books of the Company will be closed from 22nd September, 2021 to 29th September, 2021 (both days inclusive).
4. Members holding shares are requested to intimate all changes pertaining to their power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to company. Changes intimated to the company will then be automatically reflected in the Company's records which will help the Company to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to the company.
5. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
6. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
7. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.
8. The Notice of the AGM along with the Annual Report 2020-21 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
9. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with the company.
10. E-voting: As per section 108 of the Companies Act, 2013, the rules notified there under and the Circular No. CIR/CFD/POLICY CELL/2/2014 issued by SEBI, dated 17th April, 2014 the provisions of voting through electronic mode are applicable on the company. Your company is in the process of complying with the provisions of voting through electronic means and it shall intimate the same to its shareholders via a permitted mode.

For and on behalf of the Board of Directors

SHABA CHEMICALS LIMITED



Sangeeta

Sd/-

Sangeeta Neema

MD

Date: 08/09/2021

Place: Indore

(DIN:01871324)

ADDITIONAL INFORMATION ON DIRECTORS SEEKING FOR APPOINTMENT OR RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING:

S. No.	PARTICULARS	DIRECTORS
1	NAME	Mr. Jai Kishan Nema
2	Date of Birth	06.06.1965
3	Qualification	B.Com
4.	List of Directorship held excluding Private companies	NIL
5.	Chairman/Member of the of the committee of Board of the director of the company	NIL
6.	Chairman/Member of the of the committee of Board of the director of the other companies	NIL

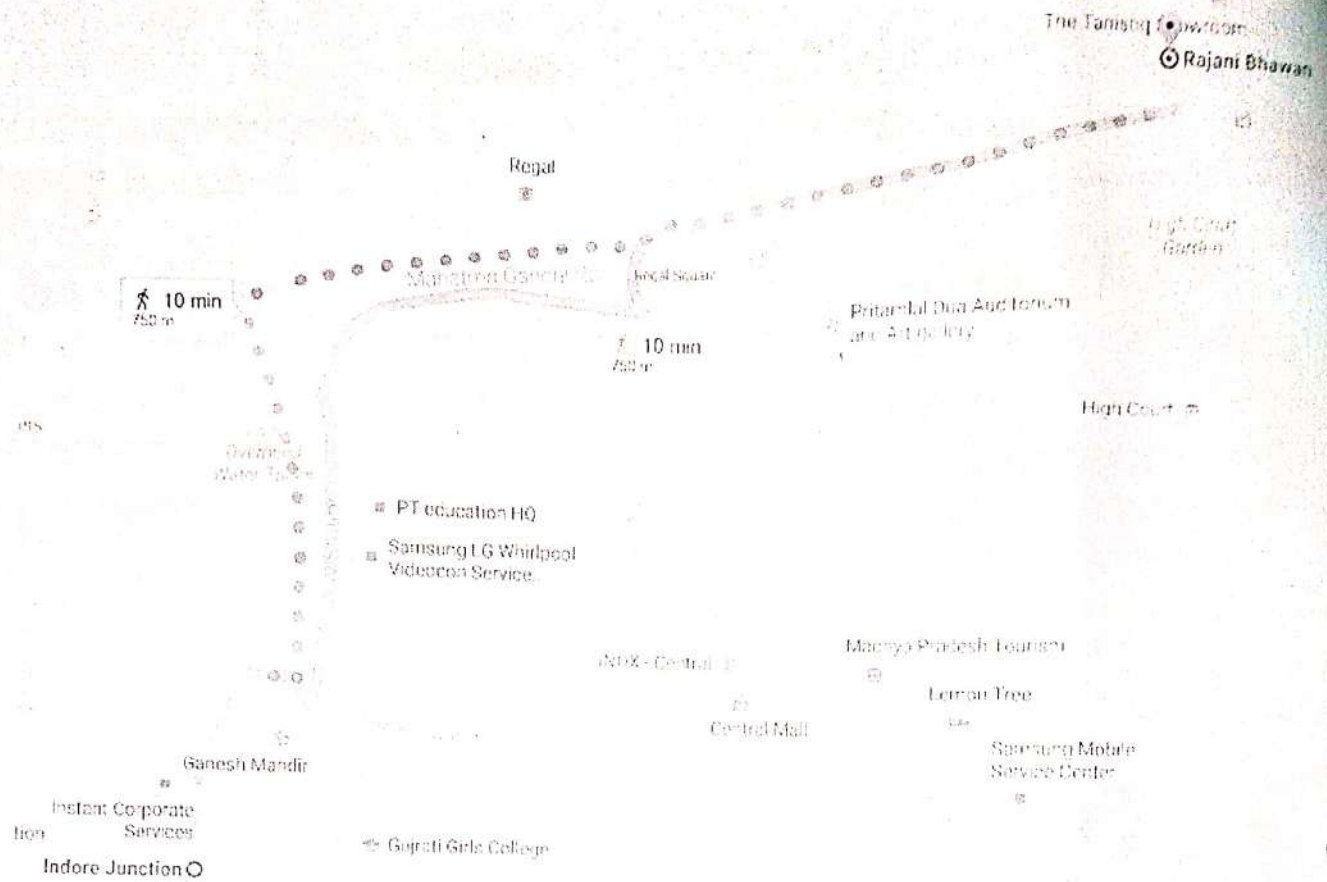
For and on behalf of the Board of
Directors
SHABA CHEMICALS LIMITED



Sangeeta
Sd/-
Sangeeta Neema
MD
(DIN: 01871324)

Date: 08/09/2021
Place: Indore

ROUTE MAP



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34th Board Report

To,
The Members
SHABA CHEMICALS LIMITED

Your Directors are pleased to present their 34th Annual Report together with the audited accounts of the Company for the year ended on 31st March 2021 along with the Report of the Auditors thereon.

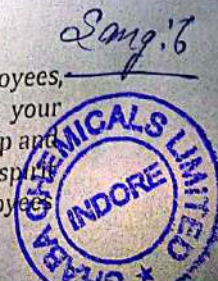
FINANCIAL RESULTS

Particulars	Standalone	
	2020-2021 (In Rs.)	2019-2020 (In Rs.)
Sales/ Revenue From Operations	0	0
Other Income	62,200/-	78,500/-
Total Income	62,200/-	78,500/-
Expenses:		
a. Purchases of stock in trade	0	0
b. Change in inventories of finish goods, work in progress and stock in trade.	0	0
c. Employee benefit expenses	12,000/-	12,000/-
d. Depreciation and amortization expenses	0	0
e. Other expenses	48,500/-	65,300/-
f. Finance costs	0	0
Total Expenses	60,500/-	77,300/-
Profit and Loss before Exceptional items & Tax	1,700/-	1,200/-
Exceptional items	0	0
Profit and Loss before Tax	1,700/-	1,200/-
Tax	0	0
a) Current Tax	0	0
b) Deferred Tax	0	0
Profit after Tax	1,700/-	1,200/-
Earnings per share (Rs.) Basic	.001	.001

COVID-19

The Coronavirus (COVID-19) pandemic has radically changed the prospects of the global economy. This unprecedented crisis limiting physical mobility and economic activity have effectively stopped economics around the world and your Company's operations too were affected.

Your Directors wish to place on record their appreciation to the Company's employees, suppliers, customers & Government authorities for their selfless efforts which helped your Company reach normalcy in operations within a few weeks of the lockdown. The ownership and responsiveness shown by all the stakeholders was unparalleled and is a testimony of the spirit and legacy of your Company. All steps necessary for the safety and welfare of the employees



have been taken and the management remains committed to keep that as a top priority. We shall review the long term impact of the pandemic and take all steps necessary to adapt itself to the emerging changes and the new normal.

REVIEW OF BUSINESS PERFORMANCE

The Company has not performed any business activities during the year under review.

OPERATION

The management has suspend the production from April, 1998 because of the actual financial crisis and liquidity crunch which compelled the management to retrench the workers and the staff and surrender the power, connection. The production has not been resuming during the year.

NATURE OF BUSINESS

There is no change in the nature of business of the Company during the year.

DIVIDEND

During the year under review the Company has not performed any business activity and earned negligible profit of Rs. 1,700/- and in view of the same no dividend has been recommended by the Board during the year.

PUBLIC DEPOSITS

During the year under review the company has neither accepted nor invited any public deposits within the meaning of section 73 of the companies Act, 2013 read with the companies (Acceptance of Deposits) rules 2014. Also there are no outstanding Public Deposits.

RESERVES

Board has not proposed any amount to be carried to any reserve.

MATERIAL CHANGES AND COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments affecting the financial position of the company occurred during the year under review.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management discussion & analysis report, as required under the listing agreement with the Stock Exchanges is enclosed at Annexure 'I'.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return MGT-9 for the year ended 31st March, 2021 as required under the listing agreement with the Stock Exchanges is enclosed at Annexure II'.

AUDITORS

Pursuant to the provisions of Section 139 of the Act and the rules framed there under, the appointment of M/s S.N. Kabra & Co., Chartered Accountants were ratified as statutory auditors from the conclusion of the Annual General Meeting (AGM) of the company held on 29th September, 2021 till the conclusions of the AGM to be held in the year 2022.

STATUTORY AUDITOR

M/s. S.N. Kabra & Co, Chartered Accountants, the statutory auditors of the Company, was ratified as Statutory Auditor of the Company held at the last AGM to hold the office till the conclusion of the AGM to be held in 2022. Accordingly, the resolution for appointment of M/s S.N. Kabra & Co, Chartered Accountants, Chartered Accountants, for the FY 2021-22 has been placed in the Notice calling this AGM to hold office from the conclusion of this Annual General Meeting until the conclusion of Annual General Meeting (subject to annual ratification by the Members at the each Annual General Meeting).

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Ramesh Chandra Bagdi & Associates, Practicing Company Secretaries, Indore,



Sang. B.

having ICSI Certificate of Practice No. 2871 to undertake the Secretarial Audit of the Company for Financial Year 2021-22. The Secretarial Audit Report in Form MR-3 is enclosed as Annexure 'III'.

DIRECTOR

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mrs. Jay Kishan Nema, the Director of the Company retires by rotation at the forthcoming Annual General Meeting and being eligible, offers herself for re-appointment.

DIRECTOR'S RESPONSIBILITY STATEMENT

To the best of Board's knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

- a.) In the preparation of the Annual Accounts for the financial year ended 31st March, 2021; the applicable Accounting Standards have been followed along with proper explanations relating to material departures;
- b.) 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 profit of the company for the year ended on that date;
- c.) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d.) The Directors have prepared the Annual Accounts for the financial Year ended 31st March, 2021 on a 'going concern' basis;
- e.) The directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively; and
- f.) 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.

BOARD'S COMMENT ON QUALIFICATION OF AUDITOR'S REPORT

Statutory Auditor Report:

No qualification, reservations and observations were reported by Statutory Auditor in its report. However, the Financial Statements and Notes appended thereto are self-explanatory and do not need any comments.

Secretarial Auditor Report:

- i) The Company has not been performing any business operation since long and has no profit and in view of no business the Company can't afford newspaper advertisement costs. However, remaining all the compliances regarding Listing Agreement has been complied with.
- ii) During the year Vigil Mechanism has been adopted by the Company also details are given somewhere before in this report.
- iii) Company's net worth has been eroded. However, your Directors are trying to find out alternate business possibilities so that the Company can perform operations.
- iv) Due to the No substantial profitability and paucity of funds, no person is interested to become company secretary of the Company. However the Company is in process to appoint
- v) The amount of creditor increased because of provisions regarding Audit Fee.
- vi) Due to negligible profitability the Company can't afford services of external RTA. However, the Company is in process to handover in House Share Transfer Facility.
- vii) Since the Company has not performed any business activity since long management is of the view that no specific laws are applicable to the Company.



DECLARATION BY INDEPENDENT DIRECTORS:

The Board of Directors of the company hereby confirms that all the Independent Directors duly appointed by the Company have given the declaration and they meet the criteria of independence as provided under section 149(6) of the Companies Act, 2013 have been attached as Annexure IV.

INDEPENDENT DIRECTORS MEETING

A separate meeting of Independent Director has been conducted by the Company without the attendance of any other Director.

INTERNAL AUDITOR

The Board has appointed internal auditor M/s PadmnabhNeema, to conduct Internal Audit for the financial year under review.

FAMILIARISATION PROGRAMME

During the year under review a familiarization programmer was held for Independent Directors to grow a better understanding of the Company.

REALTED PARTY TRANSACTIONS

As per Section 188(1) of the Companies Act, 2013, the company has not entered any transactions with its related party. The format has been prescribed in the Form AOC-2 AND annexed as annexure-V

PERFORMANCE EVALUATION

The Independent Directors in their meeting have reviewed the performance of Non-Independent Directors and Board as a whole including reviewing the performance of the Chairperson of the company taken into account the views of Executive Directors and Non-Executive Directors.

PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARY AND ASSOCIATE COMPANIES

During the year under review and as on date; the company is neither having any Subsidiary Company nor any Associate Company.

SHARE CAPITAL

During the year under review, the Company, neither increased nor decreased its Equity Share Capital. As on 31.03.2021 Company's Share Capital are as under:

Authorized Capital stood as 3500000 Equity Shares of Rs. 10/- each totaling an amount of Rs. 35000000/-

Issued Capital stood as 3000000 Equity Shares of Rs. 10/- each totaling an amount of Rs. 30000000/-

Paid-up Capital stood as 2927200 Equity Shares of Rs. 10/- each totaling to an amount of Rs. 29163500 (less calls in arrears of Rs. 108500/-).

REVISION IN FINANCIAL STATEMENTS OR BOARD'S REPORT U/S 131(1) OF THE ACT

No revision in the Financial Statements and Board's Report has been made during any of the three preceding financial years.

PARTICULARS OF LOANS GIVEN, GUARANTEES PROVIDED OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company has not given any Loans not provided any Guarantees and also not made any Investments under Section 186 of the Companies Act, 2013, during the year under review.

GREEN INITIATIVE

The Ministry of Corporate Affairs has taken the Green initiative in Corporate Governance by allowing paperless compliances by Companies through electronic mode. The Company supports the Green initiative and has accordingly decided to send all communications to its shareholders to their respective registered e-mail addresses. Hence, the Company appeals to its shareholders who are yet to register their e-mail addresses that they take necessary steps for registering same so that they can also become a part of the initiative and contribute towards a Green environment.

