



# ANNUAL REPORT

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2020 / 2021

**SHISH INADUSTRIES LTD.**

*WE MAKE BETTER*

**INSIDE THIS REPORT**

Sr. No.	Particulars	Page Numbers
1.	Corporate Information	1
2.	Board of Director's Report	2
	Annexure to the Board of Director's Report	
	Annexure - A - Particulars of Contracts/arrangements made with related parties	8
	Annexure - B - Particulars of Employees	9
	Annexure - C - Report on Corporate Governance	10
	Annexure - D - Secretarial Audit Report & Annual Secretarial Compliance Report	27
3.	Management Discussion And Analysis Report	32
4.	Financial Section	
	Independent Auditor's Report	36
	Annexure - A to the Independent Auditor's Report	39
	Annexure - B to the Independent Auditor's Report	41
	Statement of Balance sheet	42
	Statement of Profit & Loss Account	43
	Statement of Other Comprehensive Income	44
	Statement of Cash Flow	45
	Statement of changes in Equity	46
	Notes forming part of Financial Statement	47
5.	Notice of Annual General Meeting	64

## CORPORATE INFORMATION

**SHISH INDUSTRIES LIMITED**  
**CIN: L25209GJ2017PLC097273**

### BOARD OF DIRECTORS

Mr. Satishkumar Maniya	Chairman and Managing Director
Mr. Rameshbhai Kakadiya	Whole-Time Director
Mrs. Nitaben Maniya	Non-Executive Director
Mr. Rajesh Mepani	Independent Director
Mr. Rasik Bharodia	Independent Director
Mr. Nareshkumar Lakhani	Independent Director

### AUDIT COMMITTEE

Mr. Rajesh Mepani	Chairperson
Mr. Rasik Bharodia	Member
Mr. Nareshkumar Lakhani	Member
Mr. Satishkumar Maniya	Member

### CHIEF FINANCIAL OFFICER

Mr. Devendra Tailor

### COMPANY SECRETARY & COMPLIANCE OFFICER

Mrs. Swati Sevak

### STAKEHOLDERS' RELATIONSHIP COMMITTEE

Mr. Rajesh Mepani	Chairperson
Mr. Rasik Bharodia	Member
Mr. Satishkumar Maniya	Member

### REGISTERED OFFICE

Survey No: 265/ 266, Block No: 290, Plot No. 18 to 23, B/1 Paiki  
 1, Pipodara, Ta: Mangrol, Surat - 394 110, Gujarat

**Tel No.:** +91 261 255 0587

**Email:** compliance@shishindustries.com

**Web:** www.shishindustries.com

### NOMINATION AND REMUNERATION COMMITTEE

Mr. Rajesh Mepani	Chairperson
Mr. Rasik Bharodia	Member
Mrs. Nitaben Maniya	Member

### REGISTRAR & SHARE TRANSFER AGENT

**Bigshare Services Private Limited**

A-802, Samudra Complex, Near Klassic Gold Hotel, Off C.G Road,  
 Navrangpura, Ahmedabad - 380 009

**Tel No.:** +91 79 4002 4135; **Email:** bssahd@bigshareonline.com

### STATUTORY AUDITOR

**M/s. K P C M & Co.**

Chartered Accountants

1st Floor, Guardian House, Suman Desai wadi, Near Udhna  
 Darwaja, Ring Road, Surat - 395 002

### BANKERS

UCO Bank

### SECRETARIAL AUDITOR

**Mr. Anand Lavingia**

Practicing Company Secretary

415-416, 4th Floor, Pushpam Mall, Opp. Seema Hall,  
 Anandnagar Road, Satellite, Ahmedabad - 380 015

**BOARD OF DIRECTOR'S REPORT**

Dear Shareholders,

The Board of Directors hereby submits the report of the business and operations of Shish Industries Limited ("the Company"), along with the audited financial statements, for the financial year ended March 31, 2021.

**FINANCIAL HIGHLIGHTS**

INR In Lakh

Particulars	F.Y. 2020-21	F.Y. 2019-20
Revenue From Operations	2,828.26	1,599.94
Other Income	79.73	37.23
<b>Total Income</b>	<b>2,907.99</b>	<b>1,637.16</b>
Less: Total Expenses before Depreciation, Finance Cost and Tax	2,605.24	1,395.66
<b>Profit before Depreciation, Finance Cost and Tax</b>	<b>302.74</b>	<b>241.50</b>
Less: Depreciation	83.16	84.23
Less: Finance Cost	29.92	24.80
<b>Profit Before Tax</b>	<b>189.66</b>	<b>132.47</b>
Less: Current Tax	53.44	41.33
Less: Prior Period Tax Expense	-	(1.92)
Less: Deferred tax Liability (Asset)	2.05	(4.02)
<b>Profit after Tax</b>	<b>134.18</b>	<b>97.08</b>

**BUSINESS OVERVIEW**

Shish Industries Limited has always stayed ahead of its time and has introduced advanced plastic manufacturing technology in India. Through strategic investment in R&D, Shish Industries has successfully managed to innovate and develop unique products.

- First company to develop & patent 5-ply Polypropylene Corrugated Sheet
- Developer of Indigenous Reflective Insulation Product- Carmika™
- Developer of industry-first products like Arkina™ Roof Underlayment
- Entered into Retail segment with Introduction of Insulation Cover and Cooler Bags.

The Company has incorporated wholly owned subsidiary - Shish Polylam Private Limited for carrying out business of Radiant Barrier, Roof Underlayment, Paper PE / PP / EVA Lamination, Aluminum PE / PP / EVA Lamination, Woven Fabric PE I PP I EVA Lamination, non-woven PE I PP / EVA Lamination and all kind of extrusion lamination product. The Shish Polylam Private Limited has yet not started its commercial business activities.

**FINANCIAL PERFORMANCE**

During the year under review, the revenue from operation of the Company was stood at INR 2,828.26 Lakh as against that of INR 1,599.94 Lakh for previous year. Revenue from operation of the Company was increased by 76.77% over previous year.

Profit before Tax for the financial year 2020-21 stood at INR 189.66 Lakh as against that of INR 132.47 Lakh making the net profit of INR 134.18 for the financial year 2020-21 as against the net profit of INR 97.08 for the financial year 2019-20.

During the year under review, export sales of the Company was increased by 118.43% than that of previous year, due to which the revenue of the Company was increased. On the other side, the Company also performed well in Domestic Market. The domestic sales of the Company was increased by 29.01% than that of previous year.

However, increase in revenue also caused increase in cost of material and other operation expenses.

**DIVIDEND**

With a view to conserve and save the resources for future prospect of the Company, your Directors regret to declare dividend for the financial year 2020-21 (Previous Year Nil).

**TRANSFER TO GENERAL RESERVE**

Your Directors do not propose transfer of any amount to the General Reserves. Full amount of net profit are carried to reserve & Surplus account of the Company.

**CHANGE IN NATURE OF BUSINESS**

During the year, your Company has not changed its business or object and continues to be in the same line of business as per main object of the Company.

**MIGRATION TO THE MAIN BOARD OF NSE**

The Board of Directors of the Company, in their meeting held on October 19, 2020, had proposed the Listing of equity shares of the Company on Capital Market Segment (Main Board) of BSE Limited. The Members of the Company, through Postal Ballot, on November 23, 2020, had also approved the proposed listing of equity shares of the Company on Capital Market Segment (Main Board) of BSE Limited.

The BSE has granted final listing approval for the Listing of equity shares of the Company on Capital Market Segment (Main Board) of BSE and the equity Shares of the Company are listed and traded on the main board of BSE with effective from March 22, 2021.

## COVID- 19

As a result of the nationwide lockdown imposed by the Government of India, the operations of the Company were temporarily disrupted at its various manufacturing facilities impacting production and dispatches from the second half of March 2020. The Company had resumed operations since last week of April 2020 / first week of May 2020 in compliance with the guidelines issued by respective authorities and is continuing to take adequate precautions for safety and wellbeing of its employees. In view of recent surge in Covid-19 cases, few states reintroduced some restrictions and the Company continues to be vigilant and cautious.

The physical and emotional well-being of employees continues to be a top priority for the Company, with several initiatives taken to support employees and their families during the pandemic. The Company has extended counselling and self-help services providing mental & emotional support to employees. The Company has reimagined employee engagement by embracing virtual technologies. Initiatives were taken to reduce stress and the feeling of isolation, hosted inspirational leaders, mental health experts and finance experts to boost the morale of employees.

## SHARE CAPITAL

During the year under review, following changes were carried out in the authorized and paid-up share capital of the Company:

### Authorized Capital

During the year under review, vide Special Resolution passed by the Members through postal ballot on August 30, 2020, the authorized share capital of the Company has been increased from INR 450.00 divided into 4500000 Equity Shares of INR 10.00 each to INR 1,025 Lakh divided into 10250000 Equity Shares of INR 10.00.

The Authorized Capital of the Company, as at closure of financial year 2020-21, was INR 1,025.00 Lakh divided into 10250000 Equity Shares of INR 10/- each.

### Issued, Subscribed & Paid-up Capital

During the year under review, vide Special Resolution passed by the Members through postal ballot on August 30, 2020, the Company has allotted total 152767 Equity Shares of INR 10.00 each to Promoters of the Company, on Preferential Basis, at an Issue Price of INR 50.00 per Equity Share.

Later on, the Company had made bonus allotment of Equity Shares of INR 10.00 each in the proportion of 6 (six) Bonus Equity Share of Rupees 10.00 each for every 5 (Five) existing fully paid-up Equity Shares of Rupees 10.00 each to the Member / Beneficial Owner of Equity Shares of the Company who hold such shares on December 2, 2020.

Issued, Subscribed & Paid-up Capital of the Company, after Preferential Issue and Bonus Issue, was INR 1,010.90 divided into 10109000 Equity Shares of INR 10/- each.

The entire Paid-up Equity Capital of the Company are listed at BSE Limited.

## BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### Constitution of Board

The Constitution of the Board of Directors and other disclosures related to the Board of Directors are given in the Report on Corporate Governance.

### Board Meeting

Regular meetings of the Board are held, inter-alia, to review the financial results of the Company. Additional Board meetings are convened, as and when required, to discuss and decide on various business policies, strategies and other businesses. The Board meetings are generally held at registered office of the Company.

During the year under review, Board of Directors of the Company met 13 (Thirteen) times, viz May 23, 2020; June 27, 2020; July 24, 2020; September 5, 2020; September 10, 2020; September 14, 2020; October 19, 2020; November 11, 2020; December 4, 2020; January 8, 2021; February 18, 2021; March 6, 2021 and March 9, 2021.

The details of attendance of each Director at the Board Meetings and Annual General Meeting are given in the Report on Corporate Governance.

### Independent Directors

In terms of Section 149 of the Companies Act, 2013 and rules made there under and Listing Regulations, the Company has three Non-Promoter Non-Executive Independent Directors. In the opinion of the Board of Directors, all three Independent Directors of the Company meet all the criteria mandated by Section 149 of the Companies Act, 2013 and rules made there under and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are Independent of Management.

A separate meeting of Independent Directors was held on March 6, 2021 to review the performance of Non-Independent Directors and Board as whole and performance of Chairperson of the Company including assessment of quality, quantity and timeliness of flow of information between Company management and Board that is necessary for the board of directors to effectively and reasonably perform their duties.

The terms and conditions of appointment of Independent Directors and Code for Independent Director are incorporated on the website of the Company at <https://www.shishindustries.com/wp-content/uploads/2021/08/Letter-of-Appointment-of-IDs.pdf>.

The Company has received a declaration from the Independent Directors of the Company under Section 149(7) of Companies Act, 2013 and 16(1)(b) of Listing Regulations confirming that they meet criteria of Independence as per relevant provisions of Companies Act, 2013 for financial year 2021-22. The Board of Directors of the Company has taken on record the said declarations and confirmation as submitted by the Independent Directors after undertaking due assessment of the veracity of the same. In the opinion of the Board, they fulfill the conditions for Independent Directors and are independent of the Management. All the Independent Directors have confirmed that they are in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

None of Independent Directors have resigned during the year.

# SHISH INDUSTRIES LIMITED

## Information on Directorate

During the year under review, Mr. Nareshkumar Lakhani (DIN 09023300) has been appointed as an Additional (Non-Executive Independent) Director of the Company by the Board of Directors on January 8, 2021. In terms of provision of Section 161 of the Companies Act, 2013, he holds office till the date of ensuing annual general meeting of the Company. The Board of Directors recommends his appointment as Non-Executive Independent Director on the board of the Company to hold office up to January 7, 2026 and resolution to that effect has been proposed for the approval of the members.

In accordance with the provisions of the Articles of Association and Section 152 of the Companies Act, 2013, Mr. Satishkumar Maniya (DIN 02529191), Chairman and Managing Director of the Company retires by rotation at the ensuing annual general meeting. He, being eligible, has offered himself for re-appointment as such and seeks re-appointment. The Board of Directors recommends his appointment on the Board.

The relevant details, as required under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standards-II issued by ICSI, of the person seeking appointment / re-appointment as Directors are annexed to the Notice convening the fourth annual general meeting.

## Key Managerial Personnel

In accordance with Section 203 of the Companies Act, 2013, the Company has already appointed Mr. Satishkumar Maniya as Chairman and Managing Director of the Company, Mr. Rameshbhai Kakadiya as Whole-Time Director, Mr. Devendra Tailor as Chief Financial Officer and Mrs. Swati Sevak as Company Secretary and Compliance Officer of the Company. Further, there was no change in the Key Managerial Personnel of the Company during the financial year 2020-21.

## Performance Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Companies Act, 2013 in the following manners;

- The performance of the board was evaluated by the board, after seeking inputs from all the directors, on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning etc.
- The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.
- The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.
- In addition, the performance of chairperson was also evaluated on the key aspects of his role.

Separate meeting of independent directors was held to evaluate the performance of non-independent directors, performance of the board as a whole and performance of the chairperson, taking into account the views of executive directors and non-executive directors. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

## Directors' Responsibility Statement

Pursuant to section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- a) In preparation of annual accounts for the year ended March 31, 2021, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that year;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts for the year ended March 31, 2021 on going concern basis.
- e) The Directors had laid down the internal financial controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## COMMITTEES OF BOARD

The Board of Directors, in line with the requirement of the act, has formed various committees, details of which are given hereunder.

1. Audit Committee
2. Stakeholders Relationship Committee
3. Nomination and Remuneration Committee

The composition of each of the above Committees, their respective role and responsibility are detailed in the Report on Corporate Governance annexed to this Report.

## Audit Committee

The Company has formed Audit Committee in line with the provisions Section 177 of the Companies Act, 2013 and Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As at March 31, 2021, the Audit Committee comprised Mr. Rajesh Mepani (Non-Executive Independent Director) as Chairperson and Mr. Rasik Bharodia (Non-Executive Independent Director), Mr. Nareshkumar Lakhani (Non-Executive Independent Director) and Mr. Satishkumar Maniya (Executive Director) as Members.

Recommendations of Audit Committee, wherever/whenever given, have been accepted by the Board of Directors.



## **PUBLIC DEPOSIT**

The Company has not accepted any deposits from Shareholders and Public falling within the ambit of Section 73 of the Companies Act, 2013 and rules made there under. Hence, the directives issued by the Reserve Bank of India & the Provision of Section 73 to 76 of the Company Act, 2013 or any other relevant provisions of the Act and the Rules there under are not applicable.

## **VIGIL MECHANISM**

The Company has established a vigil mechanism and accordingly framed a Whistle Blower Policy. The policy enables the employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct. Further the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provide for adequate safe guards against victimization of the Whistle Blower who avails of such mechanism and also provides for direct access to the Chairperson of the Audit Committee, in exceptional cases. The functioning of vigil mechanism is reviewed by the Audit Committee from time to time. None of the Whistle blowers has been denied access to the Audit Committee of the Board. The Whistle Blower Policy of the Company is available on the website of the Company at <https://www.shishindustries.com/wp-content/uploads/2021/08/Whistle-Blower-Policy.pdf>.

## **NOMINATION AND REMUNERATION POLICY**

Nomination and Remuneration Policy in the Company is designed to create a high performance culture. It enables the Company to attract motivated and retained manpower in competitive market, and to harmonize the aspirations of human resources consistent with the goals of the Company. The Company pays remuneration by way of salary to its Executive Directors and Key Managerial Personnel. Annual increments are decided by the Nomination and Remuneration Committee within the salary scale approved by the members and are effective from April 1, of each year.

The Nomination and Remuneration Policy, as adopted by the Board of Directors, is placed on the website of the Company at <https://www.shishindustries.com/wp-content/uploads/2021/08/Nomination-and-Remuneration-Policy.pdf>.

## **REMUNERATION OF DIRECTORS**

The details of remuneration/sitting fees paid during the financial year 2020-21 to Executive Directors/Directors of the Company is provided in Report on Corporate Governance which is the part of this report.

## **PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS & SECURITY**

Details of Loans, Guarantees, Investments and Security covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statement. However, during the year under review, the Company has not made any loans, guarantees, investments and security covered under the provisions of Section 186 of the Companies Act, 2013.

## **WEB LINK OF ANNUAL RETURN**

The link to access the Annual Return is <https://www.shishindustries.com/wp-content/uploads/2021/08/Annual-Return-2020-21.pdf>.

## **RELATED PARTIES TRANSACTION**

There are no materially significant Related Party Transactions made by the Company with Promoters, Directors, Key Managerial Personnel which may have a potential conflict with the interests of the Company at large. All Related Party Transactions are placed before the Audit Committee and the Board for approval, if required. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive in nature.

The Company has developed an Internal Guide on Related Party Transactions Manual and prescribed Standard Operating Procedures for the purpose of identification and monitoring of such transactions. The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at <https://www.shishindustries.com/wp-content/uploads/2021/08/Policy-on-Related-Party-Transactions.pdf>.

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2 is annexed to this Report as **Annexure - A**.

There was no contracts, arrangements or transactions which was executed not in ordinary course of business and/or at arm's length basis.

## **MAINTENANCE OF COST RECORDS**

In terms of Section 148 of the Companies Act, 2013 read with Companies (Cost records and audits) Rules, 2014, the Company is not required to maintain the cost records.

## **PARTICULAR OF EMPLOYEES**

The ratio of the remuneration of each executive director to the median of employees' remuneration as per Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as **Annexure - B**.

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the Members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection in electronic form. Any Member interested in obtaining a copy of the same may write to the Company Secretary.

## **MATERIAL CHANGES AND COMMITMENT**

There have been no material changes and commitments for the likely impact affecting financial position between end of the financial year and the date of the report except for the impact arising out of the continuance of the COVID-19 pandemic which has risen exponentially in the second wave till the date of signing of this Report.

## **SIGNIFICANT AND MATERIAL ORDERS**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

# SHISH INDUSTRIES LIMITED

## SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

To foster a positive workplace environment, free from harassment of any nature, we have institutionalized the Anti-Sexual Harassment Initiative (ASHI) framework, through which we address complaints of sexual harassment at the all workplaces of the Company. Our policy assures discretion and guarantees non-retaliation to complainants. We follow a gender-neutral approach in handling complaints of sexual harassment and we are compliant with the law of the land where we operate. The Company has setup an Internal Complaints Committee (ICC) for redressal of Complaints.

During the financial year 2020-21, the Company has received Nil complaints on sexual harassment, out of which Nil complaints have been disposed off and Nil complaints remained pending as of March 31, 2021.

## ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

### A. Conservation of energy -

#### i.) The steps taken or impact on conservation of energy:

No major steps have been taken by the Company. However, the Company continues its endeavor to improve energy conservation and utilization.

#### ii.) The steps taken by the Company for utilizing alternate sources of energy:

The Company has continued its focus on energy conservation efforts through up-gradation of process with new technology. The technology installed by the Company has provided better results in quality and production and also reducing the overall cost of production and maintenance which effect production scheduling and various energy saving initiatives in all areas of production. However, the Company has not installed any alternate source of energy running on renewable energy source.

#### iii.) The capital investment on energy conservation equipment:

Nil

### B. Technology absorption -

#### i.) The effort made towards technology absorption

Your Company has been very thoughtful in installing new technology to reduce the production cost, improve yield, enhance product endurance and strengthen finish. However, no new technology has been installed by the Company during the year and all existing technology has been fully absorbed.

#### ii.) The benefit derived like product improvement, cost reduction, product development or import substitution

The Company had installed such technology that improve productivity, quality and reduction in manual intervention and to enhance the quality and productivity. Improvement in manufacturing process helped the Company in managing production scheduling; & better & faster servicing of product for domestic as well as global market.

#### iii.) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

- The details of technology imported:** The Company has imported Second Hand Air Bubble Film Machinery and Cord Strap Die Hard Machine.
- The year of import:** Financial Year 2020-21
- Whether the technology has been fully absorbed:** Yes

#### iv.) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable

#### v.) The expenditure incurred on Research and Development: Nil

### C. Foreign Exchange Earnings & Expenditure -

#### i.) Details of Foreign Exchange Earnings

(INR in Lakh)

Sr. No.	Particulars	F.Y. 2020-21	F.Y. 2019-20
1.	Exports of Goods calculated on F.O.B. basis	1,866.62	854.56

#### ii.) Details of Foreign Exchange Expenditure

(INR in Lakh)

Sr. No.	Particulars	F.Y. 2020-21	F.Y. 2019-20
1.	Import of Raw Material / Goods	51.38	143.21
2.	Import of Capital Goods on CIF Value basis	95.16	-

## RISK MANAGEMENT

A well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process is in place. The objective of the mechanism is to minimize the impact of risks identified and taking advance actions to mitigate it. The mechanism works on the principles of probability of occurrence and impact, if triggered. A detailed exercise is being carried out to identify, evaluate, monitor and manage both business and non-business risks.



## INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

Though the various risks associated with the business cannot be eliminated completely, all efforts are made to minimize the impact of such risks on the operations of the Company. Necessary internal control systems are also put in place by the Company on various activities across the board to ensure that business operations are directed towards attaining the stated organizational objectives with optimum utilization of the resources. Apart from these internal control procedures, a well-defined and established system of internal audit is in operation to independently review and strengthen these control measures, which is carried out by a reputed firm of Chartered Accountants. The audit is based on an internal audit plan, which is reviewed each year in consultation with the statutory auditor of the Company and the audit committee. The conduct of internal audit is oriented towards the review of internal controls and risks in its operations.

The Internal Auditor of the Company carry out review of the internal control systems and procedures. The internal audit reports are reviewed by Audit Committee and Board.

Your Company has also put in place adequate internal financial controls with reference to the financial statements commensurate with the size and nature of operations of the Company. During the year, such controls were tested and no material discrepancy or weakness in the Company's internal controls over financial reporting was observed.

## CORPORATE GOVERNANCE:

Your Company strives to incorporate the appropriate standards for corporate governance. As stipulated in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Report on Corporate Governance and Certificate of the Practicing Company Secretary with regards to compliance with the conditions of Corporate Governance is annexed to the Board's Report as **Annexure - C**.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of Regulation 34, and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a review of the performance of the Company, for the year under review, Management Discussion and Analysis Report, is presented in a separate section forming part of this Annual Report.

## STATUTORY AUDITOR AND THEIR REPORT

M/s. K P C M & Co., Chartered Accountants, Surat (FRN: 117390W) were appointed as Statutory Auditors of your Company at the second Annual General Meeting held on September 28, 2019, for a term of five consecutive years.

The Notes to the financial statements referred in the Auditors Report are self-explanatory and therefore do not call for any comments under Section 134 of the Companies Act, 2013. The Auditors' Report does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed with the financial statements in this Annual Report.

## SECRETARIAL AUDITOR AND THEIR REPORT

The Company has appointed Mr. Anand Lavingia, Practicing Company Secretary, to conduct the secretarial audit of the Company for the financial year 2020-21, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The Secretarial Audit Report for the financial year 2020-21 is annexed to this report as an **Annexure - D-1**.

The Annual Secretarial Compliance Report for the financial year ended March 31, 2021 issued by Mr. Anand Lavingia, in relation to compliance of all applicable SEBI Regulations/ Circulars/Guidelines issued thereunder, pursuant to requirement of Regulation 24A of the Listing Regulations read with Circular no. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) is annexed to this report as an **Annexure - D-2**.

The above reports do not contain any qualification, reservation or adverse remark.

## REPORTING OF FRAUD

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

## COMPLIANCE WITH THE PROVISIONS OF SECRETARIAL STANDARD 1 AND SECRETARIAL STANDARD 2

The applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly complied by your Company.

## APPRECIATIONS AND ACKNOWLEDGEMENT

Your Directors wish to place on record their sincere appreciation for significant contributions made by the employees at all levels through their dedication, hard work and commitment, enabling the Company to achieve good performance during the year under review.

Your Directors also take this opportunity to place on record the valuable co-operation and support extended by the banks, government, business associates and the shareholders for their continued confidence reposed in the Company and look forward to having the same support in all future endeavors.

### Registered office:

Survey No: 265/ 266, Block No: 290, Plot No. 18 to  
23, B/1 Paiki 1, Pipodara, Ta: Mangrol, Surat, - 394  
110, Gujarat

By order of the Board of Directors  
For, **SHISH INDUSTRIES LIMITED**  
CIN: L25209GJ2017PLC097273

Place: Surat  
Date: June 28, 2021

**Rameshbhai Kakadiya**  
Whole Time Director  
DIN 07740518

**Satishkumar Maniya**  
Chairman and Managing Director  
DIN 02529191

## FORM NO. AOC-2

## PARTICULARS OF CONTRACTS/ARRANGEMENTS MADE WITH RELATED PARTIES

Forms for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

(Pursuant to Section 134(3) (h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

## A. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered in to by the Company during the financial year ended on March 31, 2021, which were not at arm's length basis.

## B. Details of material contracts or arrangement or transactions at arm's length basis:

Sr. No.	Particulars	RPT - 1	RPT - 2	RPT - 3
1.	Name(s) of the related party and nature of relationship	Dunnage Bag Private Limited - Company in which Directors are interested	Mr. Satishkumar Maniya - Chairman and Managing Director	Mr. Rameshbhai Kakadiya - Whole-Time Director
2.	Nature of contracts/ arrangements/ transactions	Sale & Purchase of Goods	Payment of Lease/Rent	Payment of Lease/Rent
3.	Duration of the contracts / arrangements/ transactions	F.Y. 2020-21	F.Y. 2020-21	F.Y. 2020-21
4.	Salient terms of the contracts or arrangements or transactions including the value, if any	All transactions entered by the Company is at Market rate and on arms' length basis Total amount of Sales: INR 24.49 Lakh Total amount of Purchase: INR 1.06 Lakh	Payment of Lease/ Rent in term of Lease Agreement dated June 5, 2017 Total amount of Rent Paid: INR 180,000	Payment of Lease/ Rent in term of Lease Agreement dated June 5, 2017 Total amount of Rent Paid: INR 180,000
5.	Date(s) of approval by the Board	November 11, 2020	June 5, 2017 & May 23, 2020	June 5, 2017 & May 23, 2020
6.	Amount paid as advances, if any	-	-	-

## Registered office:

Survey No: 265/ 266, Block No: 290, Plot No. 18 to 23, B/1 Paiki 1, Pipodara, Ta: Mangrol, Surat, - 394 110, Gujarat

By order of the Board of Directors  
For, SHISH INDUSTRIES LIMITED  
CIN: L25209GJ2017PLC097273

Place: Surat  
Date: June 28, 2021

Rameshbhai Kakadiya  
Whole Time Director  
DIN 07740518

Satishkumar Maniya  
Chairman and Managing Director  
DIN 02529191