



10th ANNUAL REPORT

for the Year

2022-23

▄▄ Effectiveness is our Goal
Efficiency is our Strength ▄▄

AKSHAR SPINTEX LIMITED

www.aksharspintex.in

WE ARE

having capacity of
Total **24480 spindles** with
7500 MT Annual production



10th ANNUAL GENERAL MEETING

Date : 29th September, 2023

Day : Friday

Time : 2:00 p.m. (IST)

Venue: **AKSHAR SPINTEX LIMITED**

Survey no.102/2, Plot no. 2, At-Haripar, Kalavad - Ranuja Road,
Tal. Kalavad, Dist - Jamnagar, Pin - 361013. Gujarat (India).



CONTENTS

	Page
About Company	02
Message From the Chairman	04
Corporate Information	05
Management Team	07
Products	10
Notice of Annual General Meeting	11
Directors' Report	42
Annexures to Board's Report	60
Independent Audit Report	111
Financial Statement	123
Notes to Financial Statement	149

ABOUT COMPANY

At **Akshar Spintex Limited**, we are committed to upholding the principles of our founder, as we forge ahead on our journey. By embracing innovation, pursuing continuous development, and nurturing strong relationships, we aim to create sustainable value for our stakeholders and contribute to the growth and prosperity of the industries we operate in.

During this time, numerous consolidation opportunities quietly emerged in the background, stemming from the previous two years impacted by the pandemic. While initially appearing as daunting challenges, Akshar Spintex Limited demonstrated its astuteness by identifying these growth prospects. Through unwavering determination and hard work, we diligently strengthened all aspects of our business operations and significantly expanded our market reach.

During the fiscal year 2022-23, we could not achieve remarkable revenue due to Shortage of Cotton which is the primary raw material for yarn manufacturing which is an agriculture produce. Another factor of Prices of cotton were too high also became a barrier for earning of revenue at decided numbers.

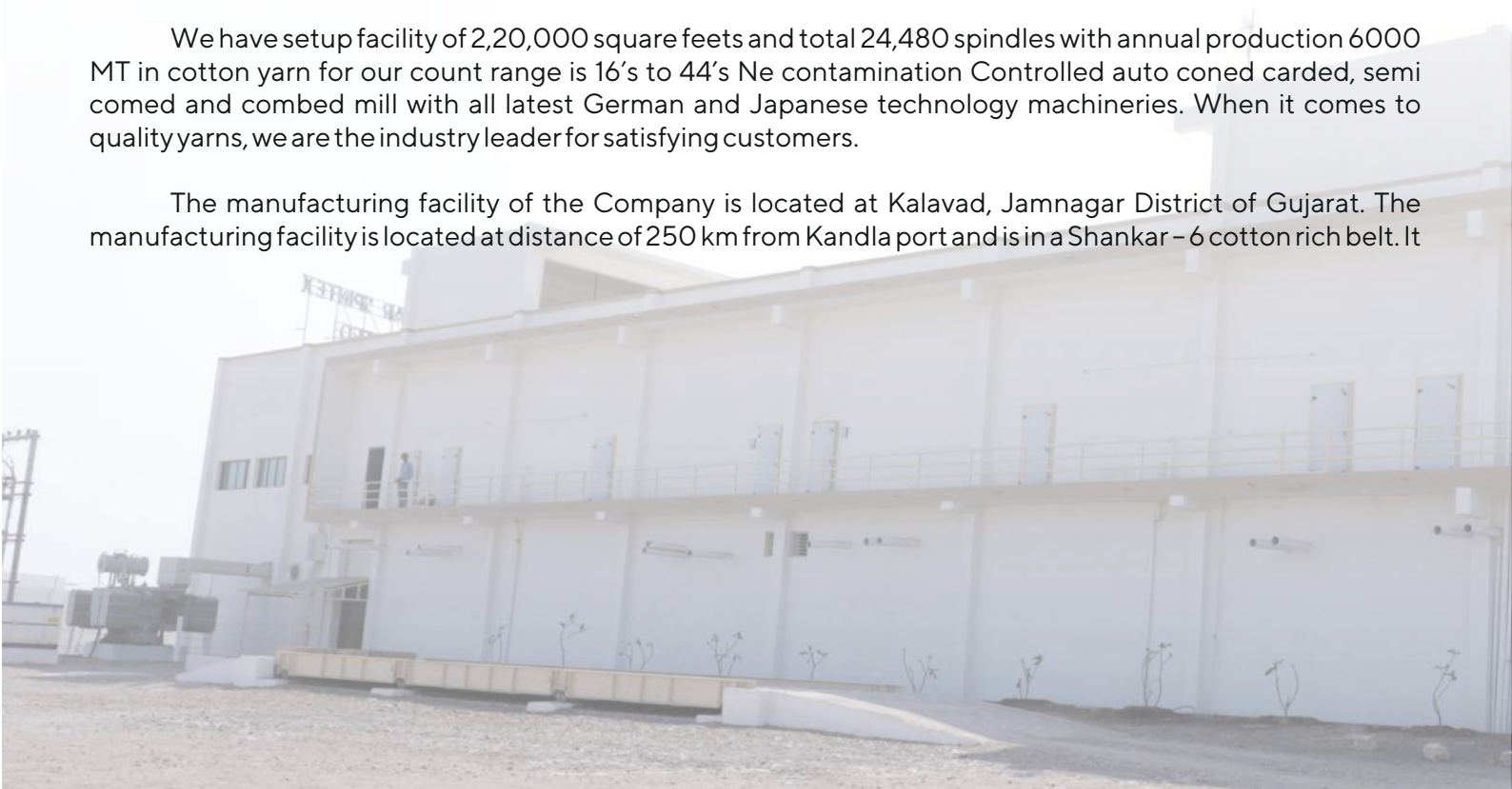
Akshar Spintex Limited takes immense pride for satisfaction to our customers by providing quality products and services which give the highest value for money and to make employees our most important asset to reach the top in our products; focus on their all-round development through organized training and workshops.

A purpose-led and high-order transformation is underway at Akshar Spintex Limited. We are transforming by building on our strengths and transcending boundaries. We are expanding the ambit of our businesses by making them more consumer-centric.

We can proudly say that we are providing one of the most essential things which is necessary for living human. The Company always focuses on providing its best to the customers by optimizing use of available products. Our Management and Team have enabled to maintain continuing customer relations which ensuring repeated order flows. Promoters having rich experience in cotton industry has able to maintain a close relation with its suppliers and to strengthen the same.

We have setup facility of 2,20,000 square feet and total 24,480 spindles with annual production 6000 MT in cotton yarn for our count range is 16's to 44's Ne contamination Controlled auto coned carded, semi combed and combed mill with all latest German and Japanese technology machineries. When it comes to quality yarns, we are the industry leader for satisfying customers.

The manufacturing facility of the Company is located at Kalavad, Jamnagar District of Gujarat. The manufacturing facility is located at distance of 250 km from Kandla port and is in a Shankar – 6 cotton rich belt. It



leads to easily availability of Quality Raw Material at a least cost. Further, skilled Labor are easily available in the locality where the plant of the Company situated, this will help in producing Quality product and maximize the output in production and reduce the wastage.

Our Vision:

Our aims to be world class yarn manufacturing organization producing diverse range of products for the global textiles market.

Our Mission:

To delight our customers through innovation and technology, and to achieve inclusive and sustainable growth to remain eminent in our businesses. We seek to achieve customer delight through excellence in manufacturing and customer service, based on creative

combination of state-of-the-art technology and human resources. We are responsible corporate citizens.

Our Values:

We have Faith in the bright future of Indian textiles and hence continued expansion in areas that we know best. We have try to provide products of best available quality for premium market segments. We also accept change as a way of life. We appreciate our role as a responsible corporate citizen.

*Our manufacturing lines are
designed to cater to the growing needs of
our consumers with the flexibility
to produce a wide range of products.*





MESSAGE FROM CHAIRMAN

Dear Shareholders,

I am pleased to present to you the Annual report for the Financial Year 2022-2023.

For the textile sector, the fiscal 2021-22 was a year of recovery due to pent up demand effect. However, the same could not be sustained for long due to rising cotton prices and reduction in cotton production in India. These factors spoiled the prospects of a full recovery in the first half of current financial year 2022-23. It is apprehended that the same may continue for the rest of the year also amidst uncertainty and high inflation all over the world. The poor demand from global

retail chain in terms of lower orders and prices which do not absorb the rise in raw material prices confirm this apprehension.

Overcoming the hurdles posed by the COVID 19 pandemic, the economy witnessed some relief during FY 2021- 22. With revival of economic activities across the world, although less than the pre-COVID-19 level, the textile industry has also seen revival of growth in terms of capacity utilization and earnings as well. These trends are visible in the performance of both segments of yarns and fabrics.

The revival in manufacturing activities came with sharp increase in commodity prices, which was manageable to some extent as we were able to pass on the rise in raw material and other input cost to consumers. However, with the changed geopolitical situation due to the Russia-Ukraine war, strained relations between US and China and high inflation in developed countries, warranting anti-inflationary monetary policies by central banks, has somewhat watered down the strong business recovery, at least for the next couple of months, if not years. Due to these factors, we are not able to pass the increase in raw material prices to consumers in terms of higher prices of yarn and fabric and have to reduce capacity utilization and have to work with lower margins/even losses. Further, the actual cotton crop falling short of estimates and imposition of import duty on cotton fibre in India has led to spiraling of cotton prices, thereby further aggravating the situation.

On the business front your company performed well in FY 2022-2023 despite the dynamic domestic and global macroeconomic challenges. Viewed from a financial lens, your company's revenue from the operation for the year is Rs. 13,553.25/- Lacs as against Rs. 17,210.84/- Lacs in the previous year. Loss after tax during the FY 2022-2023 Rs. (276.43)/- Lacs as compared to previous year Profit of Rs. 702.36/-.

Reasons for decreasing revenue and loss for the year are mentioned in Director's Report for the FY 2022-2023.

We believe a purpose led organization – that thinks beyond profits – not only attracts customers but also empowers employees to be more engaged and innovative. We are hopeful about coping with the situation on the back of our rich experience, industry knowledge and our core values of customer-centricity, transparency, environment stewardship.

The Company is continuously taking various initiatives to reduce the operational cost, development of new innovative value added products, and exploring new markets to achieve better margins in the future. In the end, I would like to extend my gratitude to all our stakeholders for their continued support and confidence in us which inspires us to continuously strive hard to achieve better performance.

At the end I would like to mention for success in life one mantra should be remember by all;

“Don't wait for opportunities, create them.”

Warm Regards,
Harikrushna S. Chauhan
Chairman cum Whole Time Director

CORPORATE INFORMATION

Board of Directors & Key Managerial Personnel



Mr. Harikrushna Shamjibhai Chauhan

Chairman cum Whole time Director

(DIN: 07710106)

Mr. Amit Vallabbhai Gadhiya

Managing Director

(DIN: 06604671)

Mrs. Ilaben Dineshbhai Paghdar

Executive Director

(DIN: 07591339)

Mr. Nirala Indubhai Joshi

Non-executive & Independent director

(DIN: 08055148)

Mr. Rohit Bhanjibhai Dobariya

Non-executive & Independent director

(DIN: 08085331)

Mr. Parshotam Lakhabhai Vasoya

Non-executive & Independent director

(DIN: 09229252)

Mr. Jagdishbhai Dhirubhai Otradi

Chief Financial Officer

(Resigned w.e.f. 27th May, 2023)

Email : cfo@aksharspintex.in

Mr. Pratik Mukeshbhai Makwana

Company Secretary

(Resigned w.e.f. 31st July, 2023)

Email : cs@aksharspintex.in

Registered Office

Revenue Survey No.102/2 Paiki, Plot No. - 2, Village: Haripar, Ranuja Road,

Tal: Kalavad, Jamnagar - 361013, Gujarat, India.

Email : info@aksharspintex.in | Web: www.aksharspintex.in | Phone: +91 75748 87085

Banker

THE SOUTH INDIAN BANK LIMITED

Ground floor, Shantiniketan Complex, K.K.V Circle,
150 Feet Ring Road, Rajkot – 360005, Gujarat

Stock Exchange

Bombay Stock Exchange Limited

25th Floor, P.J. Towers, Dalal Street
Fort Mumbai-400001, (Maharashtra) India
Website: www.bseindia.com

National Stock Exchange Limited

Exchange Plaza, Plot No. C/1, G-Block,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400 051, Maharashtra
Website: www.nseindia.com

Registrar & Share transfer Agents

Bigshare Services Private Limited

Pinnacle Business Park, Office No S6-2, 6th, Mahakali Caves Rd, next to Ahura Centre,
Andheri East, Mumbai – 400093, MH, India
Email : bssahd@bigshareonline.com | Website: www.bigshareonline.com
Contact: 022-6263 8200

Statutory Auditor

M/s. H.B. Kalaria & Associates

Chartered Accountants

Secretarial Auditor

CS Piyush Jethva

Practicing Company Secretaries

Internal Auditor

Mr. Mehulkumar Parmar

(Resigned w.e.f. 12th August, 2022)

Audit Committee

Mr. Nirala Joshi	Chairman
Mrs. Ilaben Paghdar	Member
Mr. Parshotam Vasoya	Member
Mr. Rohit Dobariya	Member

Stakeholder 's Relationship Committee

Mr. Parshotam Vasoya	Chairman
Mr. Harikrushna Chauhan	Member
Mr. Amit Gadhiya	Member

Internal Complaints Committee for Sexual Harassment Complaints Redressal

Mrs. Ilaben Paghdar	Chairman
Mr. Amit Gadhiya	Member
Mr. Harikrushna Chauhan	Member

Nomination and Remuneration Committee

Mr. Rohit Dobariya	Chairman
Mr. Nirala Joshi	Member
Mr. Parshotam Vasoya	Member

Risk Management Committee

Mr. Amit Gadhiya	Chairman
Mr. Harikrushna Chauhan	Member
Mrs. Ilaben Paghdar	Member

Corporate Social Responsibility Committee

Mr. Nirala Joshi	Chairman
Mr. Amit Gadhiya	Member
Mr. Harikrushna Chauhan	Member

MANAGEMENT TEAM



Mr. Harikrushna Chauhan
Chairman cum Whole time Director



Mr. Amit Gadhiya
Managing Director



Mrs. Ilaben Paghdar
Executive Director



Mr. Nirala Joshi
Non-executive & Independent director



Mr. Parshotam Vasoya
Non-executive & Independent director



Mr. Rohit Dobariya
Non-executive & Independent director

GLIMPSE OF FACTORY IMAGES



GLIMPSE OF FACTORY IMAGES



PRODUCTS

PRODUCTS OF FIBER	PRODUCTS OF YARN
100% Natural Cotton (Sankar -6)	100% Carded Cotton Yarn(16's to 44's Ne)
100% Natural Cotton (MCU-5)	100% Semi Combed Cotton Yarn(16's to 44's Ne)
100% Natural Cotton (DCH-32)	100% Combed Cotton Yarn(16's to 44's Ne)
100% Natural Cotton (MECH-1)	Slub Yarn
100% Natural Cotton (J-34)	Core Spun Yarn
100% BCI Certified Cotton	TFO Yarn
100% Organic Certified Cotton	Eli Twist Yarn
100% Viscose	Fancy Yarn
100% Modal	Melange Yarn
100% Excel	Blended Yarn BCI Certified Yarn Organic Yarn



**WE BELIEVE THAT QUALITY PRODUCTS ARE NOT ONLY BY
PROMISES BUT ALSO BY PROVEN RESULTS.**



NOTICE

NOTICE is hereby given that the 10th Annual General Meeting of the members of AKSHAR SPINTEX LIMITED will be held on **Friday, 29th September, 2023 at 02.00 p.m. IST** through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To Consider and adopt the financial Statement of the Company for the financial year ended March 31, 2023 and reports of Board of Directors and Auditor thereon, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT the audited financial statement of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted."

2. To appoint MRS. ILLABEN DINESHBHAI PAGHDAR (DIN: 07591339), Director of the Company, who retires by rotation and being eligible, offers herself for re-appointment, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, MRS. ILLABEN DINESHBHAI PAGHDAR (DIN: 07591339), Director who retires by rotation at this meeting be and is hereby appointed as a Director of the Company."

SPECIAL BUSINESS:

3. **PAYMENT OF REMUNERATION TO COST AUDITORS FOR FINANCIAL YEAR 2023-2024,**

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 148 and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and such other permissions as may be necessary, the payment of the total remuneration of Rs. 33,000/- plus reimbursement of out of pocket expenses at actuals plus applicable taxes payable to M/s. Mitesh Suvagiya & Co., Cost Accountants, who were appointed as "Cost Auditor" to conduct the audit of Cost Records maintained by the Company for the Financial Year ending March 31, 2024, be and is hereby ratified and approved."

4. RE-APPOINTMENT OF MR. AMIT VALLABHBHAI GADHIYA (DIN: 06604671) AS MANAGING DIRECTOR AND APPROVAL OF REMUNERATION UNDER SECTION 196 AND 197 READ WITH SCHEDULE V OF THE COMPANIES ACT, 2013.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:

“RESOLVED THAT the company hereby accords its approval and consent under Section 196 and 197 and all other applicable provisions of the Companies Act, 2013 read with Schedule V thereto, to the appointment of Mr. Amit Vallabhbhai Gadhiya (DIN: 06604671) as a Managing Director of the Company for a period of three years w.e.f. 08th January 2024 to 07th January 2027 on the terms and condition of appointment and on remuneration of Rs. 30,00,000/- (Rupees Thirty Lacs Only) per annum including all perquisites and allowance as set out in the Explanatory Statement annexed to the Notice of this Meeting and as contained in the appointment letter with authority to board to alter and vary such terms of appointment and remuneration so as to not exceed the limit specified in Schedule V of the Companies Act, 2013 and as approved by the nomination and remuneration committee, and agreed by him.”

“RESOLVED FURTHER THAT pursuant to clause 145 (b) of the Articles of Association of the Company, Mr. Amit Vallabhbhai Gadhiya (DIN: 06604671) shall be liable to retire by rotation.”

“RESOLVED FURTHER THAT the remuneration including benefits, amenities and perquisites as set out in Explanatory Statement shall nevertheless be paid and allowed to Mr. Amit Vallabhbhai Gadhiya (DIN: 06604671) as remuneration for any financial year in case of absence or inadequacy of profits for such year, subject to the provisions prescribed under Section 197 read with Schedule V to the Companies Act, 2013 and Rules made thereunder and any other applicable provisions of the Act or any statutory modification or re-enactment thereof subject to changes as board may deemed fit as per profitability of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorized to do all such act, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this resolution.”

5. RE-APPOINTMENT OF MR. HARIKRUSHNA SHAMJIBHAI CHAUHAN (DIN: 07710106) AS CHAIRMAN CUM WHOLE TIME DIRECTOR AND APPROVAL OF REMUNERATION UNDER SECTION 196 AND 197 READ WITH SCHEDULE V OF THE COMPANIES ACT, 2013

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:

“RESOLVED THAT the company hereby accords its approval and consent under Section 196 and 197 and all other applicable provisions of the Companies Act, 2013 read with Schedule V thereto, to the appointment of Mr. Harikrushna Shamjibhai Chauhan (DIN: 07710106) as a Chairman cum Whole Time Director of the Company for a period of three years w.e.f. 08th January 2024 to 07th January 2027 on the terms and condition of appointment and on remuneration of Rs. 30,00,000/- (Rupees Thirty Lacs Only) per annum including all perquisites and allowance as set out in the Explanatory Statement annexed to the Notice of this Meeting and as contained in the appointment letter with authority to board to alter and vary such terms of appointment and remuneration so as to not exceed the limit

specified in Schedule V of the Companies Act, 2013 and as approved by the nomination and remuneration committee, and agreed by him.”

“RESOLVED FURTHER THAT pursuant to clause 145 (b) of the Articles of Association of the Company, Mr. Harikrushna Shamjibhai Chauhan (DIN: 07710106) shall be liable to retire by rotation.”

“RESOLVED FURTHER THAT the remuneration including benefits, amenities and perquisites as set out in Explanatory Statement shall nevertheless be paid and allowed to Mr. Harikrushna Shamjibhai Chauhan (DIN: 07710106) as remuneration for any financial year in case of absence or inadequacy of profits for such year, subject to the provisions prescribed under Section 197 read with Schedule V to the Companies Act, 2013 and Rules made thereunder and any other applicable provisions of the Act or any statutory modification or re-enactment thereof subject to changes as board may deemed fit as per profitability of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorized to do all such act, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this resolution.”

6. APPROVAL FOR WAIVER OF EXCESS REMUNERATION PAID TO MRS. ILLABEN DINESHBHAI PAGHDAR, (DIN: 07591339): DIRECTOR OF THE COMPANY;;

To consider and, if thought fit, to pass with or without modification, the following resolution as **Special Resolution**:

“RESOLVED THAT, pursuant to Section 197 (10) and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any amendment(s), modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule V of the Act, the approval be and is hereby accorded to waive the recovery of refundable managerial remuneration paid to Mrs. Illaben Dineshbhai Paghdar (DIN:07591339) director of the Company for the period of 01.10.2021 to 30.09.2023.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary for obtaining necessary approvals in relation to the above and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of its powers herein conferred to any Director, Company Secretary or any other officer(s) of the Company. ”

7. APPROVAL OF REMUNARATION OF MRS. ILLABEN DINESHBHAI PAGHDAR, (DIN: 07591339): DIRECTOR OF THE COMPANY UNDER SECTION AND 197, 198 READ WITH SCHEDULE V;;

To consider and, if thought fit, to pass with or without modification, the following resolution as **Special Resolution**:

“RESOLVED THAT pursuant to provision of section 197, 198 read with Schedule V and other applicable provision if any, of the Companies Act – 2013, (including any statutory modifications or re-enactment(s) thereof, for the time being in force) The consent of the members be and is hereby accorded to the

remuneration of Mrs. Illaben Dineshbhai Paghdar (DIN:07591339) maximum up to Rs. 15,00,000/- (Rupees Fifteen Lacs) per annum has been approved with effect from 01 October 2023 up to 3 years subject to change as board may deemed fit as per profitability of the Company provided that the amount of remuneration include all perquisite."

"RESOLVED FURTEHR THAT, Board of the Directors of the company be and are hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as deem necessary or expedient to give effect to the above resolution."

By order of the Board of Directors,
AKSHAR SPINTEX LIMITED

HARIKRUSHNA S. CHAUHAN
Chairman cum Whole Time Director
DIN: 07710106

Place: Haripar (Jamnagar)
Date: 25.08.2023

Registered Office
Revenue Survey No.102/2 Paiki, Plot No. - 2,
Village: Haripar, Ranuja Road.,
Tal: Kalavad. Jamnagar - 361013

Notes:

1. The Ministry of Corporate Affairs ("MCA") *inter-alia*, vide its General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, followed by General Circular Nos. 20/2020 dated May 5, 2020, and subsequent circulars issued in this regard, the latest being 10/2022 dated December 28, 2022 (collectively referred to as '**MCA Circulars**') has permitted the holding of the AGM through Video Conferencing ('**VC**') or through Other Audio-Visual Means ('**OAVM**'), **without the physical presence of the Members at a common venue**. The deemed venue for the AGM shall be the Registered Office of the Company. Further, Securities and Exchange Board of India ('**SEBI**'), vide its Circulars dated May 12, 2020, January 15, 2021, May 13, 2022 and January 5, 2023 ('**SEBI Circulars**') and other applicable circulars issued in this regard, have provided relaxations from compliance with certain provisions of the SEBI Listing Regulations.

In compliance with the applicable provisions of the Act, SEBI Listing Regulations and MCA Circulars, the 10th AGM of the Company is being held through VC/OAVM on **Friday, 29th September, 2023 at 02.00 p.m. IST**. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company at Revenue Survey No.102/2 Paiki, Plot No. - 2 Village: Haripar, Ranuja Road, Tal: Kalavad, Jamnagar - 361013, Gujarat, India.

2. The Explanatory Statement pursuant to Section 102 of the Act setting out material facts concerning the business under Item No. 3 to 7 of the Notice, is annexed hereto. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this AGM are also annexed.
3. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.
4. Since the AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto.
5. The Members can join the Annual General Meeting in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the Annual General Meeting through VC/OAVM will be made available on first come first served basis.
6. The notice of AGM along with Annual Report for 2022-2023 is being sent by electronic mode to all the members whose email IDs are registered with the Company/Depository Participant(s) unless any member has requested for a physical copy of the same.

7. Details as required in Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 ('Listing Regulations') in respect of the Directors seeking re-appointment at the AGM is attached as Annexure forming part of this Notice.
8. Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the Company or its RTA quoting their Folio number or their Client ID number with DPID number, as the case may be.
9. This notice along with Annual Report for 2022-2023 is being sent to all members of the Company whose name appears in the Register of Members/ list of beneficiaries received from the depositories as on August 25, 2023.
10. In case of joint holders attending the AGM, 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.
11. The person whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories as on closing of Friday, September 22, 2023 i.e. cut-off date only shall be entitled to vote at the meeting.
12. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
13. Pursuant to Section 91 of the Companies Act, 2013 and Rule 10 of the Companies (Management and Administration) Rules, 2014 read with Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, The Register of Members and Share Transfer Books shall remain closed from Saturday, September 23, 2023 to Friday, September 29, 2023 (both days inclusive).
14. All members are requested to support Green Initiative of the Ministry of Corporate Affairs, Government of India and register their email addresses to receive all these documents electronically from the Company in accordance with Rule 18 of the Companies (Management & Administration) Rules 2014 and Rule 11 of the Companies (Accounts) Rules 2014. All the aforesaid documents have been uploaded on and are available for download from the Company's website: www.aksharspintex.in for download.
15. In compliance with the MCA Circulars and SEBI Circular, Notice of the AGM along with the Annual Report 2022-2023 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2022-2023 will also be available on the Company's website <http://www.aksharspintex.in/annual-report.html>, websites of the Stock Exchanges, i.e., BSE Limited at www.bseindia.com, NSE Limited at www.nseindia.com and on the website of NSDL, at <https://www.evoting.nsdl.com/>.
16. Non-resident Indian members are requested to inform the Company or its RTA or to the concerned DPs, as the case may be, immediately the change in the residential status on return to India for permanent settlement.

17. Rule 3 of the Companies (Management and Administration) Rules 2014 mandates that the register of members of all companies should include details pertaining to email address, permanent account number (PAN) or CIN, unique identification number, if any; father's/mother's/ spouse's name, occupation, status, nationality; in case member is a minor, name of guardian and the date of birth of the member, and name and address of nominee. All members are requested to update their details as aforesaid with their respective depository.
18. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them.
19. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
20. Members may pursuant to section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 file nomination in prescribed form SH- 13 with the respective depository participant.
21. 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 AGM.
22. For receiving all communication (including Annual Report) from the Company electronically Members are requested to register / update their email addresses with the relevant Depository Participant.
23. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before **September 18, 2023** through email on cs@aksharspintex.in. The same will be replied by the Company suitably. Queries that remain unanswered at the AGM will be appropriately responded by the Company at the earliest post the conclusion of the AGM.
24. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered Email Id mentioning their name, DP ID and Client ID / Folio No., PAN, Mobile No. to the Company at cs@aksharspintex.in before **September 18, 2023**. Those Members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers and Questions depending on the availability of time for the AGM.

25. All the work related to share registry in terms of both physical and electronic are being conducted by Company's Registrar and Share Transfer Agent, Bigshare Services Private Limited (RTA), A-802, Samudra Complex, Near Klassic Gold Hotel, Off C.G Road, Navrangpura, Ahmedabad - 380009 (Gujarat). The Shareholders are requested to send their communication to the aforesaid address.
26. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the AGM, i.e., **Friday, September 29, 2023**.
27. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to cs@aksharspintex.in.
28. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during normal business hours 10:00 a.m. to 05:00 p.m. on any working days except Sunday, up to and including the date of the Annual General Meeting of the Company.
29. The Statutory Register under the Companies Act, 2013 (Register under Section 170, 189 and other section as required by the Companies Act, 2013) is available for inspection at the Registered Office of the Company during business hours between 11.00 am to 5.00 pm except on holidays and will be made available at the venue of the meeting.
30. 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 the PAN to their Depository Participants with whom they are maintaining their demat accounts.

1. Instructions For Remote E-Voting Before AGM are as follows:

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.

- i) The remote e-voting period begins on **26th September, 2023 (9:00 a.m. IST)** and ends on **28th September, 2023 (5:00 p.m. IST)**. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as at the cut-off date of **22nd September, 2023** may cast



their vote electronically. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of this Notice and holding shares as on **22nd September, 2023**, may obtain the login Id and password by sending request at evoting@nsdl.co.in.

- ii) Pursuant to the Circular No.14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting
- iii) Based on consent received from CS Piyush Jethva, Practicing Company Secretary appointed as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
- iv) The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- v) The Members who have cast their vote by remote e-voting prior to the AGM may also attend / participate in the AGM but shall not be entitled to cast their vote again.
- vi) The details of process and manner for remote e-voting and e-voting during the AGM are as under





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

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are 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 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p>  </div> <div style="text-align: center;">  <p>Google Play</p>  </div> </div>

Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 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 users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting 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, 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 CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 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 evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
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. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
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 toll free no. 1800 22 55 33

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

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

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

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

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
- 6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "[Forgot User Details/Password?](#)" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) [Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- 7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- 8. Now, you will have to click on "Login" button.
- 9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to piyushrjethva@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to piyushrjethva@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
3. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on: 022 - 4886 7000 and 022 - 2499 7000 or send a request at evoting@nsdl.co.in

4. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to piyushrjethva@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
5. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.
6. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to (Name of NSDL Official) at evoting@nsdl.co.in

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to cs@aksharspintex.in
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to cs@aksharspintex.in. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@aksharspintex.in. The same will be replied by the company suitably.

STATEMENT IN PURSUANCE OF SECTION 102(1) OF THE COMPANIES ACT, 2013

Statement with respect to items under Special Business covered in the Notice of Meeting are given below:

Item No. 3. Payment of Remuneration to Cost Auditors for Financial Year 2023-2024:

The Board, on the recommendations of the Audit Committee, has approved the appointment and remuneration of M/s. Mitesh Suvagiya & Co., Cost Accountants as Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending March 31, 2024 at a Remuneration of Rs. 33,000/- (Rupees Thirty Thousand Only) plus reimbursement of out of pocket expenses at actuals plus applicable taxes.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor needs to be ratified by the Members of the Company. Accordingly, approval of the members is requested for passing an Ordinary Resolution as set out at Item No. 3 of the Notice for payment of the remuneration payable to the Cost Auditor to conduct audit of the Cost Records of the Company for the Financial Year ending March 31, 2024. Relevant documents in respect of the said item are available in Electronic Form for inspection by the Members of the Company up to the date of the Meeting.

None of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested in the resolution set out at Item No. 3 of the Notice. The Board recommends the Ordinary Resolution as set out at Item No. 3 for approval by the Members.

Item No. 4 Re-appointment of Mr. Amit Vallabhbhai Gadhiya (DIN: 06604671) as a Managing Director and approval of remuneration under section 196 and 197 read with schedule V of the companies act, 2013:

Mr. Amit Vallabhbhai Gadhiya (DIN: 06604671) is engaged with the Company since 19th June 2013 (i.e. since incorporation) considering the devotion of time and dedication towards work, the Board of Directors consider him as a fit and proper person to act as a Managing Director. He had previously appointed as a managing Director for the company for 3 Years w.e.f 08th January 2021. His term of appointment is ended on 07th January 2024. Now therefore it is required to re-appointment him as a managing Director in General Meeting for further term of Three year i.e. w.e.f 08th January 2024 to 07th January 2027.

The present proposal is for seeking members' approval for the re-appointment of Mr. Amit Vallabhbhai Gadhiya (DIN: 06604671) as a Managing Director and approval of his remuneration as per applicable provision of the Companies Act, 2013 read with Schedule V.

The Board of Directors of the Company at its meeting held on 25th August 2023 has, subject to approval of the members, appoint him as a Managing Director and approve the remuneration up to Rs. 30,00,000/- (Rupees Thirty Lacs) per annum subject to change as per profitability of the Company. The remuneration including benefits, amenities shall nevertheless be paid and allowed to Mr. Amit Vallabhbhai Gadhiya (DIN: 06604671) as remuneration for any financial year in case of absence or inadequacy of profits for such year. Relevant documents in respect of the said item are available in Electronic Form for inspection by the Members of the Company up to the date of the Meeting. Further this resolution is also authorised to pay the remuneration in excess of individual limit as specified in section 197 of the Companies Act, 2013.

None of the directors and /or Key Managerial Personnel of the Company and their relatives, except Mr. Amit Vallabhbhai Gadhiya and his relatives, are in any way concerned or interested in the appointment of Managing Director of the Company. The Board recommends the Special Resolution as set out at item no. 4 for approval by the Members.

Particulars required under schedule V and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Appointment of MR. AMIT VALLABHBHAI GADHIYA are as under:

I. GENERAL INFORMATION:			
1.	Nature of industry	Cotton Spinning	
2.	Date or expected date of commencement of commercial production	28.10.2014	
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable	
4.	Financial performance based on given indicators	Financial Performance of the Company for the year ended 31st March, 2023: (Rs. in Lacs)	
		Revenue from operations:-	13553.25
		Other Income:	238.91
		Total Expenditure:	13792.16
		Net Profit (Loss) before tax:	(276.43)
		Profit (Loss) after tax (after deducting comprehensive income):	(259.21)
5.	Export performance and foreign exchange earned for the financial year ended	Foreign Exchange Earning And Out Go:	
		Particular	2022-23 2021-22
		i. Total foreign exchange used (Rs.)	-- --
		ii. Total foreign exchange earned on F.O.B basis (Rs.)	-- --
6.	Foreign Investments or collaborators, if any	No such investment or collaboration except minor shareholding of Non Resident Indians.	

II. INFORMATION ABOUT THE APPOINTEE:

II. INFORMATION ABOUT THE APPOINTEE:						
1.	Background details	<p>Name:- Mr. Amit Vallabhbhai Gadhiya Designation:- Managing Director Age:- 37 (DOB 28/07/1986) Experience:- 16 years in cotton and spinning related industries He is promoter & Director of the Company since incorporation</p> <p>Qualification:- Higher Secondary</p> <p>Directorship of the other Company:</p> <table><tr><td>Company</td><td>Designation</td></tr><tr><td>None</td><td>-</td></tr></table>	Company	Designation	None	-
Company	Designation					
None	-					
2.	Past remuneration	30,00,000 P.A. and rest all other terms and conditions and perquisites as stated in special Resolution dated 29.09.2021				
3.	Recognition or awards	NA				
4.	Job profile and his suitability	He has 15 years' rich and varied experience in the cotton and spinning related business. It would be in the interest of the Company to continue to avail of his considerable expertise and to re-appoint him as a Managing Director of the Company. He is responsible for overall Management & Administration and Increasing Organizational Effectiveness, setting the ultimate direction for the Company, For reviewing, understanding, assessing, and approving specific strategic directions and initiatives; and for assessing and understanding the issues, forces, and risks that define and drive the company's long-term performance. He is one reason for the smooth and profitable operation of a company's affairs. He supervises and provides consultation to management on strategic planning decisions & sustainability. He is also responsible to perform such other duties as may from time to time be entrusted by the board.				
5.	Remuneration proposed	30,00,000 P.A.				
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration proposed is within the maximum permissible remuneration as per Schedule V of the Companies Act, 2013 after comparisons of remuneration package of other industry and Companies of the same size for this position.				
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial Personnel, if any. (As on cut of date for notice dispatch to members)	Apart from Mr. Amit Vallabhbhai Gadhiya is a Managing Director of the Company, he holds 18,20,100 Equity Shares at the Face value of Rs. 10/- each of the Company in his individual capacity as on 31.03.2023				

III. OTHER INFORMATION		
1.	Reasons of loss or inadequate profits	<p>The Company has reported a turnover of Rs. 13792.16 Lacs for the year ended on 31st March, 2021 as against Rs. 17557.22 Lacs for the previous year ended on 31st March, 2022.</p> <p>The major factors Contributing to inadequate profits are war between Ukraine and Russia and the unexpected fluctuation in price of raw material and yarn in the first half year. Both the factors have dropped down drastically resulting in reduced margins of the Company.</p> <p>The proposed remuneration is less than the maximum permissible remuneration prescribed as per Schedule V of the Companies Act, 2013 in case of no profits/ inadequate profits pursuant to the approval of the shareholders.</p>
2.	Steps taken or proposed to be taken for improvement	To address these challenges, the Company has initiated several measures towards achieving organizational and operating efficiencies, alongside working on improvements in process and controls. These cut across manufacturing, quality and other domains, and address issues of cost controls, value analysis.
3.	Expected increase in productivity and profits in measurable terms	It is difficult to forecast the productivity and profitability in measurable terms. However, the Company expects that productivity and profitability may improve and would be comparable with the industry average.
(IV) DISCLOSURES		
1.	The Shareholders of the Company shall be informed of the remuneration package of the managerial person.	The remuneration paid to Mr. Amit Vallabhbhai Gadhiya as stated above Rs. 30,000,00 per annum up to next three years from the effective date and rest all other terms and conditions and perquisites more particularly described in appointment letter that will be available for inspection to the members.

Information pursuant to 1.2.5 of the Secretarial Standard on General Meeting (SS-2) regarding Director seeking appointment / Re-appointment.

Name	Mr. Amit Vallabhbhai Gadhiya
Age	37 Years
Qualifications	H.S.C.
Experience	15 Years
Terms and conditions of appointment or re-appointment	<p>Substantial terms and conditions of appointment are as under:</p> <ol style="list-style-type: none"> 1) Tenure of appointment shall be Three years with effect from January 08, 2024. 2) Managing Director shall be liable to retire by rotation. 3) Remuneration up to Rs. 30,00,000/- (Rupees Thirty Lacs) per annum subject to change as per profitability of the Company i.e. the Board of

	<p>Directors can mutually reduce the remuneration on the base of financial performance of the company subject to upper limit of Rs. 30,00,000 Per Annum. The remuneration including benefits, amenities shall nevertheless be paid and allowed as remuneration for any financial year in case of absence or inadequacy of profits for such year.</p> <p>4) The Company shall pay any remuneration to the Managing Director as per the decision of the Board of Director which should be as prescribed by the Companies Act, 2013 or any modification or alteration or replacement of the Such Act.</p> <p>5) The Managing Director shall be entitle to such other privileges, allowance, facilities and amenities in accordance with rules and regulations as may be applicable to the other employees of the Company and as may be decided by the Board, within the overall limits of Rs. 30,00,000 per annum as specified.</p> <p>6) The Company shall reimburse of actual expenses incurred by the Managing Director in connection with the company's business.</p> <p>7) Either party shall terminate this employment by giving to the other advance notice of three months.</p>
Proposed remuneration	Rs. 30,00,000 per annum
Last Drawn remuneration	Rs. 12,00,000 per annum
Date of first appointment on the Board	19 th June, 2013 (Since incorporation)
No of share held	18,20,100 Equity shares
Relationship with Directors, Manager and KMP.	None
Number of Board Meeting attended during Previous Financial Year	ALL
Chairman/ Member of the Committees of Boards of other companies	<p>Member in 3 Committee.</p> <p>Chairman in 1 Committee</p>

Item No. 5 Re-appointment of Mr. Harikrushna Shamjibhai Chauhan (DIN: 07710106) as Chairman cum Whole Time Director and approval of remuneration under section 196 and 197 read with schedule v of the companies act, 2013:

Mr. Harikrushna Shamjibhai Chauhan (DIN: 07710106) is engaged with the Company since 17th January 2017 considering the devotion of time and dedication towards work, the Board of Directors consider him as a fit and proper person to act as a Chairman cum Whole-time Director. He had previously appointed as

a Chairman cum Whole-time Director for the company for 3 Years w.e.f 08th January 2021. His term of appointment is ended on 07th January 2024. Now therefore it is required to re-appointment him as a managing Director in General Meeting for further term of Three year w.e.f 08th January 2024 to 07th January 2027.

The present proposal is for seeking members' approval for the re-appointment of Mr. Harikrushna Shamjibhai Chauhan (DIN: 07710106) as a Chairman cum Whole Time Director and approval of his remuneration as per applicable provision of the Companies Act, 2013 read with Schedule V.

The Board of Directors of the Company at its meeting held on 25th August 2023 has, subject to approval of the members, appoint him as a Chairman cum Whole Time Director and approve the remuneration up to Rs. 30,00,000/- (Rupees Thirty Lacs) per annum subject to change as per profitability of the Company. The remuneration including benefits, amenities shall nevertheless be paid and allowed to Mr. Harikrushna Shamjibhai Chauhan (DIN: 07710106) as remuneration for any financial year in case of absence or inadequacy of profits for such year. Further this resolution is also authorised to pay the remuneration in excess of individual limit as specified in section 197 of the Companies Act, 2013.

None of the directors and /or Key Managerial Personnel of the Company and their relatives, except Mr. Harikrushna Shamjibhai Chauhan and his relatives, are in any way concerned or interested in the appointment of Chairman cum Whole Time Director of the Company. The Board recommends the Special Resolution as set out at item no. 5 for approval by the Members.

Particulars required under schedule V and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Appointment of MR. HARIKRUSHNA SHAMJIBHAI CHAUHAN are as under:

I. GENERAL INFORMATION:		
1.	Nature of industry	Cotton Spinning
2.	Date or expected date of commencement of commercial production	28.10.2014
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4.	Financial performance based on given indicators	Financial Performance of the Company for the year ended 31st March, 2023: (Rs. In Lacs)
		Revenue from operations:- 13553.25
		Other Income: 238.91
		Total Expenditure: 13792.16
		Net Profit before tax: (276.43)
		Profit after tax (after deducting comprehensive income): (259.21)

5.	Export performance and foreign exchange earned for the financial year ended	Foreign Exchange Earning And Out Go:		
		Particular	2022-23	2021-22
		i. Total foreign exchange used (Rs.)	--	--
		ii. Total foreign exchange earned on F.O.B basis (Rs.)	--	--
6.	Foreign Investments or collaborators, if any	No such investment or collaboration except minor shareholding of Non Resident Indian.		
II. INFORMATION ABOUT THE APPOINTEE:				
1.	Background details	Name: Mr. Harikrushna S. Chauhan Designation:- Chairman Cum Whole Time Director Age:- 56 (DOB : 04/12/1967) Experience:- more than 6 years in cotton spinning industry and 27 years in Information and Broadcasting Department of Govt. of Gujarat He is promoter & Director of the Company since last 6 years Qualification:- Draftsman Mechanical Directorship of the other Company:		
		Company	Designation	
		None	-	
2.	Past remuneration	30,00,000 P.A. and rest all other terms and conditions and perquisites as stated in special Resolution dated 29.09.2021		
3.	Recognition or awards	NA		
4.	Job profile and his suitability	He has 6 years' experience in the cotton spinning business. It would be in the interest of the Company to continue to avail of his considerable expertise and to appoint him as a Chairman cum whole Time Director. He is responsible for Framework for Operational Planning and Business Development & marketing. He is responsible for setting the ultimate direction for the Business Development, For reviewing, understanding, assessing, and approving specific strategic directions and initiatives; and for assessing and understanding the issues, forces, and risks that define and drive the company's long-term performance. He is a reason for the smooth and profitable operation of a company's affairs. He supervises and provides consultation to management on strategic Business development & sustainability. He is also		

		responsible to perform such other duties as may from time to time be entrusted by the board.
5.	Remuneration proposed	30,00,000 P.A.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration proposed is within the maximum permissible remuneration as per Schedule V of the Companies Act, 2013 after comparisons of remuneration package of other industry and Companies of the same size for this position.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial Personnel, if any. (As on cut of date for notice dispatch to members)	Apart from Mr. Harikrushna S. Chauhan is a Chairman cum Whole Time Director of the Company, he holds 29,95,000 Equity Shares at the Face value of Rs. 10/- each of the Company in his individual capacity.
III. OTHER INFORMATION		
1.	Reasons of loss or inadequate profits	<p>The Company has reported a turnover of Rs. 13792.16 Lacs for the year ended on 31st March, 2021 as against Rs. 17557.22 Lacs for the previous year ended on 31st March, 2022.</p> <p>The major factors Contributing to inadequate profits are war between Ukraine and Russia and the unexpected fluctuation in price of raw material and yarn in the first half year. Both the factors have dropped down drastically resulting in reduced margins of the Company.</p> <p>The proposed remuneration is less than the maximum permissible remuneration prescribed as per Schedule V of the Companies Act, 2013 in case of no profits/ inadequate profits pursuant to the approval of the shareholders.</p>
2.	Steps taken or proposed to be taken for improvement	To address these challenges, the Company has initiated several measures towards achieving organizational and operating efficiencies, alongside working on improvements in process and controls. These cut across manufacturing, quality and other domains, and address issues of cost controls, value analysis.
3.	Expected increase in productivity and profits in measurable terms	It is difficult to forecast the productivity and profitability in measurable terms. However, the Company expects that productivity and profitability may improve and would be comparable with the industry average.

(IV) DISCLOSURES

1.	The Shareholders of the Company shall be informed of the remuneration package of the managerial person.	The remuneration paid to Mr. Harikrushna S. Chauhan as stated above Rs. 30,000,00 per annum up to three years from the effective date and rest all other terms and conditions and perquisites more particularly described in appointment letter that will be available for inspection to the members.
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Information pursuant to 1.2.5 of the Secretarial Standard on General Meeting (SS-2) regarding Director seeking appointment / Re-appointment.

Name	Mr. Harikrushna S. Chauhan
Age	56 Years
Qualifications	Mechanical Draftsman
Experience	6 Years in cotton spinning industries and 27 years in Information and Broadcasting department of Government of Gujarat
Terms and conditions of appointment or re-appointment	<p>Substantial Terms and Conditions of Appointment are as under:</p> <ol style="list-style-type: none"> 1) Tenure of appointment shall be Three years with effect from January 08, 2024. 2) Chairman cum Whole Time Director shall be liable to retire by rotation 3) Remuneration up to Rs. 30,00,000/- (Rupees Thirty Lacs) per annum subject to change as per profitability of the Company i.e. the Board of Directors can mutually reduce the remuneration on the base of financial performance of the company subject to upper limit of Rs. 30,00,000 Per Annum. The remuneration including benefits, amenities shall nevertheless be paid and allowed as remuneration for any financial year in case of absence or inadequacy of profits for such year. 4) The Company shall pay any remuneration to the Chairman cum Whole Time Director as per the decision of the Board of Director which should be as prescribed by the Companies Act, 2013 or any modification or alteration or replacement of the Such Act. 5) The Chairman cum Whole Time Director shall be entitle to such other privileges, allowance, facilities and amenities in accordance with rules and regulations as may be applicable to the other employees of the Company and as may be decided by the Board, within the overall limits of Rs. 30,00,000 per annum as specified. 6) The Company shall reimburse of actual expenses incurred by the Chairman cum Whole Time Director in connection with the company's business. 7) Either party shall terminate this employment by giving to the other advance notice of three months.

Proposed remuneration	Rs. 30,00,000 per annum
Last Drawn remuneration	Rs. 12,00,000 per annum
Date of first appointment on the Board	17 th January, 2017
No of share held	29,95,000 Equity shares
Relationship with Directors, Manager and KMP.	None
Number of Board Meeting attended during Previous Financial Year	ALL
Chairman/ Member of the Committees of Boards of other companies	Member in 4 Committee.

Item No. 6 AND 7

- **APPROVAL FOR WAIVER OF EXCESS REMUNERATION PAID TO MRS. ILABEN DINESHBHAI PAGHDAR, (DIN: 07591339): DIRECTOR OF THE COMPANY;**
- **APPROVAL REMUNERATION PAID TO MRS. ILLABEN DINESHBHAI PAGHDAR, (DIN: 07591339): DIRECTOR OF THE COMPANY;**

The members are informed that the company had appointed Mrs. Ilaben Dineshbhai Paghdar (Din: 07591339) as an executive director w.e.f 28th September 2018 and approve the remuneration of Rs. 12,00,000/- per annum for three years as per Schedule V of the Companies Act, 2013. Therefore the remuneration was approved for the period started from 28th September 2018 to 27th September 2021. Further the approved remuneration of Mrs. Ilaben Dineshbhai Paghdar was 12,00,000/- but the actual remuneration paid to her during the financial year 2021-22 was Rs.8,40,000/- by keeping in mind the actual profit of that year.

In the financial year 2021-22, The Performance of the company was very good and it was believed by the management that the individual remuneration payable to Ilaben Paghdar may be less than the limit specified in section 197 of the Companies Act, 2013. However at the end of the year the profit was

inadequate to cover the actual remuneration paid to Mrs. Ilaben Dineshbhai Paghdar. In Year 2022-23 the Company booked the loss during the financial year. Further in year 2023-24 for the first quarter the company has booked profit but again it is inadequate in terms of section 197 of the Companies Act, 2013 as far as the remuneration of director is concerned.

If individual limit of the remuneration to any director is in excess of specified in section 197 (1) of the Companies Act, 2013, it is required to take approval of members by passing the special resolution. In present case the individual limit of the remuneration is in excess of what is mentioned in section 197 (1) of the Companies, Act 2013 for the period of 01.10.2021 to 30.09.2023 but no approval was taken from the member. However as per Section 197(10) of the Act the company shall waive the recovery of any sum refundable under section 197(9), if approved by the members by passing special resolution within 2 years from the date the sum becomes refundable.

The Nomination and Remuneration Committee has reviewed these matters and after considering the nature of service required from her and the responsibility which she is called upon to bear as Director, decided to do the procedure of waiver of excess remuneration and recommended the same to the Board of Directors for its approval. The Board of Directors have accordingly approved the same at its meeting.

The Company as on date is not in default in payment of dues to any bank or public financial institution any other secured creditor.

Except Mrs. Ilaben Dineshbhai Paghdar, None of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested in the resolution set out at Item No. 6 and 7 of the Notice. The Board recommends the Special Resolution as set out at Item No. 6 and 7 for approval by the Members.

Mrs. Ilaben Dineshbhai Paghdar is engaged with the company from 16th August 2016. At present she is working as an Executive Director. The present proposal is for seeking members' approval for her remuneration in terms and the applicable provision of the companies Act 2013. The Board of Director of the Company at its meeting held on 25th August 2023 has, subject to approval of the members, approve the remuneration up to Rs, 15,00,000/- (Rupees Fifteen Lacs only) per annum subject to change as per profitability of the company. The remuneration including benefits, amenities shall nevertheless be paid and allowed to Mrs. Ilaben Dineshbhai Paghdar (Din 07591339) as remuneration for any financial year in case of absence or inadequacy of profits for such year.

Particulars required under schedule V and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Appointment of Mrs. ILABEN DINESHBHAI PAGHDAR are as under:

I. GENERAL INFORMATION:				
1.	Nature of industry	Cotton Spinning		
2.	Date or expected date of commencement of commercial production	28.10.2014		
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable		
4.	Financial performance based on given indicators	Financial Performance of the Company for the year ended 31st March, 2023: (Rs. In Lacs)		
		Revenue from operations:-	13553.25	
		Other Income:	238.91	
		Total Expenditure:	13792.16	
		Net Profit before tax:	(276.43)	
		Profit after tax (after deducting comprehensive income):	(259.21)	
5.	Export performance and foreign exchange earned for the financial year ended	Foreign Exchange Earning And Out Go:		
		Particular	2022-23	2021-22
		i. Total foreign exchange used (Rs.)	--	--
		ii. Total foreign exchange earned on F.O.B basis (Rs.)	--	--
6.	Foreign Investments or collaborators, if any	No such investment or collaboration except minor shareholding of Non Resident Indian.		
II. INFORMATION ABOUT THE APPOINTEE:				
1.	Background details	Name : Mrs. Ilaben Dineshbhai Paghdar Designation:- Executive Director Age:- 46 (DOB : 23/07/1976) Experience:- more than 7 years in cotton spinning industry she is Director of the Company since last 7 years Qualification:- Higher Secondary Directorship of the other Company:		
		Company	Designation	
		None	-	
2.	Past remuneration	12,00,000 P.A. and rest all other terms and conditions and perquisites as stated in special Resolution dated 28/09/2018		

3.	Recognition or awards	NA
4.	Job profile and his suitability.	She is conversant with day to day transaction of the company. Further she is competent to handle all administration work in the Company.
5.	Remuneration proposed	15,00,000 P.A.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration proposed is within the maximum permissible remuneration as per Schedule V of the Companies Act, 2013 after comparisons of remuneration package of other industry and Companies of the same size for this position.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial Personnel, if any. (As on cut of date for notice dispatch to members)	Apart from post of Executive Director, she holds 10,07,676 Equity Shares at the Face value of Rs. 10/- each of the Company in his individual capacity.

III. OTHER INFORMATION

1.	Reasons of loss or inadequate profits	<p>The Company has reported a turnover of Rs. 13792.16 Lacs for the year ended on 31st March, 2021 as against Rs. 17557.22 Lacs for the previous year ended on 31st March, 2022.</p> <p>The major factors Contributing to inadequate profits are war between Ukraine and Russia and the unexpected fluctuation in price of raw material and yarn in the first half year. Both the factors have dropped down drastically resulting in reduced margins of the Company.</p> <p>The proposed remuneration is less than the maximum permissible remuneration prescribed as per Schedule V of the Companies Act, 2013 in case of no profits/ inadequate profits pursuant to the approval of the shareholders.</p>
2.	Steps taken or proposed to be taken for improvement	To address these challenges, the Company has initiated several measures towards achieving organizational and operating efficiencies, alongside working on improvements in process and controls. These cut across manufacturing, quality and other domains, and address issues of cost controls, value analysis.
3.	Expected increase in productivity and profits in measurable terms	It is difficult to forecast the productivity and profitability in measurable terms. However, the Company expects that productivity and profitability may improve and would be comparable with the industry average.

(IV) DISCLOSURES

1.	The Shareholders of the Company shall be informed of the remuneration package of the managerial person.	The remuneration paid to Mrs. Ilaben Paghdar as stated above Rs. 15,00,000 per annum up to three years from the effective date and rest all other terms and conditions and perquisites more particularly described in appointment letter that will be available for inspection to the members.
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Information pursuant to 1.2.5 of the Secretarial Standard on General Meetings (SS- 2) regarding Director seeking appointment / re-appointment

Mrs. ILABEN DINESHBHAI PAGHDAR

Age	46 Years
Qualifications	H.S.C.
Experience	7 Years in cotton Industries
Terms and conditions of appointment or re-appointment	<p>Substantial Terms and Conditions of Appointment are as under;</p> <ol style="list-style-type: none"> 1) Tenure of this remuneration shall be Three years with effect from 01st October 2023. 2) Mrs. Ilaben Dineshbhai Paghdar- as Executive Director of the Company shall liable to retire by rotation. The executive Director shall be entitled to such other privileges, allowance, facilities and amenities in accordance with rules and regulations as may be applicable to other employees of the Company and as may be decided by the Board, within the overall limits of Rs. 15,00,000/- (Rupees Fifteen Lacs Only)per annum as specified. 3) The company shall pay any remuneration to the executive Director as per decision of the Board of Director which should be as prescribed by The Companies Act, 2013 or any modification or alteration or replacement of the Such Act. The company shall reimburse of actual expenses incurred by the executive Director in connection with the company's business. 4) Proposed remuneration is payable to the executive Director subject to profitability of the company i.e the Board of Directors can mutually reduce the remuneration on the base of financial performance of the company subject to upper limit of Rs. 15,00,000/- (Rupees Fifteen Lacs Only)per annum as specified. 5) The appointment shall be governed by Section 196, 197, 203 read with Schedule V of the Companies Act, 2013 and rules made thereunder 6) The separation from this engagement could be effected by either side giving One months' notice
Proposed Remuneration	Rs. 15,00,000/- (Rupees Fifteen Lacs) per annum

Last drawn remuneration	Rs. 8,40,000/- (Rupees Eight Lacs Forty Thousand Only) p.a
Date of first appointment on the Board	16 th August, 2018.
No. of share held	10,07,676 Shares
Relationship with Directors, Managers & KMP	Not Related with any Existing Director and KMPs
Number of Board Meeting attended during Previous Financial Year	ALL
Chairman/ Member of the Committees of Boards of other companies	Chairman in 1 Committee and Member In 1 Committee

By order of the Board of Directors,
AKSHAR SPINTEX LIMITED

HARIKRUSHNA S. CHAUHAN
Chairman cum Whole Time Director
DIN: 07710106

Place: Haripar (Jamnagar)

Date: 25.08.2023

DIRECTORS' REPORT

To,
Members of AKSHAR SPINTEX LIMITED,

The Directors of your Company are pleased to present the 10th Annual Report of the business and operations of the Company along with the Audited Financial Statements for the financial year ended 31st March, 2023.

FINANCIAL RESULTS

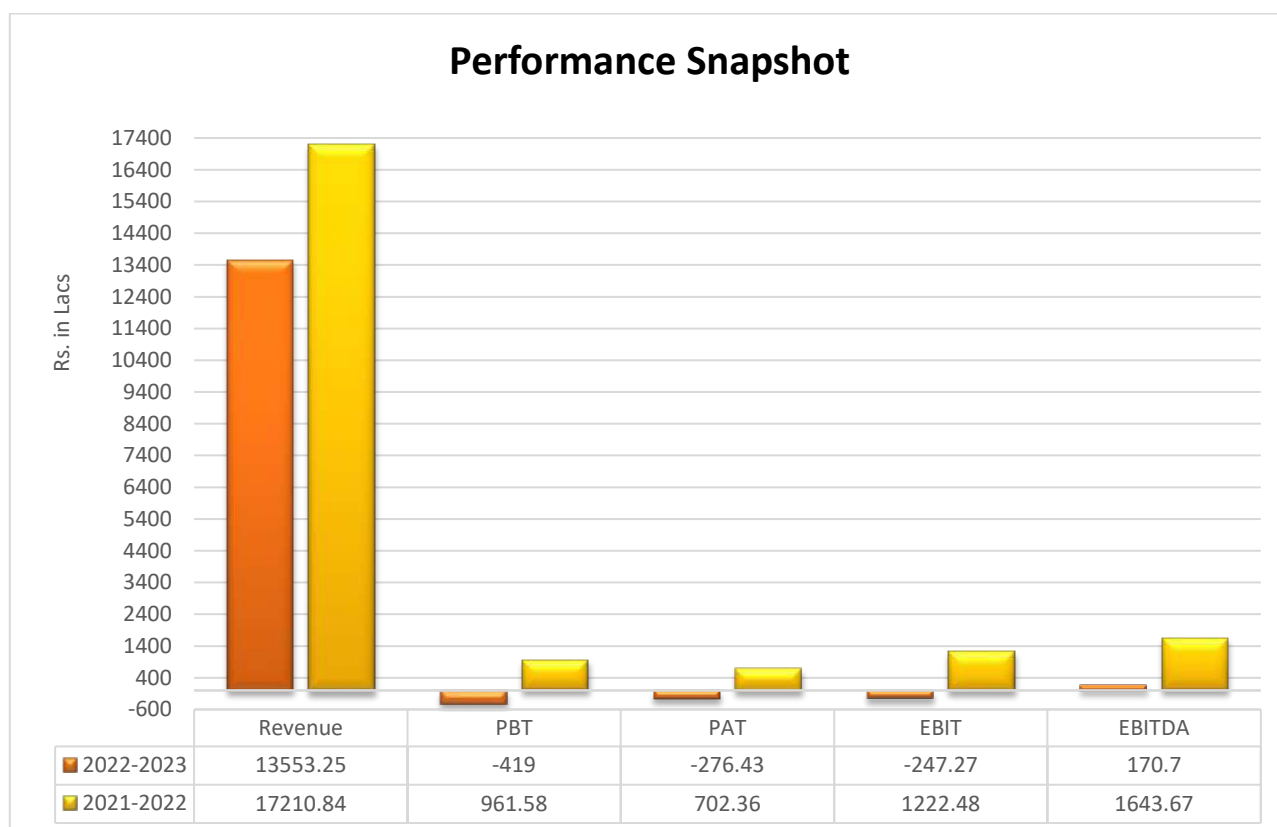
The financial performance of your Company for the financial year ended on 31st March, 2023 is as under: -
(Rs. In Lakhs)

Particulars	2022-2023	2021-2022
Revenue from Operations	13,553.25	17,210.84
Other Income	238.91	346.38
Total Revenue	13,792.16	17,557.22
Cost of Materials Consumed	11,806.26	12,252.94
Purchase of Stock in trade	348.72	1,659.31
Change in Inventories	(125.58)	(165.54)
Employee Benefit Expense	504.63	749.83
Finance Costs	171.73	256.23
Depreciation and Amortization Expenses	426.97	421.19
Other Expenses	1078.42	1417.01
Total Expenditures	14,211.16	16,590.97
Profit before exceptional items and tax	(419.00)	966.25
Exceptional income/(expenses)-Net	-	-
Profit before tax	(419.00)	966.25
Tax Expenses:		
Current Tax	-	160.51
Mat Credit Availment / Entitlement	-	(44.21)
Prior Period Tax	(31.64)	(9.29)
Deferred Tax	(110.92)	156.89
Profit After Tax	(276.43)	702.36
Other Comprehensive Income/(Expense) (OCI) net of tax expense		
(1) Items that will not be reclassified to Profit and Loss Account		
Less: Income Tax impact on above		
Account	23.28	(4.67)
Less: Income Tax impact on above	6.05	
	-	-
Total Other Comprehensive Income/(Expenses) (OCI) net of tax expense	17.22	(4.67)
Total Comprehensive Income	(259.21)	697.69
Earnings per Share:		
Basic	(1.11)	2.81
Diluted	(1.11)	2.81

FINANCIAL ANALYSIS AND REVIEW OF OPERATIONS

Sales & Profitability Review

During the year under review the Company has generated revenue from its operation of Rs. 13,553.25/- Lacs, lesser over the previous year's revenue of Rs. 17,210.84/- Lacs. The Company has booked profit before depreciation, interest and tax of Rs. 179.70/- Lacs as against Rs. 1643.67/- Lacs in the previous year. After providing for depreciation of Rs. 426.97/- Lacs (previous year Rs. 421.19/- Lacs), interest of Rs. 171.73/- Lacs (previous year Rs. 256.23/- Lacs), provision for current tax of Rs. Nil (previous year Rs. 160.51/- Lacs), deferred tax (net of adjustments) of Rs. (110.92)/- Lacs (previous year Rs. 156.89/- Lacs), the Net Loss After Tax worked out to Rs. (276.43)/- Lacs as compared to Profit of Rs. 702.36/- Lacs in the previous year.



REASON OF DECREASED REVENUE DURING THE YEAR 2022-2023

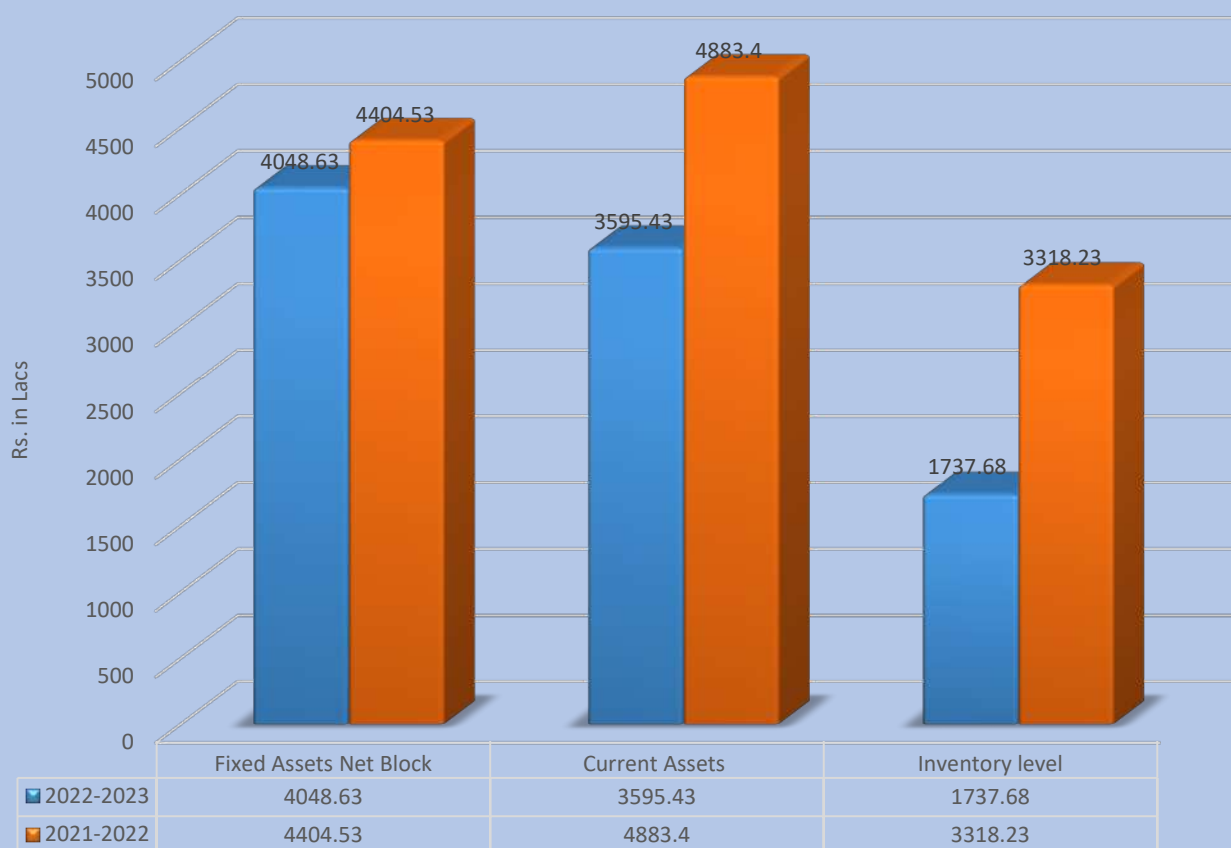
- ❖ Shortage of Cotton which is the primary raw material for yarn manufacturing which is an agriculture produce. Prices of cotton were too high. Its supply and quality are subject to forces of nature. Any increase in the prices of raw cotton will make the things difficult for the Textile Industry resulting weak demand and thin margins. Thus availability of raw cotton at the reasonable prices is crucial for the spinning industry. Any significant change in the raw cotton prices can affect the performance of the Industry.
- ❖ Growth prospects weakened due to unprecedented increase in the prices of commodities because of the ongoing conflict between Russia & Ukraine which has put breaks on the growth of the Global economies. The sharp rise in the fuel and food prices, high rate of inflation and tightening of monetary policy in several countries has further aggravated the problems for the Global Economies. In addition frequent and wider-ranging lockdown in china including in key manufacturing hubs have also slow down the economic activity and has thus caused new

bottlenecks in Global supply chain. Indian Textile Industry continues to face stiff competition from China, Bangladesh, Taiwan, Sri Lanka and other emerging economies who have got the preferred treatment from the countries of European Union and U.S.A.

- ❖ Due to war between Russia & Ukraine recession arisen in European Unions (EU)/countries and. The government has also resumed negotiations with the European Unions (EU) for agreement on Trade and Investment which will help in tapping uncharted export markets.
- ❖ We can say that Dollar price fluctuation is one the factor affected to all industries, you are well aware about dollar price fluctuation in last six months.

We are committed to achieve manufacturing excellence through adopting new technology and de-bottlenecking our constraints. Savings from the modernization is expected to be achieved during current year. War between Russia and Ukraine is resulting in supply chain disruptions and slowdown in the manufacturing sector all over the world particularly in Europe and America. This resulted in substantial decrease in exports due to lack of demand overseas, over supply in domestic market affected yarn prices adversely. Also, due to high cotton prices a part of cotton yarn production was diverted to synthetic yarn which has caused serious over supply in the market. Your Company, is reasonably optimistic and is evaluating all possible avenues to maintain profitability. The efforts to keep costs under control continue with emphasis on improved productivity and profitability.

Resources Utilization Snapshot





CHANGE IN THE NATURE OF BUSINESS:

There has been no change in the nature of business of the company.

DECLARATION OF DIVIDEND:

For the year under review, for furtherance of business and to meet day-to-day operational activities, your Board of Directors has decided to not recommend any dividend for the F.Y. 2022-2023.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

During the year under review, there were no instances incurred pursuant to which Company would require to transfer any amount to Investor Education and Protection Fund. Hence no reporting under this is required.

TRANSFER TO RESERVE:

The Board of Directors of your Company proposed not to transfer any amount to the General Reserves, for the year ended March 31, 2023.

HOLDING/SUBSIDIARY/ASSOCIATE:

The Company has no Holding, Subsidiary and Associate Company.

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

The Company has applied to the Bombay Stock Exchange ("BSE") National Stock Exchange of India Limited ("NSE") for Sub-Division/Split of every 1 (One) equity share of face value of Rs. 10/- (Rupees Ten Only) each into 10 (Ten) equity shares of face value of Re. 1/- (Rupee One Only) each. It is pleasure to the Company and matter of appreciation that Company has got approval on August 1, 2023 for Split/Sub-Division of Shares from BSE & NSE.

There are no other material changes and commitments, affecting the financial position of the Company, have occurred between the ends of financial year of the Company i.e. March 31, 2022 to the date of this Report.

CAPITAL STRUCTURE:

During the year under review, there was no change in the Authorized Share Capital and Paid-up Share Capital of the company. At present Authorized capital of the company is Rs. 250,000,000/- (Twenty-Five Crore Only) divided into 25,000,000 (Two Crore Fifty Lacs) Equity Shares of Rs. 10/- each, and Paid-Up Capital of the Company is Rs. 249,990,000/- (Twenty-Four Crore Ninety-Nine Lacs Ninety Thousand Only) divided into 24,999,000 (Two Crore Forty-Nine Lacs Ninety-Nine Thousand) Equity Shares of Rs. 10/- each.

The Company has not come up with any Right issue, Issue of Employee Stock Options, Issue of Sweat Equity Shares, Issue of Debentures, issue of Bonds etc.

CREDIT RATING:

During the year under review, Credit rating is not applicable to the company.

LISTING OF SECURITIES WITH STOCK EXCHANGE:

The Equity Shares 24,999,000 (Two Crore Forty-Nine Lacs Ninety-Nine Thousand) of Rs. 10/- each of the Company are listed and traded at BSE & NSE Main Board.

DIRECTORS

The Board comprised of 6 (Six) Directors with combination of executive and non-executive directors, details of which are tabled below:

Sr No.	Name of Persons	Designation	Director Identification Number (DIN)
1	HARIKRUSHNA SHAMJIBHAI CHAUHAN	Chairman & Whole Time Director	07710106
2	AMIT VALLABHBHAI GADHIYA	Managing Director	06604671
3	ILABEN DINESHBHAI PAGHDAR	Executive Director	07591339
4	NIRALA INDUBHAI JOSHI	Independent Director	08055148
5	ROHIT BHANJIBHAI DOBARIYA	Independent Director	08085331
6	PARSHOTAM VASOYA	Independent Director	09229252

The Company has received declarations from all the directors and with reference to that, there was no disqualification of any Director pursuant to Section 164 (2) of the Companies Act, 2013.

Independent Directors:**Declaration under Section 149(6):**

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of the independence as laid down under section 149(6) of the Companies Act, 2013 and under Regulation 16 (1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In accordance with the provisions of the Companies Act, 2013, none Of the Independent Directors is liable to retire by rotation, they have complied with the Code for Independent Directors prescribed in Schedule IV of the Companies Act, 2013.

In terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by The Indian Institute of Corporate Affairs, Manesar ("IICA"). The Independent Directors are also required to undertake online proficiency self-assessment test conducted by the IICA within a period of 2 (two) years from the date of inclusion of their

names in the data bank, unless they meet the criteria specified for exemption. All the independent director has passed the said test in due course.

In the opinion of Board, Independent Directors fulfill the conditions specified in Companies Act, 2013 read with schedules and rules thereto as well as SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Independent Directors are independent of management.

The Company has a Code of Conduct for the Directors and Senior Management Personnel. This Code is a comprehensive code applicable to all Directors and members of the Senior Management. A copy of the Code has been put on the Company's website www.aksharspintex.in

The Code has been circulated to all the Members of the Board and Senior Management Personnel and they have affirmed compliance of the same.

Formal Updation Programs for Independent Directors:

The Company conduct familiarization and Updation programs for independent directors on need basis. Conducted by knowledgeable persons from time to time. The Policy of Familiarization has been place at <http://aksharspintex.in/pdf/Corporate%20Governance/Famalisation%20Programme.pdf>

KEY MANAGERIAL PERSONNEL:

Pursuant to the provisions of Section 2 (51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The following have been designated as the Key Managerial Personnel of the company as on 31/03/2023:

Sr. No.	Name	Designation
1	Mr. Harikrushna Shamjibhai Chauhan	Chairman cum Whole Time Director
2	Mr. Amit Vallabhbhai Gadhiya	Managing Director
3	Mr. Jagdish D. Otradi (Resigned w.e.f. 27 th May, 2023)	Chief Financial Officer
4	Mr. Pratik M. Makwana (Resigned w.e.f. 31 st July, 2023)	Company Secretary

NUMBER OF BOARD MEETINGS:

During the year, 8 (Eight) Board meetings were convened and held. The details thereof are given in the Corporate Governance Report which forms part of this Annual Report in the form of “**Annexure-I**”. The maximum interval between any two meetings did not exceed 120 days, as prescribed by the Companies Act, 2013.

COMMITTEES OF THE BOARD:

The following Committees constituted by the Board function according to their respective roles and defined scope in terms of the provisions of the Companies Act, 2013 & SEBI (LODR) Regulations 2015 read with rules framed thereunder:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Risk Management Committee
- Corporate Social Responsibility Committee
- Complaints Committee for Sexual Harassment Complaints Redressal

Details of composition, terms of reference and number of meetings held for respective committees are given in the Report on Corporate Governance, which forms a part of this Annual Report as “**Annexure-I**”. During the year under review, the Board has accepted all recommendations made by the various committees.

MEETING OF INDEPENDENT DIRECTORS

Further, the Independent Directors, at their exclusive meeting held on 14th November, 2022 during the year reviewed the performance of the Board, its Chairman and Non-Executive Directors and other items as stipulated under the Companies Act, 2013 and Listing Regulations.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS/NON-EXECUTIVE DIRECTORS:

All the Independent Directors of the Company are made aware of their roles and responsibilities at the time of their appointment through a formal letter of appointment, which also stipulates various terms and conditions of their engagement. Executive Directors and Senior Management provide an overview of the operations and familiarize the new Non-Executive Directors on matters related to the Company's values and commitments. The Directors are provided with all the documents to enable them to have a better understanding of the Company, its various operations and the industry in which it operates.

Pursuant to Regulation 25(7) of the Listing Regulations, the Company imparted various familiarization programmes for its Directors including review of Industry Outlook at the Board Meetings, Regulatory updates at Board and Audit Committee Meetings covering changes with respect to the Companies Act, 2013, Listing Regulations, Taxation and other matters, Presentations on Internal Control over Financial Reporting, Operational Control over Financial Reporting, Prevention of Insider Trading Regulations, Framework for Related Party Transactions, Plant Visit, Meeting with Senior Executive(s) of your Company,

etc. Pursuant to Regulation 46 of the Listing Regulations, the details required are available on the website of your Company at www.aksharspinte.in.

FORMAL ANNUAL EVALUATION:

The Board of Directors has carried out an annual evaluation of its own performance, its Committees and individual Directors pursuant to the requirements of the Act and the Listing Regulations.

In line with Corporate Governance of the company, the Board generally performs the major roles such as give directions in the form of strategic decisions, provide control and support through advice to the management of the company. It becomes imperative to evaluate the performance of the board as they are perform their duties on behalf of stakeholders and protection of their interest is supremacy of any organization.

Further, the Board always emphasis the requirements of an effective Board Evaluation process and accordingly conducts the Performance Evaluation every year in respect of the following:

- i. Board of Directors as a whole.
- ii. Committees of the Board of Directors.
- iii. Individual Directors including the Chairman of the Board of Directors.

Board Evaluation helps to identify areas for potential adjustment and provides an opportunity to remind directors of the importance of group dynamics and effective board and committee processes in fulfilling's board and committee responsibilities.

The Main object of performance evaluation defined as per the below:

1. Improving the performance of Board towards corporate goals and objectives.
2. Assessing the balance of skills, knowledge and experience on the Board.
3. Identifying the areas of concern and areas to be focused for improvement.
4. Identifying and creating awareness about the role of Directors individually and collectively as Board.
5. Building Teamwork among Board members.
6. Effective Coordination between Board and Management.
7. Overall growth of the organization.

Performance evaluation of the Board based on criteria such as composition and role of the Board, Board communication and relationships, functioning of Board Committees, review of performance of Executive Directors, succession planning, strategic planning, etc.

Performance evaluation of Committees based on criteria such as adequate independence of each Committee, frequency of meetings and time allocated for discussions at meetings, functioning of Board

Committees and effectiveness of its advice/recommendation to the Board, etc.

The meeting of Independent Directors held separately to evaluate the performance of non-independent

Directors, performance of the board as a whole and performance of the Chairman, taking into account the views of Executive Directors and Non-Executive Director. The same was discussed in the Board Meeting that followed the meeting of the independent directors, at which the performance of the

Board, its Committee and Individual Directors was also discussed. The entire board, excluding the independent director being evaluated, did performance evaluation of Independent Directors.

POLICY ON BOARD DIVERSITY:

The Nomination and Remuneration committee has framed a policy for Board Diversity, which lays down the criteria for appointment of Directors on the Board of your Company and guides organization's approach to Board Diversity.

The Board of Directors is responsible for review of the policy from time to time. Policy on Board Diversity has been placed on the Company's website at

<http://aksharspintex.in/pdf/Corporate%20Governance/Board%20Diversity%20Policy.pdf>

POLICY ON CODE OF CONDUCT:

The Board of your Company has laid down two separate Codes of Conduct, one for all the Board Members and the other for Employees of the Company. This Code is the central policy document, outlining the requirements that the employees working for and with the Company must comply with, regardless of their location. Policy on code of conduct has been placed on the Company's website at

<http://aksharspintex.in/pdf/Corporate%20Governance/Code%20of%20Conduct%20for%20Senior%20Management.pdf>

POLICY FOR DETERMINATION OF MATERIALITY OF ANY EVENT/ INFORMATION:

This policy requires the Company to make disclosure of events or information which are material to the Company as per the requirements of Regulation 30 of the Listing Regulations. Policy has been placed on the Company's website at

<http://aksharspintex.in/pdf/Corporate%20Governance/Materiality%20Event.pdf>

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The Company has framed a Nomination and Remuneration Policy for selection and appointment of Directors including determining qualifications and independence of a Director, Key Managerial Personnel (KMP), Senior Management Personnel and their remuneration as part of its charter and other matters provided under Section 178(3) of the Companies Act, 2013.

The Nomination and Remuneration Policy has been placed on the website of the Company at <http://aksharspintex.in/pdf/Corporate%20Governance/Nomination%20and%20Remuneration%20Policy.pdf>

ARCHIVAL POLICY:

As per the policy, the events or information which has been disclosed by the Company to the Stock Exchanges pursuant to Regulation 30 of the Listing Regulations shall be hosted on the website of the Company for a period of 5 years from the date of hosting. Archival Policy has been placed on the Company's website at;

<http://aksharspintex.in/pdf/Corporate%20Governance/Web%20Archival%20Policy.pdf>

CODE FOR PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct to regulate, monitor and report trading by designated persons and their immediate relatives as per the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. This Code of Conduct also includes code for practices and procedures for fair disclosure of unpublished price sensitive information, which has been available on the Company's website at;

<http://aksharspintex.in/pdf/Corporate%20Governance/Insider%20Trading.pdf>

POLICY FOR DETERMINING MATERIAL SUBSIDIARIES:

The policy is used to identify material subsidiaries of the Company and to provide a governance framework for such material subsidiaries. Policy on determining Material Subsidiaries has been placed on the Company's website at;

<http://aksharspintex.in/pdf/Corporate%20Governance/Policy%20for%20Determining%20Material%20Subsidiary.pdf>

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134(5) of the Companies Act 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- In the preparation of the annual accounts, the applicable accounting standards had been followed and there were no material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2023 and of the profit of the Company for that period;
- 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;
- the Directors had prepared the annual accounts on a going concern basis;
- the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- 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.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System including Internal Financial Controls, commensurate with the size, scale and complexity of its operations as approved by the Audit Committee and the Board. The Company maintains a system of internal controls designed to provide reasonable assurance regarding:

- Effectiveness and efficiency of operations.
- Adequacy of safeguards for assets.
- Reliability of financial controls.
- Compliance with applicable laws and regulations.

The Company recognizes that the Internal Financial Controls cannot provide absolute assurance of achieving financial, operational and compliance reporting objectives because of its inherent limitations. In addition, projections of any evaluation of the Internal Financial Controls to future periods are subject to the risk that the Internal Financial Controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Further, the Internal Financial Control framework is under constant supervision of Audit Committee, Board of Directors and Independent Statutory Auditors. During the year, no reportable material weakness in the design or operations was observed. The stakeholder may refer to the Audit report for comment on internal control system and their adequacy.

FRAUDS REPORTED BY THE AUDITORS:

No fraud has been reported by the Auditors to the Audit Committee or the board as specified under Section 143(12) of the Companies Act, 2013.

PUBLIC DEPOSITS:

During the year under review, the Company has not accepted deposits within the meaning of Section 73 to 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014. The stakeholders may refer notes to the financial statements and audit report part of this report.

REMUNERATION OF DIRECTORS AND EMPLOYEES:

Pursuant to Section 134(3) (q) and Section 197 (12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended March 31, 2022 and forming part of the Directors' Report for the said financial year is provided in "Annexure –II".

PARTICULARS OF EMPLOYEES:

The Company has no employee who is in receipt of remuneration of Rs. 8,50,000/- per month or Rs. 10,200,000/- per annum and hence the Company is not required to give information under sub Rule (2) and (3) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CORPORATE SOCIAL RESPONSIBILITY:

The Company's vision on CSR is that the Company being a responsible Corporate Citizen would continue to make a serious endeavor for a quality value addition and constructive contribution in building a healthy and better society through its CSR related initiatives and focus on education, environment, health care and other social causes.

The Corporate Social Responsibility (CSR) Policy of the Company indicating the activities to be undertaken by the Company, as approved by the Board, may be accessed on the Company's website at the link <http://aksharspintex.in/pdf/Corporate%20Governance/CSR%20Policy.pdf>

The disclosures related to CSR activities pursuant to Section 134(3) of the Companies Act, 2013 read with Rule 9 of Companies (Accounts) Rules, 2014 and Companies (Corporate Social Responsibility) Rules, 2014 is annexed hereto and form part of this report as "Annexure III".

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

All contracts/arrangements/transactions entered into by the Company during the financial year with related parties were in the ordinary course of business and on 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 the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC-2 is not applicable still better compliance we have given AOC-2 as a part to this report. The Policy on dealing with related party transactions as approved by the

Board may be accessed on the Company's website at the link

<http://aksharspintex.in/pdf/Corporate%20Governance/Related%20Party%20Policy.pdf>

Your directors draw attention of the members to Note 33 to the financial statement which sets out related party transaction disclosures.

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

Company has not given any loans, guarantees, not made investments, and not provided securities along with the purpose for which the loan or guarantee or security is proposed. So, section 186 is not applicable to the company.

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

Your Company has constituted Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has a policy and framework for employees to report sexual harassment cases at workplace for employee which is free of discrimination, further the Company conducts awareness programme at regular interval of time.

During the year under review, no complaints with allegations of sexual harassment were received as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

The information pertaining to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014 are as stated below:

(A) Conservation of energy-

Your Company is committed to sustainable business practices by contributing to environment protection and considers energy conservation as one of the strong pillars of preserving natural resources. This also helps in reducing carbon footprint across all its operations and improve the bottom-line under our 'Mission Sustainability'.

- I. The steps taken or impact on conservation of energy: -
- II. The Company applies strict control system to monitor day-to-day power consumption in an effort to save energy. The Company ensures optimal use of energy with minimum extent of wastage as far as possible.
- III. The steps taken by the company for utilizing alternate sources of energy; The Company has not taken any step for utilizing alternate source of energy.
- IV. The capital investment on energy conservation equipment;

During the year under review, the Company has not made any capital investment on energy conservation equipment.

Power and Fuel Consumption:

• Power Consumption:

Particulars	Units	Rate per unit	Amount
Total Units	9403560	8.81	82,819,026/-

• Fuel Consumption:

Diesel Consumed (Factory)	132338 /-
Diesel& Petrol Consumed (Vehicle)	442305/-

(B) Technology absorption-

Your Company is committed towards technology driven innovation and inculcating an innovation driven culture within the organization. Your Company continued to work on advanced technologies, upgrade of existing technology and capability development in the critical areas for current and future growth.

- I. The efforts made towards technology absorption;
- II. The Company has not made any special effort towards technology absorption. However, company is always prepared for update its factory for new technology.
- III. The benefits derived like product improvement, cost reduction, product development or import substitution: Not applicable
- IV. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year: Not applicable
- V. The details of technology imported: Not applicable
- VI. The year of import: Not applicable
- VII. Whether the technology been fully absorbed: Not applicable
- VIII. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not applicable
- IX. The expenditure incurred on Research and Development- Not applicable

(C.) Foreign exchange earnings and Outgo-

Particulars	F.Y. 2022-2023	F.Y. 2021-2022
Foreign Exchange Earnings (in Rs.)	NIL	NIL
Foreign Exchange Outgo (in Rs.)	NIL	NIL

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report for the year under review as stipulated under Regulation 34(2) (e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section as an **"Annexure IV"** forming part of this Annual Report.

CORPORATE GOVERNANCE:

Pursuant to Regulation 34 of the SEBI Listing Regulations, Report on Corporate Governance along with the certificate from a Practicing Company Secretary certifying compliance with conditions of Corporate Governance is part to this Report. The Report on the Corporate Governance is annexed herewith as **"Annexure -I"**.

AUDITORS & AUDITORS REPORT:

Statutory Auditor;

Pursuant to provisions of Section 139 of the Companies Act, 2013, M/s. H. B. Kalaria & Associates, Chartered Accountants (FRN: 104571W), were appointed as a Statutory Auditors of the Company to hold office from Conclusion of 8th Annual General Meeting till the conclusion of 13th Annual General Meeting to be held for the Financial Year ended on 31st March, 2026. The statutory auditors have confirmed that they are not disqualified from continuing as auditors of the Company

Further, the Statutory Auditor of the Company have submitted Auditors' Report on the accounts of the Company for the accounting year ended 31st March, 2023.

This Auditors' Report is self-explanatory except some remarks. The Clarification by board of Director for such points are provided hereunder;

As per Note 2.5 of the section Summary of Significant Accounting Policies the Company has not complied with the provisions of AS 15 – Employee Benefits with respect to creating a provision for leave encashment expense payable to its employees. In the matter it is clarified that the Company determines the liability for defined benefit plans on actual payment basis only.

The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets; the quarterly returns/statements filed by the Company with the banks during the reporting period are not in agreement with the books of accounts of the Company. The details regarding such reconciliation is as disclosed in note [31.1] of the financial statements.

There were undisputed amounts payable in arrears as at the balance sheet date for a period of more than six months from the date they became payable. The details of which are as follows:

The Company has generally been regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities apart from a few delays in the payment of professional tax.

There were undisputed amounts payable in arrears as at the balance sheet date for a period of more than six months from the date they became payable. The details of which are as follows:

Name of statute	Nature of dues	Amount unpaid (in Rs. lacs)	Period to which the amount relates	Due date of payment	Actual date of payment
Gujarat Professional Tax Act	Professional Tax	4,97,320	F.Y. 2020-21	Monthly	Not paid till date of report
Gujarat Professional Tax Act	Professional Tax	5,09,330	F.Y. 2021-22	Monthly	Not paid till date of report

Secretarial Auditor;

CS Piyush Jethva, Company Secretaries in Practice, was appointed as a Secretarial Auditors of the Company for the Financial Year 2022-2023 and have submitted their Report in Form No. MR-3 as required under Section 204 of the Companies Act, 2013 for the financial year ended 31st March, 2023. The Report forms part of this report as “**Annexure V**”.

This Secretarial Auditors’ Report is self-explanatory except some remarks. The explanation is provided hereunder;

The remuneration to one Director is in excess of the limit prescribed under the section 197 of the Companies Act, 2013. It is clarified that the management is expecting good profit for the year ended on 31st March 2023 considering the previous year profit. However due to sudden burst of war between Russia and Ukraine, the demand of cotton and cotton product was drastically dropped and accordingly it has very bad effect on the profit ration of the company. As a result, company booked loss instead of profit during the year. Due to that reason the remuneration paid was result in excess remuneration from what is specified under section 197 of the Companies Act, 2013. However, the Nomination and remuneration committee has revied the same and recommended to board for waiver of the same. The Board also approved the waiver subject to approval by the Member as per section 197 (10) of the Companies Act, 2013. The approval of Share holder is requested in the matter in pursuing Annual General Meeting.

The Internal auditor was resigned from w.e.f 12th August 2022. The Company is in search of suitable person who can do the duty of Internal Auditor in proper manner. Till 31st March 2023, the company is not able to search such person so the post of Internal Auditor is vacant. The Management are very sure to fill the vacancy as soon as possible.

Due to heavy loss during the year. The company was facing heavy financial crisis, so during the year 2022-23, obligation towards expense of Corporate Social Responsibility is not fulfilled by the Company. However, the Company will comply with the provision of Section 135 in case of non-fulfillment of obligation towards expense of Corporate Social Responsibility.

Cost records and audit;

Cost Audit Report on cost records of the company for the financial year 2021-22 received from M/s. Mitesh Suvagiya & Co., Cost Auditor of the Company as placed before the meeting and initialed by chairman for the purpose of Identification considered and taken on note.”

M/s. Mitesh Suvagiya & Co., Cost Accountant, have appointed as a Cost Auditor of the Company, by the Board of Directors in their Meeting held on 27th May, 2023 on the recommendation of the Audit Committee, to conduct the Cost Audit of the records for the Financial Year 2023-2024 on a remuneration as mentioned in the Notice of Annual General Meeting for conducting the audit of the cost records maintained by the Company.

A Certificate from M/s. Mitesh Suvagiya & Co. Cost Accountants has been received to the effect that their appointment as Cost Auditor of the Company, if made, would be in accordance with the limits specified under Section 141 of the Act and Rules framed thereunder. A resolution seeking Member's ratification for the remuneration payable to Cost Auditor forms part of the Notice of the Annual General Meeting of the Company and same is recommended for your consideration and approval.

Internal Auditor;

During the year under review, Mr. Mehulkumar Parmar, an Internal Auditor has resigned from the Company w.e.f. 12th August, 2022. The Company is not able to appoint internal auditor up to the 31st March 2023.

RISK & MITIGATING STEPS:

The Board has adopted a risk management policy where various risks faced by the Company have been identified and a framework for risk mitigation has been laid down. Even though not mandated, the Company has constituted a Risk Management Committee to monitor, review and control risks. The risks and its mitigating factors are discussed in the Board. The Risk Management Policy has been placed on the website of the Company at;

<http://aksharspintex.in/pdf/Corporate%20Governance/Risk%20Management%20Policy.pdf>

VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES:

As per the provisions of Section 177(9) and (10) of the Companies Act, 2013, Regulation 22 of the Listing Regulations and Regulation 9A of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has established a vigil mechanism through which employees and business associates may report unethical behavior, wrong doing, malpractices, fraud, violation of Company's code of conduct, leak or suspected leak of unpublished price sensitive information without fear of reprisal. The Policy provides that the Company investigates such reported matters in an impartial manner and takes appropriate action to ensure that requisite standards of confidentiality, professional and ethical conduct are always upheld.

The policy on vigil mechanism of the company is also available on the website of the company at; <http://aksharspintex.in/pdf/Corporate%20Governance/Whistle%20Blower%20Policy.pdf>



MATERIAL ORDERS OF JUDICIAL BODIES /REGULATORS:

There were no significant and material Orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future. However, some complaint was made which was in the nature of Civil and Criminal against the Company. Further one case is pending at National Company Law Tribunal, Ahmedabad as on 31st March 2023.

BUSINESS RESPONSIBILITY REPORT:

During the year under Review, the Report on Business Responsibility is not applicable to the company.

ANNUAL RETURN

Pursuant to the provision of Section 134(3(a) and Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for F.Y. 2022-23 is uploaded on the website of the Company at www.aksharpintex.in

ACKNOWLEDGEMENT:

Your directors are pleased to place on record their sincere gratitude to the Government, Financial Institutions, Bankers, Business Constituents and Shareholders for their continued and valuable co-operation and support to the Company and look forward to their continued support and co-operation in future too.

They also take this opportunity to express their deep appreciation for the devoted and sincere services rendered by the employees at all levels of the operations of the Company during the year.

For and on Behalf of Board of Directors
AKSHAR SPINTEX LIMITED

Date: 25.08.2023

Place: Haripar (Jamnagar)

Amit V. Gadhiya
Managing Director
[DIN : 06604671]

Harikrushna S. Chauhan
Chairman cum Whole Time Director
[DIN :07710106]

Form No. AOC-2

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

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

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

Sr. No.	Particulars	Information
A	Name(s) of the related party and nature of relationship	NOT APPLICABLE
B	Nature of contracts/arrangements/transactions	NOT APPLICABLE
C	Duration of the contracts / arrangements/transactions	NOT APPLICABLE
D	Salient terms of the contracts or arrangements or transactions including the value, if any	NOT APPLICABLE
E	Justification for entering into such contracts or arrangements or transactions	NOT APPLICABLE
F	Date(s) of approval by the Board	NOT APPLICABLE
G	Amount paid as advances, if any:	NOT APPLICABLE
H	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	NOT APPLICABLE

2. Details of material contracts or arrangement or transactions at arm's length basis

:→ Transaction of Rent Paid to Promoter;

Though Transaction is not Material in Nature, the details is providing for better compliance of Law

Name of Related Party	Nature of Relationship	Duration of Contract	Nature of Transaction	Amount	Approval by Board
Rekhaben Chauhan and Sonalben Sorathia (Co-Owners of Renting Premises)	Promoter and Shareholders	Continues Contracts	Renting of Premises	Rs. 360,000/-	21.05.2022

:→ Transaction of Salary paid to Relative of Director cum member

Though Transaction is not Material in Nature, The details is providing for better compliance of Law

Name of Related Party	Nature of Relationship	Duration of Contract	Nature of Transaction	Amount	Approval by Board
Pravinaben Gohil	Relative of Director	For Financial Year	Salary and Bonus	4,20,000/-	21.05.2022
Rekhaben Chauhan	Relative of Director	For Financial Year	Salary and Bonus	6,30,000/-	21.05.2022
Kantaben Gadhiya	Relative of Director	For Financial Year	Salary and Bonus	4,20,000/-	21.05.2022

For and on Behalf of Board of Directors
AKSHAR SPINTEX LIMITED

Date: 25.08.2023

Place: Haripar (Jamnagar)

Harikrushna S. Chauhan
Chairman cum Whole Time Director
[DIN :07710106]

Amit V. Gadhiya
Managing Director
[DIN : 06604671]

To
The Members
Akshar Spintex Limited

Subject: Justification for Related Party Transactions held during the Financial Year 2022-2023

1. For Taking Property on rent.

The Person is a relative of Director. The Company has taken the premises on rent. The Contract is on at arm's length. The approval of Board of Director was granted for such transaction. The Contract is not material in nature Further there is no adverse effect on interest of any members, financial institution, creditors or society at large because of this transaction.

2. For Salary to the Related Person

The persons employed by the Company are relative of Directors. However, they possess the qualification for the post on which he or she is appointed. Further they are employer of the company on regular basis. The salary is not more than what is prescribed in Rule 15 of the Companies (Meeting of Board and its Power) Rules, 2014. Accordingly, the transaction is not material in nature. Further there is no adverse effect on interest of any members, financial institution, creditors or society at large because of this transaction.

For and on Behalf of Board of Directors
AKSHAR SPINTEX LIMITED

Date: 25.08.2023
Place: Haripar (Jamnagar)

Harikrushna S. Chauhan
Chairman cum Whole Time Director
[DIN :07710106]

Amit V. Gadhiya
Managing Director
[DIN : 06604671]

[ANNEXURE-I]

Report on Corporate Governance for the year ended March 31, 2023

PHILOSOPHY ON CORPORATE GOVERNANCE

This report is prepared in accordance with Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and the report contains the details of Corporate Governance systems and processes at Akshar Spintex Limited [“Hereinafter called the company”].

Corporate Governance is the application of best management practices, compliance of law in true letter and spirit and adherence to ethical standards for effective management and distribution of wealth for sustainable development of all the stakeholders. Corporate Governance practices constitute the strong foundation on which successful organizations are built to last. The Company is committed to the adoption of best governance practices and their adherence in true spirit at all times. The Company always aims towards building trust and enhancing its stakeholders’ values on a sustainable basis. The Company strives to promote good governance practices through Transparency, Integrity, Responsibility, Passion for Excellence and Respect, towards all its stakeholders. Effective Corporate Governance practices have been the Company’s hallmark inherited from its culture and ethos.

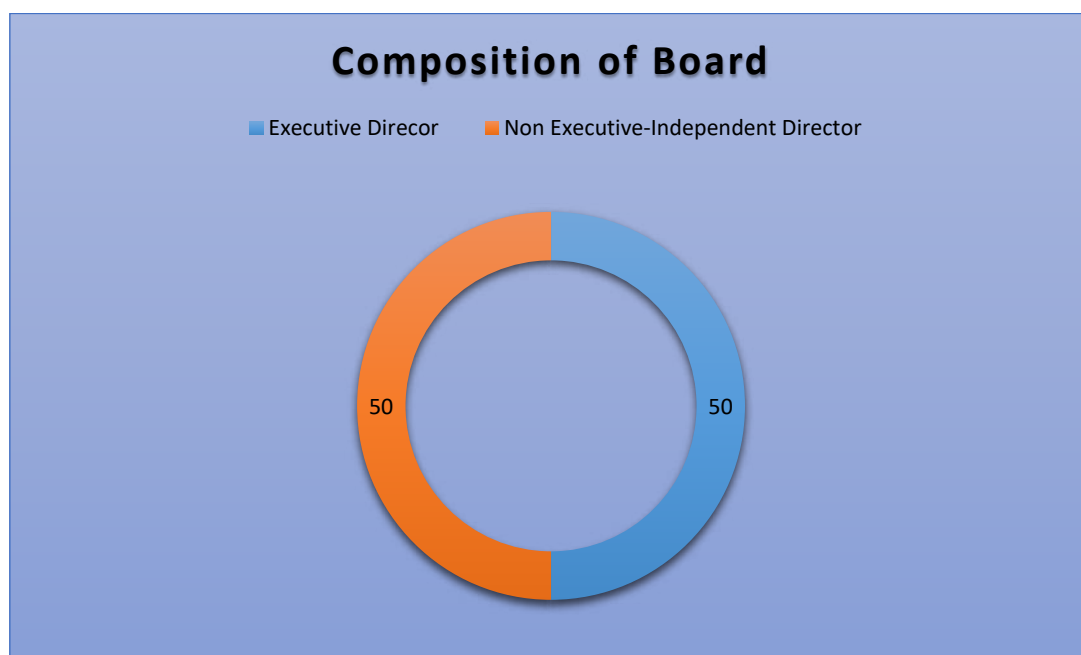
1. BOARD OF DIRECTORS:

Composition:-

The composition of the Board of the Company is in conformity with Companies Act, 2013 and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’). The Board consists of experienced and eminent professionals with expertise in varied fields. The composition of the Board, consist of an optimum mix of Independent, Non-Executive and Executive Director, The Managing Director under the superintendence of the Board including Chairman and support of the competent Management Team is responsible for overseeing the overall business performance, driving growth, implementation of the strategic decisions and ensuring overall success while adhering to the direction set by the Board.

As on financial year ended 31st March 2023, the total Board strength comprised of the following:

Category of Directors	No. of Directors	% of Total Directors
Executive Director	03	50.00
Non-Executive & Independent Director	03	50.00
Total	06	100.00



Details of Composition and category of Directors, Number of Other Directorship, Chairmanship/ Membership of Committee of each Directors:

Name of Directors	Initial Date of appointment	Date of Re-Appointment *	Category of Directorship	No. of other Directorship in Public Ltd **	No. of Board Committees in which Chairperson / Member***	
					Chairman	Member
MR. HARIKRUSHNA SHAMJIBHAI CHAUHAN	17-01-2017	08-01-2021	Chairman & Whole- Time Director	0	0	1
MR. AMIT VALLABHBHAI GADHIYA	16-03-2013	08-01-2021	Managing Director	0	0	1
MRS. ILABEN DINESHBHAI PAGHDAR	16-08-2019	29-09-2020	Executive Director	0	0	1
MR. NIRALA INDUBHAI JOSHI	17-01-2018	16-01-2023	Non-Executive Independent Director	0	1	0
MR. ROHIT BHANJIBHAI DOBARIYA	14-03-2018	13-03-2023	Non-Executive Independent Director	0	0	1
MR. PARSHOTAM VASOYA	23-08-2021	Not Applicable	Non-Executive Independent Director	0	1	1

* Mr. Nirala Indubhai Joshi (DIN: 08055148), has re-appointed for a second and final term of five consecutive years commencing from January 16, 2023 till January 15, 2028 by passing a Special Resolution in the Annual General Meeting held on 29th September, 2022.

Mr. Rohit Bhanjibhai Dobariya (DIN: 08085331), has re-appointed for a second and final term of five consecutive years commencing from March 13, 2023 till March 12, 2028 by passing a Special Resolution in the Annual General Meeting held on 29th September, 2022.

**Excludes Directorships in Private Limited Companies, Foreign Companies and Section 8 Companies.

***Only Audit Committee and Stakeholders Relationship Committee have been considered in terms of Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. ("Listing Regulations"). Membership includes Chairmanship.

2. BOARD MEETINGS:

During the Financial Year 2022-23, the Board met 8 (Eight) times i.e. 07th April, 2022, 07th May, 2022, 21st May, 2022, 06th July, 2022, 12th August, 2022, 26th August, 2022, 14th November, 2022, 10th February, 2022. The Board met at least once in every calendar quarter and the gap between any two Board Meetings did not exceed 120 days. The quorum for every Meeting of Board was met as per the Act and the Listing Regulations. The 09th AGM of the Members of the Company was held on Thursday, 29th September, 2022 at 02.00 p.m. IST through Video Conferencing / Other Audio Visual Means in compliance with the applicable provisions of the Act, rules framed thereunder and Listing Regulations read with related circulars issued by Ministry of Corporate Affairs ('MCA') and Securities and Exchange Board of India ('SEBI').

The attendance record of the directors at the Board Meetings and at previous AGM is as under:

Sr. No.	Name of Directors	No. of Board Meeting Attended	Attendance at 09 th AGM
1	MR. HARIKRUSHNA SHAMJIBHAI CHAUHAN	8 of 8	Yes
2	MR. AMIT VALLABHBHAI GADHIYA	8 of 8	Yes
3	MRS. ILABEN DINESHBHAI PAGHDAR	8 of 8	Not Attended Due to some technical issue/Internet issue
4	MR. NIRALA INDUBHAI JOSHI	8 of 8	Not attended (Leave of absence was granted)
5	MR. ROHIT BHANJIBHAI DOBARIYA	8 of 8	Yes
6	MR. PARSHOTAM VASOYA	8 of 8	Yes

- Based on the declaration submitted by the Independent Directors of the Company provided at the beginning of the Financial Year 2022-2023, the Board hereby certify that all the Independent Directors appointed by the Company fulfills the conditions specified in these regulations and are independent of the management.
- None of the Directors on the Board:
 - is a member of more than 10 Board level committees and Chairman of 5 such committees across all the
 - Public Companies in which he or she is a Director;
 - holds directorships in more than Seven Listed companies;
 - serves as Director or as Independent Directors (ID) in more than seven listed entities; and
 - who are the Executive Directors serves as IDs in more than three listed entities.

The Board meets at least once in a calendar quarter to, inter alia, approve the quarterly financial results and review the strategic business plan and operations of the Company. The annual calendar of Board Meetings is tentatively agreed upon at the beginning of each year. Additionally, Board Meetings are convened to transact special business, as and when necessary.

Agenda papers, containing all relevant information are made available to the Board well in advance to enable the Board to discharge its responsibilities effectively and take informed decisions (except unpublished price sensitive information which is circulated at a shorter notice). Presentations are also made to the Board by Business and Functional Heads on operations and various matters concerning business of the Company. The Directors also always have independent access to the Senior Management. The draft Minutes of the Meetings are circulated to the Directors for their comments and the final Minutes thereafter entered into the Minutes Book.

SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The number of Equity Shares of the Company held by Directors and Key Managerial Personnel are as under: (As on 31st March 2023)

Sr. No.	Name of Director	No. of Equity shares Held
1	AMIT VALLABHBHAI GADHIYA	18,20,100
2	ILABEN DINESHBHAI PAGHDAR	10,07,676
3	HARIKRUSHNA SHAMJIBHAI CHAUHAN	26,95,000
4	NIRALA INDUBHAI JOSHI	0
5	ROHIT BHANJIBHAI DOBARIYA	0
6	PARSHOTAM VASOYA	0
7	JAGDISH D. OTRADI	0
8	PRATIK M. MAKWANA	0

THE FOLLOWING COMMITTEES HAVE BEEN FORMED IN COMPLIANCE WITH THE CORPORATE GOVERNANCE NORMS:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship & Share Transfer Committee
- Complaints Committee for Sexual Harassment Complaints Redressal
- Corporate Social Responsibility Committee
- Risk Management Committee

The functioning of each of these Committees is regulated by the specific terms of reference, roles and responsibilities and powers as approved by the Board and as detailed in their respective Charters. The recommendations of the Committees are submitted to the Board for approval. During the year, all recommendations of the Committees were approved by the Board. Generally, Committee Meetings are held prior to the Board Meeting and the Chairperson of the respective Committees update the Board about the deliberations, recommendations and decisions taken by the Committee.

The Company Secretary of the Company acts as the Secretary to these Committees. The draft Minutes of the Committee Meetings are circulated to the respective Committee members for their comments and the final Minutes are thereafter entered into the Minutes Book.

(A) Audit Committee

The Audit Committee shall have following powers/responsibilities:

- a. To investigate any activity within its terms of reference;
- b. To seek information from any employee of the Company;
- c. To obtain outside legal or other professional advice, and
- d. To secure attendance of outsiders with relevant expertise if it considers necessary.

The Audit Committee shall mandatorily review the following information:

- i. Management discussion and analysis of financial condition and results of operations statement of significant related party transactions (as defined by the audit committee), submitted by management;
- ii. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- iii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- iv. Internal Audit reports relating to internal control weaknesses; and
- v. The appointment, removal and terms of remuneration of the Chief Internal Auditor.
- vi. Statement of Deviation.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the Audit committee has to attend the Annual General Meeting of the Company to provide clarifications on matters relating to the audit.

The role of the Audit Committee shall be as follows:

1. Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Approving payment to statutory auditors for any other services rendered by the statutory auditors;
4. Approving initial or any subsequent modification of transactions of the Company with related parties;
5. Scrutinizing inter-corporate loans and investments;
6. Valuation of undertakings or assets of the Company, wherever it is necessary;
7. Evaluation of internal financial controls and risk management systems;
8. Monitoring the end use of funds raised through public offers and related matters;

9. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - a) Matters required to be included in the Director's 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 along with 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; and
 - g) Qualifications in the draft audit report.
10. Reviewing, with the management, the half yearly financial statements before submission to the board for approval;
11. 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/ Information Memorandum /notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
12. Reviewing, with the management, performance of statutory and internal auditors, and 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. Discussing with the internal auditors any significant findings and follow up there on;
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. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. Looking 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. Reviewing the functioning of the Whistle Blower mechanism, in case the same is existing;
19. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
20. Approving the appointment of the Chief Financial Officer (i.e., the whole-time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate;

21. To investigate any other matters referred to by the Board of Directors;
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee or contained in the equity listing agreements as and when amended from time to time.

Composition

The composition of the Audit Committee meets the requirements of Section 177 of the Act and Regulation 18 of the Listing Regulations. As on the date of this report, the Committee comprises of following Directors:

Name of the Directors	Nature of Directorship	Designation in Committee
Mr. Nirala Joshi	Independent Director	Chairman
Mr. Parshotam Vasoya	Independent Director	Member
Mr. Rohit Dobariya	Independent Director	Member
Mrs. Ilaben Paghdar	Executive Director	Member

Meetings and Attendance:

During the Financial Year 2022-23, the Meeting of Audit Committee was held 04 (Four) times i.e. on 21st May, 2022, 12th August, 2022, 14th November, 2022, 10th February, 2023. The gap between any two consecutive meetings did not exceed 120 days. The details of the attendance of the Members at these Meetings are as follows:

Sr. No.	Name of the Person	Number of Meetings attended
1	Mr. Nirala Joshi	04 of 04
2	Mr. Parshotam Vasoya	04 of 04
3	Mr. Rohit Dobariya	04 of 04
4	Mrs. Ilaben Paghdar	04 of 04

(B) Nomination and Remuneration Committee:

The Company has formed Nomination and Remuneration committee in line with the provisions of Section 178 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Nomination and Remuneration Committee Meetings are generally held responsible for identifying the persons who are qualified to become Directors, their remuneration and appointment of personnel at senior level management and their removal.

The terms of reference of the Committee as per the Nomination and Remuneration Policy of the Company inter-alia includes the following:

- a) reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy, with the objective to diversify the Board;
- b) to recommend to the Board the appointment and removal of Director or KMP or Senior Management Personnel;

- c) to carry out evaluation of Director's performance;
- d) assessing the independence of Independent Directors;
- e) to make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- f) making recommendations to the Board on the remuneration/fee payable to the Directors/ KMPs/ Senior Officials so appointed/reappointed and remuneration, in whatever form, payable to senior management;
- g) Ensure that level and composition of remuneration of Directors, KMP's and Senior Management is reasonable and sufficient. The relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- h) to devise a policy on Board's diversity
- i) to develop a succession plan for the Board and Senior Management and to regularly review the plan;
- j) Specify the manner of effective evaluation of performance of Board, its Committees and Individual Directors to be carried out either by Board, the Nomination and Remuneration Committee or by independent external agency and review its implementation and compliance;
- k) Such other key issues/ matters as may be referred by the Board or as may be necessary in view of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provision of the Companies Act, 2013 and Rules thereunder.

Composition

The composition of the NRC meets the requirements of Section 178 of the Act and Regulation 19 of the Listing Regulations. As on the date of this report, the NRC comprises of following Directors:

Name of the Directors	Nature of Directorship	Designation in Committee
Mr. Rohit Dobariya	Independent Director	Chairman
Mr. Nirala Joshi	Independent Director	Member
Mr. Parshotam Vasoya	Independent Director	Member

Meetings and Attendance:

During the Financial Year 2022-23, the Meeting of NRC was held 01 (One) times i.e. on 26th August, 2022. The details of the attendance of the Members at these Meetings are as follows:

Sr. No.	Name of the Person	Number of Meetings attended
1	Mr. Rohit Dobariya	01 of 01
2	Mr. Nirala Joshi	01 of 01
3	Mr. Parshotam Vasoya	01 of 01

(C) Stakeholder's Relationship Committee:

The Company has constituted Stakeholder's Relationship Committee in compliance with the requirements of Section 178 (5) of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Terms of Reference: Redressal of shareholders' and investors' complaints, including and in respect of:

- Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
- Redressal of security holders'/investor's complaints Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
- Reviewing on a periodic basis the approval/refusal of transfer or transmission of shares, debentures or any other securities;
- Issue of duplicate certificates and new certificates on split/consolidation/renewal;
- Allotment and listing of shares;
- Reference to statutory and regulatory authorities regarding investor grievances; and
- To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
- Any other power specifically assigned by the Board of Directors of the Company

Composition

The composition of the Committee meets the requirements of Regulation 20 of the Listing Regulations. As on the date of this report, the Committee comprises the following Directors:

Name of the Person	Designation	Designation in Committee
Mr. Parshotam Vasoya	Independent Director	Chairman
Mr. Harikrushna Chauhan	Chairman cum Whole Time Director	Member
Mr. Amit Gadhiya	Managing Director	Member

Meetings and Attendance:

During the Financial Year 2022-23, the Meeting of Stakeholder Relationship Committee met 01 (One) time i.e. on 14th November, 2022. The details of the attendance of the Members at these Meetings are as follows:

Sr. No.	Name of the Person	Number of Meetings attended
1	Mr. Parshotam Vasoya	01 of 01
2	Mr. Harikrushna Chauhan	01 of 01
3	Mr. Amit Gadhiya	01 of 01

(D) Complaints Committee for Sexual Harassment Complaints Redressal:

For the prevention, prohibition and redressal of sexual harassment and discrimination at workplace, we have formed the internal complains committee. The committee is chaired by the senior most woman member of the organization. We comply with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There were zero cases of discrimination during the reporting period.

The Complaints Committee for Sexual Harassment Complaints Redressal comprises of following Directors:

Name of the Person	Designation	Designation in Committee
Mrs. Ilaben Paghdar	Executive Director	Chairman
Mr. Amit Gadhiya	Managing Director	Member
Mr. Harikrushna Chauhan	Chairman cum Whole Time Director	Member

Meetings and Attendance:

During the Financial Year 2022-23, the Meeting of Sexual Harassment Complaints Committee met 01 (One) time i.e. on 14th November, 2022. The details of the attendance of the Members at these Meetings are as follows:

Sr. No.	Name of the Person	Number of Meetings attended
1	Mrs. Ilaben Paghdar	01 of 01
2	Mr. Amit Gadhiya	01 of 01
3	Mr. Harikrushna Chauhan	01 of 01

Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
Sexual Harassment	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/ Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

(E) Corporate Social Responsibility Committee:

As required under Section 135 of the Companies Act, 2013, the Board has constituted CSR Committee of Directors to inter alia formulate Corporate Social Responsibility (CSR) Policy, recommend the amount of expenditure to be incurred on the activities in line with the objectives given in CSR policy, monitor the CSR policy, etc. The terms of reference and other details are as follows:-

The Committee is empowered to:-

- formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy;
- recommend the amount of expenditure to be incurred on the activities in line with the objectives given in CSR policy;
- oversee the Company's activities and contribution with regard to its corporate and social obligations & its reputation as a responsible corporate citizen;
- review the performance of the Company on environment, governance and sustainability initiatives & matters;
- approve the policies on principles as required in terms of Business Responsibility & sustainability Reporting requirements and changes/modifications required from time to time in such policies; and
- To approve Company's report on Business Responsibility & Sustainability Reporting requirements.

Composition

The Corporate Social Responsibility Committee comprises of following Directors:

Name of the Person	Designation	Designation in Committee
Mr. Nirala Joshi	Independent Director	Chairman
Mr. Amit Gadhiya	Managing Director	Member
Mr. Harikrushna Chauhan	Chairman cum Whole Time Director	Member

Meetings and Attendance:

During the Financial Year 2022-23, the CSR Committee met 01 (One) time i.e. on 10th February, 2023.

The details of the attendance of the Members at these Meetings are as follows:

Sr. No.	Name of the Person	Number of Meetings attended
01	Mr. Nirala Joshi	01 of 01
02	Mr. Amit Gadhiya	01 of 01
03	Mr. Harikrushna Chauhan	01 of 01

(F) Risk management Committee:

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, composition of Risk management Committee shall be applicable to top 1000 listed entities, determined on the basis of market capitalization, as at the end of immediate previous financial year. The company does not come under the purview of the above regulation still for better compliance company has constituted committee.

Risk Management Committee is empowered to –

Formulate a detailed risk management policy which shall include

- (a) framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee,
- (b) Measures for risk mitigation including systems and processes for internal control of identified risks,
- (c) Business continuity plan.
 - Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
 - Monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of Risk Management Systems.
 - Periodically review the Risk Management Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexities.
 - Keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.

Composition

The Risk management Committee comprises of following Directors:

Name of the Person	Designation	Designation in Committee
Mr. Amit Gadhiya	Managing Director	Chairman
Mr. Harikrushna Chauhan	Chairman cum Whole Time Director	Member
Mrs. Ilaben Paghdar	Executive Director	Member

Meetings and Attendance:

During the Financial Year 2022-23, the Risk Management Committee met 02 (Two) times i.e. on 11th November, 2022, 10th February, 2023. The details of the attendance of the Members at these Meetings are as follows:

Sr. No.	Name of the Person	Number of Meetings attended
1	Mr. Amit Gadhiya	02 of 02
2	Mr. Harikrushna Chauhan	02 of 02
3	Mrs. Ilaben Paghdar	02 of 02

Independent Directors' Meeting:

As stipulated by the Code of Independent Directors under Schedule IV of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on 14th November, 2022 without the presence of Non-Independent Directors and members of the management to consider the following:

- Performance of Non-Independent Directors and the Board as a whole
- Performance of the Chairman of the Company, considering the views of executive directors and non-executive directors
- assessing the quality, quantity, and timeliness of flow of information between the Company management and the Board that is necessary for the Board to perform their duties effectively and reasonably.

The Independent Directors expressed satisfaction on the performance of Non-Independent Directors and the Board as a whole. The Independent Directors were also satisfied with the quality, quantity, and timeliness of flow of information between the Company management and the Board.

Familiarization Programme:

Pursuant to the Code of Conduct for Independent Directors specified under the Act and the SEBI Listing Regulations, the Company has in place a familiarization programme for all its Independent Directors. Such familiarization programmes help the Independent Directors to understand the Company's strategy, business model, operations, markets, organization structure, risk management etc. and such other areas as may arise from time to time. The Familiarization Programmes imparted to Independent Directors of the Company has been disclosed on its website at;

<http://aksharspintex.in/pdf/Corporate%20Governance/Famalisation%20Programme.pdf>

INVESTOR COMPLAINTS:

The Company received 01 (One) complaints during the year under review which were satisfactorily addressed. There were no pending complaints as on 31st March 2023.

The Company has a dedicated email ID cs@aksharspintex.in to which investors can send their grievances.

Mr. Pratik Makwana, Company Secretary & Compliance Officer, is designated as the Investor Relations Officer who may be contacted at the Corporate Office of the Company at +91 75748 87015.

UNCLAIMED DIVIDEND AND SHARES TRANSFERRED TO INVESTOR EDUCATION AND PROTECTION FUND ('IEPF') ACCOUNT:

In accordance with the provisions of sections 124 and 125 of the Act and IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time ('IEPF Rules'), dividends which remain unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account shall be transferred by the Company to the IEPF Account and such shares in respect of which dividend entitlements remained unclaimed for seven consecutive years or more are also required to be transferred by the Company to the IEPF Account.

During the year under review, the company has not declared dividend and there were no unpaid or unclaimed amount of dividends for a period of seven year, therefore, the company has not created Unpaid Dividend Account and not transferred the unpaid amount to IEPF Account.

REMUNERATION OF DIRECTORS:

Particular of Remuneration	AMIT VALLABHBHAI GADHIYA	ILABEN DINESHBHAI PAGHDAR	HARIKRUSHNA SHAMJIBHAI CHAUHAN	NIRALA INDUBHAI JOSHI	ROHIT BHANJIBHAI DOBARIYA	PARSHOTAM VASOYA	TOTAL
Salary	1,200,000/-	780,000/-	1,200,000/-	-	-	-	3,180,000/-
Value of perquisites u/s 17(2)	-	-	-	-	-	-	-
Stock Option	-	-	-	-	-	-	-
Sweat Equity	-	-	-	-	-	-	-
Commission	-	-	-	-	-	-	-
Others, please specify	-	-	-	-	-	-	-

The Company has not paid any sitting fees for attending the meeting of the Board/Committees to the Non-Executive Directors including Independent Directors of the Company.

The appointment of Executive Directors, Key Managerial Personnel and other employees is by virtue of their employment with the Company therefore, their terms of employment vis-a-vis salary, variable pay, service contract, notice period and severance fee, if any, are governed by the applicable policies at the relevant point in time.

Criteria of making payments to Non-Executive/ Independent Director(s):

The criteria of making payments to Non-Executive Director/Independent Director(s) is appearing on the website of the Company at

<http://aksharspintex.in/pdf/Corporate%20Governance/Criteria%20for%20Payment%20to%20NED.pdf>

General Body Meetings:

The last three Annual General Meetings were held as per detail below:

Date of AGM	Relevant Financial Year	Venue/ Location	Time of Meeting
29 th September, 2020	2019-2020	Through Video Conferencing	04.00 P.M. IST
29 th September, 2021	2020-2021	Through Video Conferencing	02.00 P.M. IST
29 th September, 2022	2021-2022	Through Video Conferencing	02.00 P.M. IST

POSTAL BALLOT:

The Company has issued Postal Ballot Notice dated 09th March, 2022 in compliance with Section 110 read with Section 108 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 ("The Rules") and read with circulars issued by the Ministry of Corporate Affairs, Government of India ("the MCA") vide its General Circular Nos. 14/2020 dated 08th April, 2020, 17/2020 dated 13th April, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated 31st December, 2020, 10/2021 dated 23rd June 2021 AND 20/2021 dated December 8, 2021 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") including any statutory modification or re-enactment thereof for the time being in force, Secretarial Standard -2 issued by the Institute of Company Secretaries of India and any other applicable laws and regulations to transact the below mentioned Special Business by the Members of Akshar Spintex Limited ("the Company") through Postal Ballot by remote e-voting process (e-voting) only:

ITEM NO. 1 - MIGRATION AND LISTING/TRADING OF EQUITY SHARES OF THE COMPANY FROM SME PLATFORM OF BSE LIMITED (BSE SME) TO MAIN BOARD OF BSE LIMITED AND NSE LIMITED.

- ❖ The Company had appointed Mr. Piyush Jethva, a Practicing Company Secretary (Certificate of Practice No. 5452 & Membership No. FCS 6377) as the Scrutinizer on Wednesday, March 09th, 2022 to conduct the Postal Ballot only through remote e-voting process in a fair and transparent manner.
- ❖ The Cut-off Date for voting rights was decided Wednesday, March 09th, 2022.
- ❖ Facility for voting through Postal Ballot and electronic means was available from Monday, March 14th, 2022 at 09:00 a.m. (IST) and ends on Tuesday, April 12th, 2022 at 05:00 p.m. (IST).
- ❖ The Results of the Postal Ballot was declared on April 14th, 2022 and resolution was passed by requisite majority, deemed to be passed on the Tuesday, 12th April, 2022 i.e. last date specified by the Company for remote e-voting.

Summary of results of Postal Ballot is as under:

ITEM NO. 1 - MIGRATION AND LISTING/TRADING OF EQUITY SHARES OF THE COMPANY FROM SME PLATFORM OF BSE LIMITED (BSE SME) TO MAIN BOARD OF BSE LIMITED AND NSE LIMITED.

Details of only Public Shareholder's voting:

Voting in Favor of Resolution

Voted in Favor of Resolution	No. of Valid votes cast by them	% of total no. of valid votes cast
25	8737500	100%

Voting against the Resolution

No. of Members Voted	No. of Valid votes cast by them	% of total no. of valid votes cast
NIL	NIL	NIL

As the number of votes casted in favor of the Resolution by Public shareholders (i.e. 100%) are more than two times of the votes casted in against of the Resolution by the public Shareholders (i.e. 0%) hence Resolution was passed by requisite majority.

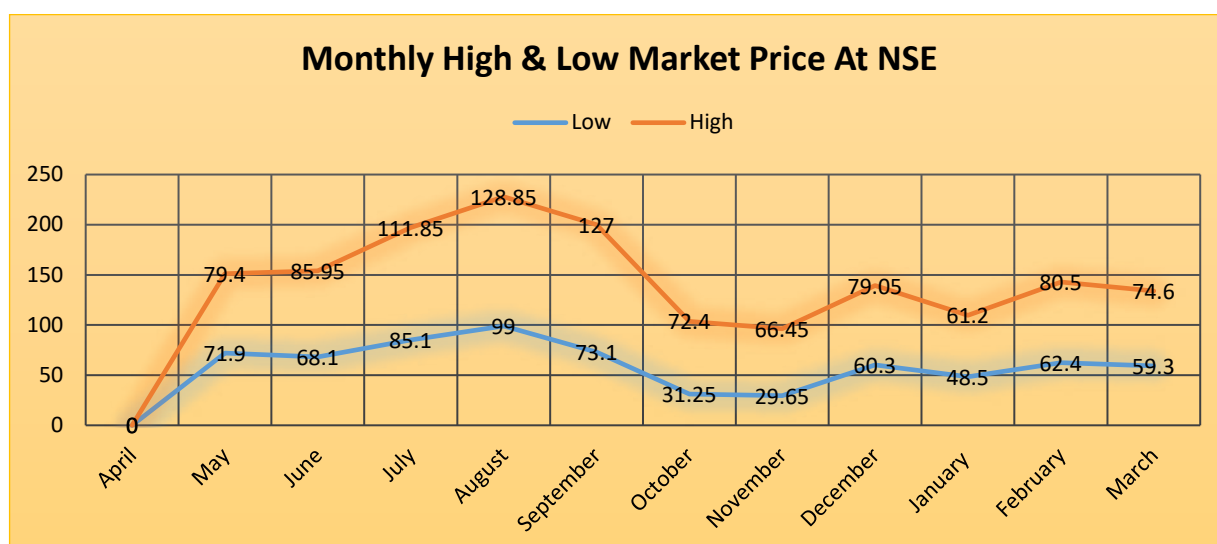
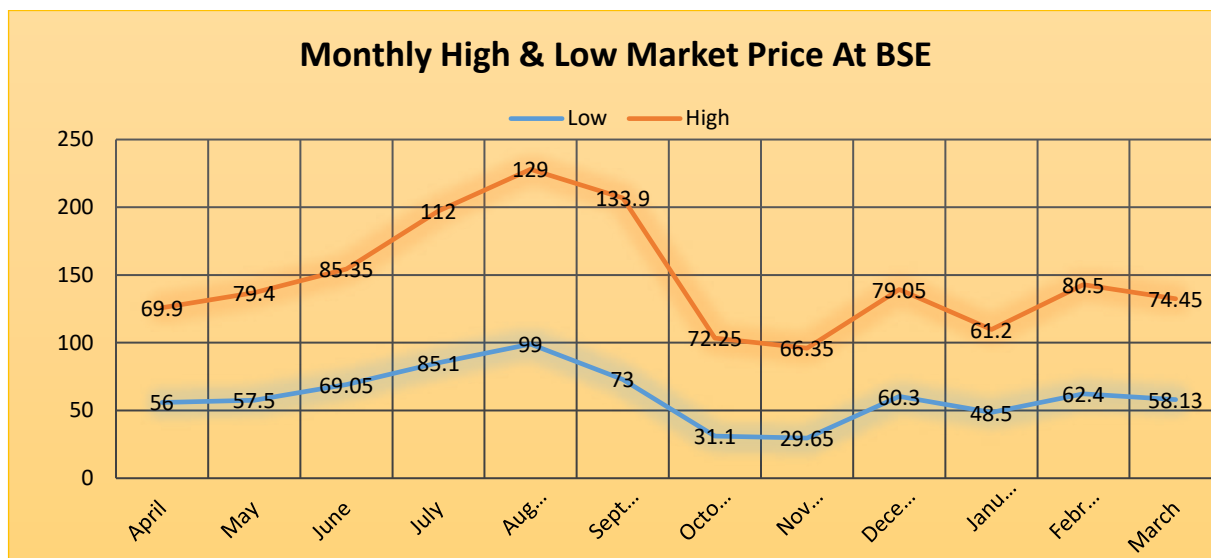
ANNUAL GENERAL MEETING:

DAY AND DATE	Friday , 29 th September, 2023
TIME	02.00 P.M. IST
VENUE	Through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"),
FINANCIAL YEAR	2022-2023
BOOK CLOSURE	Saturday, September 23 rd , 2023 to Friday, September 29 th , 2023 (both days inclusive).
CUT-OFF DATE FOR REMOTE E-VOTING	Friday, September 22 nd , 2023
REMOTE E-VOTING PERIOD	Starts on 27 th September, 2023 (9:00 a.m. IST) and Ends on 29 th September, 2023 (5:00 p.m. IST).
LISTING ON STOCK EXCHANGES	(1) Bombay Stock Exchange Limited 25th Floor, P. J. Towers, Dalal Street, Fort, Mumbai - 400 001. Phones: 91-22-22721233/4, 91-22-66545695 Fax No: 91-22-22721919

	(2) National Stock Exchange Limited Exchange Plaza, C - 1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 Phones: (022) 26598100 - 8114 Fax No: (022) 26598120
SCRIP CODE	BSE: 541303 NSE: AKSHAR
ISIN	INE256Z01025

Market Price Data: Monthly High-Low values at BSE & NSE for the Financial Year 2022-2023

Month	BSE			NSE		
	Low	High	Total Turnover (Rs.)	Low	High	Total Turnover (Rs.)
April-2022	56.00	69.90	38,798,700	-	-	-
May-2022	57.50	79.40	43,268,589	71.90	79.40	37,467,000
June-2022	69.05	85.35	19,879,202	68.10	85.95	101,061,000
July-2022	85.10	112.00	20,030,103	85.10	111.85	127,451,000
Aug-2022	99.00	129.00	21,086,184	99.00	128.85	125,715,000
Sep-2022	73.00	133.90	21,293,394	73.10	127.00	122,526,000
Oct-2022	31.10	72.25	60,893,975	31.25	72.40	204,120,000
Nov-2022	29.65	66.35	116,769,919	29.65	66.45	304,941,000
Dec-2022	60.30	79.05	92,863,119	60.30	79.05	239,911,000
Jan-2023	48.50	61.20	21,358,601	48.50	61.20	47,165,000
Feb-2023	62.40	80.50	47,944,793	62.40	80.50	77,907,000
Mar-2023	58.13	74.45	1,457,147	59.30	74.60	13,777,000



- Market Price for the Month of April -2022 at NSE is not mention due to non-listing and trading of shares at NSE on April-2022. The stock/shares of the company was listed and traded w.e.f. 21st May, 2022.

Means of Communication:

1. Quarterly /Half yearly/Yearly Results:

The Company had published limited reviewed un-audited standalone financial results on a Half Yearly basis when the Company was listed on BSE-SME platform. In respect of the year ended on 31st March, 2023 the Company has publishes the Audited Standalone Financial Results for the complete financial year. After Listing and trading on 23rd May, 2022 at Main Board of BSE & NSE the Company has publishes limited reviewed un-audited standalone financial results quarterly basis.

2. Newspapers wherein results normally published:

The Company was listed in BSE-SME platform and as per Regulation 47 the requirements of publication of Financial Results is not applicable to listed entities which have listed their specified securities on SME Exchange. After Migration from BSE-SME platform to Main Board and Listing and Trading at NSE Main Board Company has publishes quarterly financial results Financial Express [Gujarati version] and Financial Express [English version]. These results are displayed on the website of the Company at www.aksharspintex.in

3. Website, where displayed:

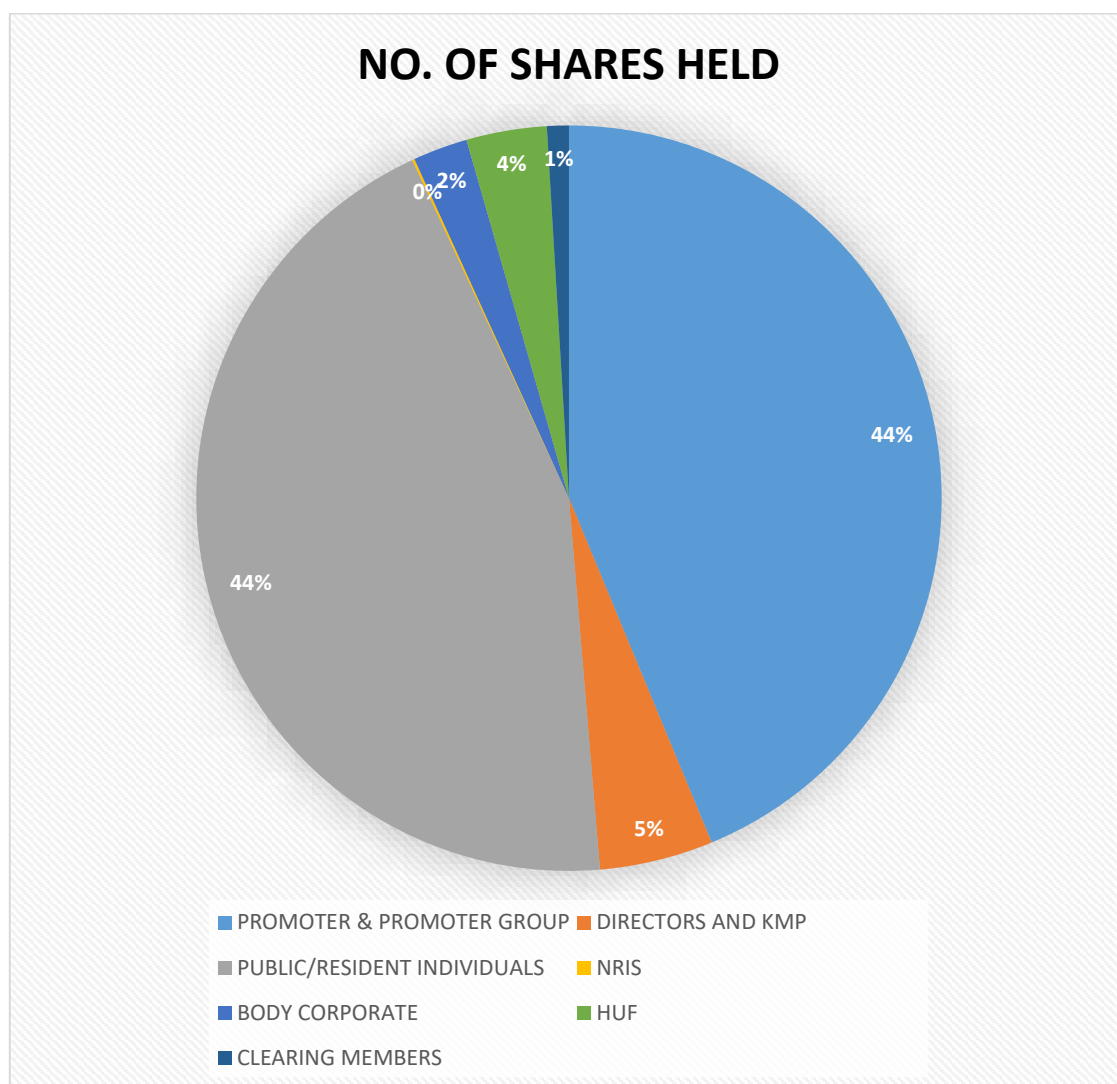
All price sensitive information and matters that are material to shareholders are disclosed to the respective Stock Exchanges where the securities of the Company are listed. The Quarterly Results, Shareholding Pattern and all other corporate communication to the Stock Exchanges are filed through Bombay Stock Exchange Limited (BSE) and National Stock Exchange Limited at NSE Electronic Application Processing System (NEAPS) and Digital Exchange Portal of NSE. The stock exchange filings are also made available on the website of the Company at www.aksharspintex.in.

4. Presentations made to institutional investors or to the analysts:

During the year under review, The Company has not meet with institutional investor or made presentation to the investor of the company.

SHAREHOLDING PATTERN AS ON 31ST MARCH 2023:

CATEGORY	NO. OF SHARES HELD	% OF SHAREHOLDING
PROMOTER & PROMOTER GROUP	10936051	43.75
DIRECTORS AND KMP	1232246	04.9292
PUBLIC/RESIDENT INDIVIDUALS	11103451	44.4156
NRIS	25799	0.1032
BODY CORPORATE	592702	2.3709
HUF	871786	3.4873
CLEARING MEMBERS	236965	0.9479
TOTAL	24,999,000	100


DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2023:

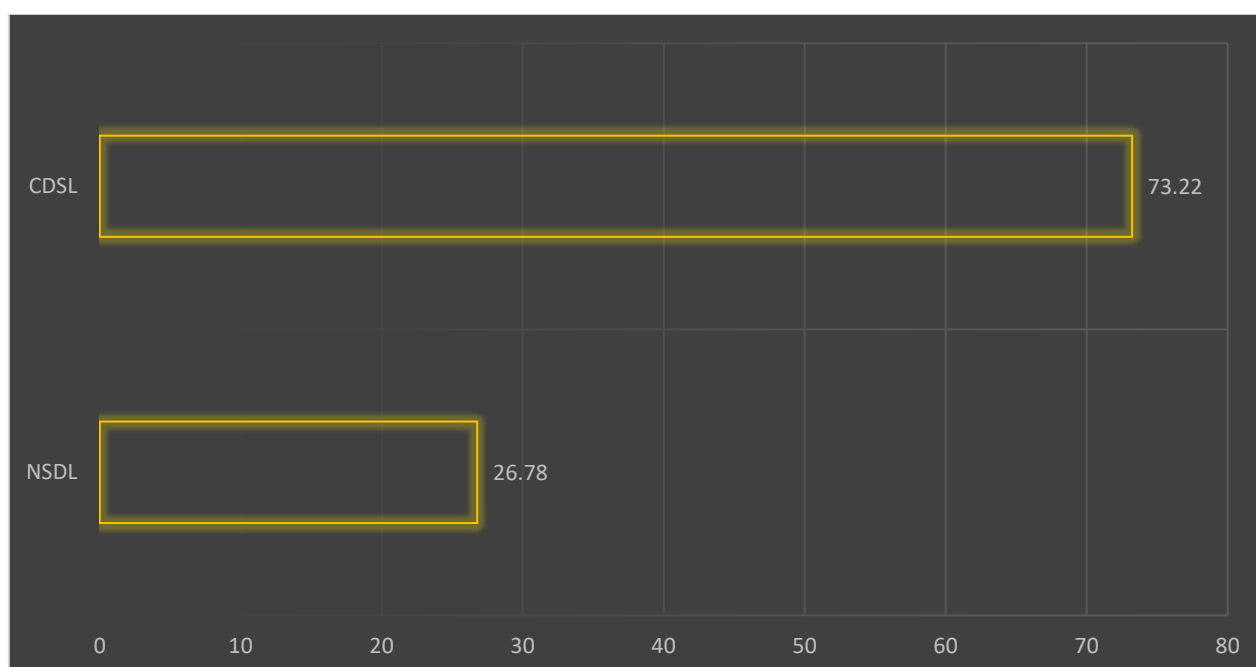
SHAREHOLDING OF NOMINAL	NO. OF SHAREHOLDERS	% OF SHAREHOLDERS	SHARE AMOUNT (RS.)	% OF AMOUNT (RS.)
0001-5000	2036	83.2720	1,478,490	0.5914
5001-10000	94	3.8446	750,440	0.3002
10001-20000	67	2.7403	1,040,240	0.4161
20001-30000	89	3.6401	2,502,440	1.0010
30001-40000	16	0.6544	565,480	0.2262
40001-50000	13	0.5317	604,630	0.2419
50001-100000	37	1.5133	2,570,530	1.0283
100001 & Above	93	3.8037	240,477,750	96.1949
TOTAL	2445	100.00	249990000	100

DEMATERIALIZATION OF SHARES AND LIQUIDITY AS ON 31ST MARCH, 2023:

MODE	RECORD	PERCENTAGE	SHARES	% TO CAPITAL
NSDL	637	26.05	6695583	26.78
CDSL	1808	73.95	18303417	73.22
PHYSICAL	0	0	0	0
TOTAL	2445	100	24999000	100

All the shares of the Company are in Demat segment and are available for trading in the depository systems of both the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The status of shares held in Demat format is given below.

% OF SHARES LYING WITH DEPOSITORIES AS ON 31.03.2023:



REGISTRAR TO AN ISSUE AND TRANSFER AGENTS:

Bigshare Services Pvt Ltd,

Office No S6-2, 6th floor Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road, Andheri (East),
Mumbai - 400093, Maharashtra, India

OTHER DISCLOSURES:

Related party transactions:

There are no materially significant transactions with the related parties viz. Promoters, Directors or the Management, their Subsidiaries or relatives conflicting with Company's interest. The transactions with related parties are in the ordinary course of business and on arm's length basis. Suitable disclosure as required by the applicable Accounting Standards, has been made in the Annual Report. The policy on dealing with related

party transactions is available on the website of the Company at
<http://aksharspintex.in/pdf/Corporate%20Governance/Related%20Party%20Policy.pdf>

Establishment of vigil mechanism, whistle blower policy and affirmation:

The Whistle Blower Policy is available on the website of the Company at
<http://aksharspintex.in/pdf/Corporate%20Governance/Whistle%20Blower%20Policy.pdf>

Web-link for policy on material subsidiaries:

The Company has a policy for determining Material Subsidiaries and the same is available on the Company's website at
<http://aksharspintex.in/pdf/Corporate%20Governance/Policy%20for%20Determining%20Material%20Subsidiary.pdf>

A certificate from a Company Secretary in practice for Non-Disqualification of Board:

A certificate from a company secretary in practice is attached hereinafter and part of this report.

The Corporate Governance Report Shall Also Disclose The Extent To Which The Discretionary Requirements As Specified In Part E Of Schedule II Have Been Adopted:

During the year under review, The Company has not adopted any discretionary requirements as specified in Part E of Schedule II.

The Disclosures of the Compliance with Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 shall be made in the section on corporate governance of the annual report.

The Company has complied with the Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has complied with the requirements of the Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For and on behalf of the Board of Directors,
Akshar Spintex Limited

Amit Vallabhnbhai Gadhiya
Managing Director (DIN: 06604671)
Place: Haripar (Kalawad)
Date: 25th August, 2022

[ANNEXURE-II]

Statement of Disclosures under Section 197 of the companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- I) The Ratio of the Remuneration of each Director to the Median employee's remuneration for the financial year and such other Details as prescribed is as given below:

NAME	DESIGNATION	RATIO
Amit V Gadhiya	Managing Director	10.00
Harikrushna S Chauhan	Chairman & Whole-Time Director	10.00
Illaben D Pagdhar	Executive Director	06.50
Jagdish Otradi	Chief Financial Officer	02.75
Pratik Makwana	Company Secretary	02.75

- Calculation of Median employee was based on actual salary paid to all employees during the year under review. The Employees who left company in between financial year and the employees joined company in between financial year is actually considered.
- Ratio of Mr. Pratik Makwana- Company Secretary (Who has appointed w.e.f. 09th March, 2022) is taken on the base of actually payment to him and in proportions of median remuneration of employee for relevant period of his employment.
- Ratio of Mr. Jagdish Otradi- Chief Financial Officer is taken on the base of actually payment to him and in proportions of median remuneration of employee for relevant period of his employment.
- The Independent Directors of the Company are entitled to sitting fees and commission as per the statutory provisions however no sitting fees is paid to them for the financial year 2022-2023.

- II) The Percentage increase in remuneration of each Director, Chief Financial officer, Chief Executive officer, Company Secretary or Manager, if any, in the financial year:

NAME	DESIGNATION	% INCREASE
Amit Gadhiya	Managing Director	-8.33%
Harikrushna Chauhan	Chairman & Whole-Time Director	-8.33%
Illaben Pagdhar	Executive Director	-7.69%
Nirala Indubhai Joshi	Independent Director	Not Applicable
Vipul Vallabhnbhai Patel	Independent Director	Not Applicable
Rohit Bhanjibhai Dobariya	Independent Director	Not Applicable
Pratik Makwana	Company Secretary	91.92% **
Jagdish Otradi	Chief Financial Officer	-19.21%

** Mr. Pratik M. Makwana, Company Secretary & Compliance Officer was appointed w.e.f. 09th March, 2022 and Salary payable for March-2022 was considered in Financial Year 2021-2022, therefore in calculation for percentage increase in remuneration one month Salary of March-2022 is consider for

the Financial Year 2021-2022 and Salary for the whole financial year 2022-2023 is taken into consideration.

- III) The Percentage increase in the Median Remuneration of the employees of the Company during the financial year: Approximately 7%
- IV) The Number of Permanent employees on the rolls of the Company: 146
- V) Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration; Not Applicable

During the year company has appointed many employees which result into increase in percentage of remuneration paid to them. The managerial remuneration is decrease during the year.

- VI) It is hereby affirmed that the remuneration paid to the Directors and employees is as per the Remuneration Policy of the Company.

For and on Behalf of Board of Directors
AKSHAR SPINTEX LIMITED

Date: 25.08.2023
Place: Haripar (Jamnagar)

Amit V. Gadhiya
Managing Director
[DIN : 06604671]

Harikrushna S. Chauhan
Chairman cum Whole Time Director
[DIN :07710106]

[ANNEUXRE- III]

Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY

Your Company is committed to operate and grow its business in a socially responsible way, while reducing the environmental impact of its operations and increasing its positive social impact.

It aims to achieve growth in a responsible way by encouraging people to take action every day that will have big difference in the long run. This CSR Policy is guided by the following principles:

- a. It conducts its operations with integrity and responsibility, keeping in view the interest of all its stakeholders.
- b. It believes that growth and environment should go hand and in hand.

The activities undertaken / to be undertaken by the company as CSR activities are not expected to lead to any additional surplus beyond what would accrue to the company during the course of its normal operations.

In accordance with Section 135 (5) of the Companies Act, 2013, the company is committed to spend at least 2% of the average net profit made during the three immediately preceding financial years, in areas listed out in the Schedule VII of the Companies Act, 2013.

2. COMPOSITION OF THE CSR COMMITTEE:

In accordance with provision of Section 135 of the Companies Act, 2013(the Act), the Board of Directors of the Company has constituted the Corporate Social Responsibility comprising of the following Directors as its members as on 31st March 2023:

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meeting of CSR committee held during the year	Number of meetings of CSR committee attended during
01.	Mr. Nirala Joshi	Chairman (Independent Director)	01	01
02.	Mr. Amit Gadhiya	Member (Managing Director)	01	01
03.	Mr. Harikrushna Chauhan	Member (Whole time director)	01	01

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company ;
<http://www.aksharspintex.in/pdf/Corporate%20Governance/CSR%20Policy.pdf>

4. Provide the details of impact assessment of CSR projects carried out in pursuant of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: **Not applicable**

5.

(a) Average net profit of the company as per sub section (5) of the Section 135: **Rs. 1,10,49,577/- #**

(b) Two per cent of average net profit of the company as per sub section (5) of the Section 135: **Rs. 2,20,992/-**

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial year: **Nil**

(d) Amount required to be set off for the financial year, if any: **NIL**

(e) Total CSR obligation for the financial year (B+C-D) : **2,20,992/-**

For Calculation of Average Profit of Last Three years the amount of Loss is also counted in the calculation.

6. CSR amount spent or unspent for the financial year:

- a. (i) Details of CSR amount spent against Ongoing Projects for the financial year: **Nil**
(ii) Details of CSR amount spent against other than ongoing projects for the financial year: **NIL**
- b. Amount spent in administrative overheads: **Nil**
- c. Amount spent on impact Assessment, if applicable: **Nil**
- d. Total amount spent for the financial Year (a+b+c) : **Rs. NIL/- ***
- e. CSR amount spent or unspent during the year : **2,20,992/-**

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135 (6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135 (5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
--	NA #	NA	NA	NA	NA

(g) Excess amount for set off, if any

Sr. No.	Particular	Amount
1.	Two percent of average net profit of the company as per section 135(5)	2,20,992/-
2.	Total amount spent for the Financial Year	NIL

3.	Excess amount spent for the financial year [(ii)-(i)]	NIL
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
5.	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

7. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount Spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135 (6), if any			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the fund	Amount (in Rs.)	Date of transfer	
1.	2021-22	-	-	-	-	-	-
2.	2020-21	-	-	-	-	-	3,59,253/-
3.	2019-20	-	-	-	-	-	4,66,007/-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

No

If yes, enter the number of Capital assets created/ acquired:

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Nil

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of [section 135](#). : The Company has incurred a huge loss in the present year. Due to Financial problem the company do not able to spend the CSR Amount during the year.

10. CSR Committee Responsibility Statement:

The implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

SCHEDULE – I

Sr. No	Section - 135 (Schedule VII)	CSR Projector activity identified	Sector in which the project is Covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads:	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1.)	Schedule VII, Items II	Education Programme	Promoting Education	1. Local Area (Saurashtra) 2. Dist.: Rajkot & Junagadh 3. State: Gujarat	2,00,000/-	NA	NIL	NA
2.)	Schedule VII, Items I	Social and Hunger	promoting health care including preventive health car	1. Local Area 2. Dist.: Rajkot 3. State: Gujarat	50,000/-	NA	Nil	NA
TOTAL					2,50,000/-	-	NIL	NA

For and on Behalf of Board of Directors
AKSHAR SPINTEX LIMITED

Date: 25.08.2023

Place: Haripar (Jamnagar)

Amit V. Gadhiya
Managing Director
[DIN : 06604671]

Harikrushna S. Chauhan
Chairman cum Whole Time Director
[DIN :07710106]

[ANNEXURE -IV]

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

WORLD ECONOMIC OUTLOOK:

Tentative signs in early 2023 that the world economy could achieve a soft landing—with inflation coming down and growth steady—have receded amid stubbornly high inflation and recent financial sector turmoil. Although inflation has declined as central banks have raised interest rates and food and energy prices have come down, underlying price pressures are proving sticky, with labor markets tight in a number of economies. Side effects from the fast rise in policy rates are becoming apparent, as banking sector vulnerabilities have come into focus and fears of contagion have risen across the broader financial sector, including nonbank financial institutions. Policymakers have taken forceful actions to stabilize the banking system. As discussed in depth in the Global Financial Stability Report, financial conditions are fluctuating with the shifts in sentiment.

In parallel, the other major forces that shaped the world economy in 2022 seem set to continue into this year, but with changed intensities. Debt levels remain high, limiting the ability of fiscal policymakers to respond to new challenges. Commodity prices that rose sharply following Russia's invasion of Ukraine have moderated, but the war continues, and geopolitical tensions are high. Infectious COVID-19 strains caused widespread outbreaks last year, but economies that were hit hard—most notably China—appear to be recovering, easing supply-chain disruptions. Despite the fillips from lower food and energy prices and improved supply-chain functioning, risks are firmly to the downside with the increased uncertainty from the recent financial sector turmoil.

The anemic outlook reflects the tight policy stances needed to bring down inflation, the fallout from the recent deterioration in financial conditions, the ongoing war in Ukraine, and growing geo-economics fragmentation. Global headline inflation is set to fall from 8.7 percent in 2022 to 7.0 percent in 2023 on the back of lower commodity prices, but underlying (core) inflation is likely to decline more slowly. Inflation's return to target is unlikely before 2025 in most cases. Once inflation rates are back to targets, deeper structural drivers will likely reduce interest rates toward their pre-pandemic levels.

Table A. Classification by World Economic Outlook Groups and Their Shares in Aggregate GDP, Exports of Goods and Services, and Population

(Percent of total for group or world)

	Number of Economies	GDP Advanced Economies	World	Exports of Goods and Services		Population	
				Advanced Economies	World	Advanced Economies	World
Advanced Economies	41	100.0	41.7	100.0	60.5	100.0	13.9
United States		37.3	15.6	16.0	9.7	30.7	4.3
Euro Area	20	28.8	12.0	41.4	25.0	31.8	4.4
Germany		7.8	3.3	11.0	6.6	7.7	1.1
France		5.4	2.3	5.4	3.3	6.1	0.8
Italy		4.5	1.9	3.9	2.4	5.4	0.8
Spain		3.3	1.4	3.1	1.9	4.4	0.6
Japan		9.0	3.8	4.9	3.0	11.5	1.6
United Kingdom		5.4	2.3	5.3	3.2	6.2	0.9
Canada		3.3	1.4	3.8	2.3	3.6	0.5
Other Advanced Economies	17	16.1	6.7	28.5	17.3	16.0	2.2

Memorandum

Major Advanced Economies	7	72.8	30.4	50.4	30.5	71.3	9.9
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		Emerging Market and Developing Economies	World	Emerging Market and Developing Economies	World	Emerging Market and Developing Economies	World
Emerging Market and Developing Economies	155	100.0	58.3	100.0	39.5	100.0	86.1
Regional Groups							
Emerging and Developing Asia	30	56.3	32.8	49.6	19.6	55.9	48.1
China		31.7	18.5	30.4	12.0	21.1	18.1
India		12.4	7.3	6.2	2.5	21.2	18.3
Emerging and Developing Europe	15	12.8	7.4	15.9	6.3	5.5	4.7
Russia		5.0	2.9	5.1	2.0	2.1	1.8
Latin America and the Caribbean	33	12.6	7.3	13.4	5.3	9.6	8.3
Brazil		4.0	2.3	3.1	1.2	3.2	2.7
Mexico		3.1	1.8	5.1	2.0	1.9	1.7
Middle East and Central Asia	32	13.0	7.6	16.9	6.7	12.5	10.7
Saudi Arabia		2.3	1.3	3.6	1.4	0.5	0.4
Sub-Saharan Africa	45	5.4	3.1	4.2	1.7	16.6	14.3
Nigeria		1.3	0.8	0.5	0.2	3.2	2.8
South Africa		1.0	0.6	1.1	0.4	0.9	0.8
Analytical Groups ²							
By Source of Export Earnings							
Fuel	24	9.7	5.6	15.2	6.0	9.0	7.8
Nonfuel	129	90.3	52.6	84.8	33.5	90.9	78.2
Of which, Primary Products	36	5.2	3.1	5.2	2.0	9.0	7.7
By External Financing Source							
Net Debtor Economies	120	50.3	29.3	43.4	17.2	68.7	59.2
Of which, Economies with Arrears and/or Rescheduling during 2017-21	38	5.3	3.1	3.8	1.5	12.1	10.4
Other Groups ²							
Emerging Market and Middle-Income Economies	95	91.6	53.4	92.9	36.7	76.5	65.9
Low-Income Developing Countries	59	8.4	4.9	7.1	2.8	23.5	20.2
Heavily Indebted Poor Countries	39	2.8	1.6	2.0	0.8	12.1	10.4

INDIAN ECONOMY:

India to witness GDP growth of 6.0 per cent to 6.8 per cent in 2023-24, depending on the trajectory of economic and political developments globally. Economic survey 2022-23 projects a baseline GDP growth of 6.5 per cent in real terms in fy24. Economy is expected to grow at 7 per cent (in real terms) for the year ending March 2023, this follows an 8.7 per cent growth in the previous financial year. Credit growth to the micro, small, and medium enterprises (MSME) sector has been remarkably high, over 30.5 per cent, on average during Jan-Nov 2022 capital expenditure (capex) of the central government, which increased by 63.4 per cent in the first eight months of fy23, was another growth driver of the Indian economy in the current year RBI projects headline inflation at 6.8 per cent in fy23, which is outside its target range.

Return of migrant workers to construction activities helped housing market witnessing a significant decline in inventory overhang to 33 months in Q3 of FY23 from 42 months last year. Surge in growth of exports in FY22 and the first half of FY23 induced a shift in the gears of the production processes from mild acceleration to cruise mode. Private consumption as a percentage of GDP stood at 58.4 per cent in Q2 of FY23, the highest among the second quarters of all the years since 2013-14, supported by a rebound in contact-intensive services such as trade, hotel and transport. Survey points to the lower forecast for growth in global trade by the world trade organization, from 3.5 per cent in 2022 to 1.0 per cent in 2023.

INDUSTRY STRUCTURE AND PERFORMANCE:

The cotton production in India for the cotton season 2021-22 (October to September) dropped to 307 Lakh bales (170 Kgs) as against 360 Lakh bales produced in the previous cotton season, resulted in a 14% lower production. This is the lowest cotton production in India in the last 14 years. The major reason for lower crop size was due to low yield of cotton in main cotton growing centers due to unseasonal rainfall and an extended monsoon. As a result, the cotton prices were pushed to an 11 year high and prevailed at an elevated level throughout the cotton season that ended on 30-09-2022.

Spinning Mills were expecting the cotton prices to come down during the new cotton season 2022-23 as the Cotton Association of India (CAI), the apex cotton body in India, has estimated a higher sowing area for cotton at 128.35 Lakh hectares, an increase of about 10 Lakh hectares as compared to the last season. At the beginning of the cotton season, the CAI estimated that the cotton crop for the new season will be higher at 344 Lakh bales (PY: 307 Lakh bales). However, cotton arrivals in the market were very slow during the first 6 months of the new cotton season as the cotton growers held back the kappas, expecting better prices. The arrivals of cotton from October, 2022 to March, 2023 were lower by 30% as compared to the last season due to the holding of stocks by the farmers. The CAI also revised the cotton crop size for the season 2022-23 from its earlier estimate of 344 Lakh bales to 313 Lakh bales. All these factors triggered speculation over cotton prices and it did not come down to the expected level. Though there was some price correction in the cotton, the fall in yarn prices was much sharper than that of cotton, leading to wider disparity that affected the margins of yarn spinners across India.

The Company strategically shifted its focus on more value added counts and more volume high quality cotton was imported when the prices were at a reasonable level. The volume of imported cotton consumption for the financial year 2022-23 has increased by 10% (60% in value terms) as compared to the last financial year. This strategy has helped the Company to procure diversified varieties of cotton across the globe and to quote competitive prices for our yarn, which helped the Company to protect the operating margin in the financial year 2022-23.

MARKET SIZE

The recovery of demand for textile products during the last year could not be sustained for long due to various factors like an increase in the cotton prices, geopolitical conditions and high inflation across the globe. However, the Company's focus on producing a flexible and wide range products helped it to protect its sales volume during this sluggish period. The Company has established its position in fine / super fine counts in both domestic and export markets and it consumed more imported cotton to achieve consistent quality. India's yarn export recorded robust growth during the previous FY 2021-22 of USD 5.2 billion, a 92% increase. However, the exports volume of yarn started to moderate during the current fiscal year, with yarn exports from India only reaching USD 2.6 billion, a 51% decrease. The main reason for lower exports in the current year was India's loss of competitive advantage due to higher domestic cotton prices compared to

International prices, coupled with global slowdown in the major advanced economies. This situation forced many spinning mills across India to operate at lower capacity, with many spinning mills cutting down their production due to huge losses in yarn production.

India is the world's second-largest producer of textiles and garments. It is also the sixth-largest exporter of textiles spanning apparel, home and technical products. India has a 4% share of the global trade in textiles and apparel. The textiles and apparel industry contribute 2.3% to the country's GDP, 13% to industrial production and 12% to exports.

In July 2022, the Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution, and Textiles, Mr. Piyush Goyal, stated that the mantra of 5 F's – Farms to Fiber to Fabric to Fashion to Foreign export – will help make India a strong textile brand globally.

100% FDI (automatic route) is allowed in the Indian textile sector. Under Union Budget 2023-24, the total allocation for the textile sector was Rs. 4,389.24 crore (US\$ 536.4 million). Out of this, Rs. 900 crore (US\$ 109.99 million) is for Amended Technology Upgradation Fund Scheme (ATUFS), Rs. 450 crore (US\$ 54.99 million) for National Technical Textiles Mission, and Rs. 60 crore (US\$ 7.33 million) for Integrated Processing Development Scheme.

In FY22-23, exports of readymade garments cotton including accessories stood at US\$ 7.68 billion till January 2023. It is expected to surpass US\$ 30 billion by 2027, with an estimated 4.6-4.9% share globally. Cotton production in India is projected to reach 7.2 million tonnes (~43 million bales of 170 kg each) by 2030, driven by increasing demand from consumers.

India's textile and apparel exports (including handicrafts) stood at US\$ 44.4 billion in FY22, a 41% increase YoY. Total textile exports are expected to reach US\$ 65 billion by FY26. The Indian textile and apparel industry is expected to grow at 10% CAGR from 2019-20 to reach US\$ 190 billion by 2025-26. The Indian apparel market stood at US\$ 40 billion in 2020 and is expected to reach US\$ 135 billion by 2025.

GOVERNMENT INITIATIVES

The government approved a Rs. 10,683 crore (US\$ 1.44 billion) production-linked incentive (PLI) scheme for the textiles sector. This will benefit the textile manufacturers registered in India. Incentives under the scheme will be available for five years from 2025-26 to 2029-30 on incremental turnover achieved from 2024-25 to 2028-29. The scheme proposes to incentivize MMF (manmade fibre) apparel, MMF fabrics and 10 segments of technical textiles products.

Under the Union Budget 2023-24, the government has allocated:

- Rs. 4,389.24 crore (US\$ 536.4 million) to the Ministry of Textiles.
- Rs. 900 crore (US\$ 109.99 million) is for Amended Technology Upgradation Fund Scheme (ATUFS).
- Rs. 60 crore (US\$ 7.33 million) for Integrated Processing Development Scheme.
- Rs. 450 crore (US\$ 54.99 million) for National Technical Textiles Mission.

For more information or details please visit the website <https://www.ibef.org/industry/indian-textiles-and-apparel-industry-analysis-presentation>.

COMPANY PERFORMANCE AND BUSINESS OUTLOOK

The Company's focus on strengthening its infrastructure to produce diverse products, including various high-quality value-added yarn and collaborating with customers to manufacturer innovative products helped it maintain an optimum level of capacity utilization and grow sales volume in export market. Although India imposed a duty on imported cotton during the last fiscal year, the Company was able to mitigate this by using the Advanced License Scheme available to it under Foreign Trade Policy of the Government of India. Sales volume of value-added yarn such as Elitwist, Gassing, High twist, Melange, Core yarn and Mercerized yarn increased to 2,650 Tonnes during the FY 2022-23, a 12% growth from 2,362 Tonnes during the previous year. This growth rate is achieved on the top of strong growth rate posted during the previous year of 91%.

During Financial Year 2022-2023, Company's Revenue from operation was Rs. 13,553.25/- Lakhs, a decrease from the 17,210.84/- Lakhs in the previous year. The volatility in cotton prices are continuing and the prices of cotton and yarn are widely fluctuating. Although there was an improved arrival of cotton in the market during later part of the current cotton season, prices continue to rule higher due to improved domestic demand for cotton.

The higher than expected inflation rate across the globe has resulted in the tightening of monetary policy rates by Central Banks, leading to reduced consumer spending. Demand for textile products remains stagnant due to global macroeconomic factors such as rising interest rates, fallout of major banks and fears of recession. Large volume orders are not being placed by buyers due to uncertainty and high inflation all over the world. Additionally, the rise in the raw material prices has resulted in high priced textile items, which are not absorbed in the retail value chain.

To combat these challenges, the Company is continuously monitoring various process parameters and implementing various system controls to deliver consistent quality of yarn and fabric to the end customers and leading brands. The Company has also strengthened its the product lines with more automation like fully automatic contamination removal system at blow room stage, 100% ring spindle monitoring system, installation of link coners, which has resulted in overall improvement in the operating efficiency of the Company. Strengthening of its product lines with more value-added customized yarn counts such as Mercerized Yarn, Melange Yarn, Core Yarn etc., will help the Company to isolate against the headwinds of falling demand for commodity count.

FY 2022-2023 was a significant year for the Company as we took decisive steps in executing on our Business Growth & Diversification Strategy and for the expansion of business. The Company has migrated from BSE SME platform to BSE main Board and Listing & Trading from NSE Main Board w.e.f 23rd May, 2022.

OUR PRODUCT RANGE:

- 100% Carded Cotton Yarn (16's to 44's Ne)
- 100% Semi Combed Cotton Yarn (16's to 44's Ne)
- 100% Combed Cotton Yarn (16's to 44's Ne)
- Slub Yarn
- Core Spun Yarn
- TFO Yarn
- Eli Twist Yarn
- Fancy Yarn
- Melange Yarn
- Blended Yarn
- BCI Certified Yarn
- Organic Yarn

STRENGTHS, WEAKNESS, OPPORTUNITIES AND THREATS:

The textile industry is undergoing fast change as the industry continues to grow. Today's enterprises have multiple benefits due to technological progress, resulting in everyday economic shifts. In order to effectively strategize, it is crucial for a textile organization to appreciate the patterns of market movement. An effective strategy provides organizations with a head start in planning and a competitive advantage. SWOT Analysis can be a reliable method for getting market research that can give your organization a competitive advantage.

For many years, the textile industry has significantly contributed to our economy. It is a sector that accounts for 14% of the total production made in the industrial sector. The textile industry fulfills one of the most fundamental and consistent requirements that people have. It is able to sustain its expansion by enhancing the quality of life for the human population. This industry is self-sufficient, especially when compared to others. Over the course of many years, it has been demonstrated to be one of the most significant contributors to a country's economy. In recent years, the textile industry has experienced phenomenal expansion. This has attracted a considerable amount of attention from other countries around the world.

STRENGTHS	WEAKNESS
<ul style="list-style-type: none"> • Indian Textile Industry is an Independent & Self-Reliant industry. • Abundant Raw Material availability that helps industry to control costs and reduces the lead-time across the operation. • Availability of Low Cost and Skilled Manpower provides competitive advantage to industry. • Availability of large varieties of cotton fibre and has a fast growing synthetic fibre industry. • India has great advantage in Spinning Sector and has a presence in all process of operation and value chain. 	<ul style="list-style-type: none"> • Indian Textile Industry is highly Fragmented Industry. • Industry is highly dependent on Cotton. • Lower Productivity in various segments. • There is Declining in Mill Segment. • Lack of Technological Development that affect the productivity and other activities in whole value chain. • Infrastructural Bottlenecks and Efficiency such as, Transaction Time at Ports and transportation Time. • Unfavourable labour Laws.

<ul style="list-style-type: none"> • India is one of the largest exporters of Yarn in international market and contributes around 25% share of the global trade in Cotton Yarn. • The Apparel Industry is one of largest foreign revenue contributor and holds 12% of the country's total export. • Industry has large and diversified segments that provide wide variety of products. • Growing Economy and Potential Domestic and International Market. • Industry has Manufacturing Flexibility that helps to increase the productivity. 	<ul style="list-style-type: none"> • Lack of Trade Membership, which restrict to tap other potential market. • Lacking to generate Economies of Scale. • Higher Indirect Taxes, Power and Interest Rates.
<p><u>OPPORTUNITIES</u></p> <ul style="list-style-type: none"> • Growth rate of Domestic Textile Industry is 6-8% per annum. • Large, Potential Domestic and International Market. • Product development and Diversification to cater global needs. • Elimination of Quota Restriction leads to greater Market Development. • Market is gradually shifting towards Branded Readymade Garment. <p>Increased Disposable Income and Purchasing Power of Indian Customer opens Newmarket Development.</p> <ul style="list-style-type: none"> • Emerging Retail Industry and Malls provide huge opportunities for the Apparel, Handicraft and other segments of the industry. • Greater Investment and FDI opportunities are available 	<p><u>THREATS</u></p> <ul style="list-style-type: none"> • Competition from other developing countries, especially China. • Continuous Quality Improvement is need of the hour as there are different demand patterns all over the world. • Elimination of Quota system will lead to fluctuations in Export Demand. • Threat for Traditional Market for Power loom and Handloom Products and forcing them for product diversification. • Geographical Disadvantages. • International labour and Environmental Laws. • To balance the demand and supply. • To make balance between price and quality

RISKS AND CONCERNS:

Risk	Description	Mitigation
Cybersecurity	Cyber-attacks on the Company could result in possible losses for the Company through the use of out-of-date systems and new work-from-home / remote working environments	<ul style="list-style-type: none"> ➤ Educating and Training people on vulnerability to cyberattacks ➤ Get the essentials in place e.g. anti-virus, firewalls, password use, whitelisting, access control, SSL, SSO Network and data encryption ➤ Conduct component-driven and system-driven driven risk ➤ Assessments ➤ Restricted access control to the physical equipment ➤ Symantec Endpoint Protection against Viruses, Malware, ➤ Adware, Spyware <p>Invest in Research and Development team</p>
Technology Risk	It is possible that the business continuity and disaster recovery plans won't work when needed There is no Data Leakage Prevention (DLP) mechanism in place to track any organizational data leakage	<ul style="list-style-type: none"> ➤ Short Term SAP drill conducted once every 6 months ➤ BCP to be formalized ➤ USB's blocked across the organization ➤ MS Intune installed ➤ Firewall for social media blocking
Operational Risk	The completion of projects may be delayed by the need for approvals and procedural challenges brought on by excessive delays from government departments	<ul style="list-style-type: none"> ➤ Pre-construction trackers in place ➤ Review conducted every 15 days of local regulation ➤ Best in class liaison consultants
Capacity	Inadequate capacity may lead to loss of opportunity	<p>Short Term</p> <ul style="list-style-type: none"> ➤ Capacity expansion ➤ Upgradation and expansion <p>Long Term</p> <ul style="list-style-type: none"> ➤ Continuously looking for opportunities
Raw Material Securitization	Inadequacy or absence of raw material has the potential to impact operations	<ul style="list-style-type: none"> ➤ Increasing green coverage and planting trees
Cost of Production	High cost of production can reduce profit margins	<ul style="list-style-type: none"> ➤ Reduce cost of Raw Materials and Packaging
Higher Prices and Shortage of Basic Raw Material	Shortage of Cotton/ Higher Cotton Prices	<p>To mitigate the price risk, the following actions are initiated:</p> <ul style="list-style-type: none"> ➤ Develop a dedicated strategy for components that are subject to volatility ➤ Use financial and operational hedging ➤ Monitor pricing trends ➤ Manage inventory to soften impact of price changes e.g. Stockpiling <p>Continuous engagement with cotton materials suppliers</p>

Competition Risk	In Market there are Cutthroats Competition exists and Increased Competition	<ul style="list-style-type: none"> ➤ Regular customer satisfaction survey and engagement mechanism to sustain strong relationship with customers ➤ Continue to undertake operational savings initiatives to remain cost efficient ➤ Gather intelligence and assess risk ➤ Use industry research and advisory firms to scan for competitive risk ➤ Periodic monitoring of all actions of competitors Improve competitive analysis
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INTERNAL CONTROL & ADEQUACY:

Your Company has been regularly reviewing and updating its internal controls by benchmarking against the industry standards. Dynamics of changing business requirements, statutory compliances and corporate governance are adopted in existing systems after careful review to remain in line with compliance requirements, expectations of business partners like customers and institutions. Senior management monitors the recommendations of internal audits for continuous system updating. IT System infrastructure is updated regularly to support business decision making as well as better controls.

HUMAN RESOURCES:

Human resource is considered as the most valuable of all resources available to the Company. The Company continues to lay emphasis on building and sustaining an excellent organization climate based on human performance. The Management has been continuously endeavoring in fostering high performance culture the organization. During the year the Company has employed around 146 employees on rolls. Further, industrial relations remained peaceful and harmonious during the year.

SEGMENT-WISE PERFORMANCE:

The Company has identified its business segment as Primary Reportable Segment. There are no other Primary Reportable Segment and the Company's Operations fall under a single segment "Spinning of Cotton Yarn". Hence, Segment reporting is not applicable as per Accounting Standard (AS) - 17 - Segment Reporting.

FORWARD-LOOKING STATEMENT:

This analysis contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events.

Statements in this report on Management Discussion and Analysis, describing the Company's objectives, projections, estimates, expectations, or predictions may be forward looking, considering the applicable laws and regulations. These statements are based on certain assumptions and expectation of future events. Actual results could, however, differ materially from those expressed or implied. Important factors that

could make a difference to the Company's operations include finished goods prices, raw materials costs and availability, global and domestic demand supply conditions, fluctuations in exchange rates, changes in Government regulations and tax structure, economic developments within India and the countries with which the Company has business contacts. The Company assumes no responsibility in respect of the forward-looking statements herein, which may undergo changes in future based on subsequent developments, information, or events.

KEY FINANCIAL RATIO:

2022-2023			2021-2022		
Sr No.	Ratio Name	Ratio	Sr No.	Ratio Name	Ratio
1	Current Ratio	1.31	1	Current Ratio	01.42
2	Debt Equity Ratio	0.43	2	Debt Equity Ratio	00.59
3	Debt Service Coverage Ratio	0.22	3	Debt Service Coverage Ratio	01.93
4	Return On Equity	-6.59%	4	Return On Equity	17.55%
5	Inventory Turnover Ratio	4.76	5	Inventory Turnover Ratio	05.63
6	Trade Receivable Turnover Ratio	20.59	6	Trade Receivable Turnover Ratio	82.38
7	Trade Payable Turnover Ratio	7.37	7	Trade Payable Turnover Ratio	14.68
8	Net Capital Turnover Ratio	13.10	8	Net Capital Turnover Ratio	17.20
9	Net Profit Ratio	-2.04	9	Net Profit Ratio	04.05%
10	Return on Capital Employed	-4.70	10	Return on Capital Employed	21.74%

For and on Behalf of Board of Directors
AKSHAR SPINTEX LIMITED

Date: 25.08.2023

Place: Haripar (Jamnagar)

Amit V. Gadhiya
Managing Director
[DIN : 06604671]

Harikrushna S. Chauhan
Chairman cum Whole Time Director
[DIN :07710106]



[ANNEXURE-V]

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

Form No. MR-3

*[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,
AKSHAR SPINTEX LIMITED,
Revenue Survey No.102/2 Paiki,
Plot No. - 2 Village: Haripar, Ranuja Road.
Tal: Kalavad. Jamnagar 361013 (Gujarat)

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **AKSHAR SPINTEX LIMITED (L17291GJ2013PLC075677)** (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 Company's 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, during the audit period covering the financial year ended on **31st March, 2023** ('Audit Period'), the Company has, 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 maintained by the Company for the financial year ended on **31st March, 2023** 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 & Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 (FEMA) & 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'):-
- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021. **Not Applicable to the Company during the Audit period;**
 - e. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - f. The Securities and Exchange Board of India (Issue and Listing of Securitized Debt Instrument and security Receipt) Regulations, 2008 - **Not Applicable to the Company during the Audit period;**
 - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021: **Not Applicable to the Company during the Audit period;**
 - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not applicable to the Company during Audit period.**
- VI As confirmed and identified by the company, the following laws as specifically applicable to the Company.
- a. The Trade Mark Act, 1999
 - b. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, provident fund, ESIC, compensation etc.

Based on the representation made by the Company and its officers, during the period under review the Company has proper system and process in place for compliance under provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that compliance of applicable financial laws including Direct and Indirect Tax laws and various law related to labour and employee of the company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

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

- i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited. (SME Platform)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, and Standards except under.

- *The payment of remuneration to one director is in excess of what is mentioned in the section 197 of the Companies Act, 2013 read with Schedule V of the Companies Act.*
- *The Internal Auditor was resigned on 12th August 2022 and no new Internal Auditor was appointed up to 31st March 2023.*
- *The fulfilment of expenditure towards Corporate Social Responsibility is pending for the year ended on 31st March 2023.*

I further clarify that:

- As per information provided to us by management, the entity provided all the disclosure to the stock exchange as per Regulation 30 along with Schedule III of SEBI LODR Regulation 2015. Some Litigation at Civil Court, Criminal Court, and NCLT was initiated by one shareholder against company but it is informed to us that those incidents are not coming under the materiality policy of Company.
- Due to unauthorized circulation of video the stock of the company is under Surveillance measure, However As per information provided to us, the Company is not connected with such unauthorized Circulation of video. The Company has raised complaint of circulation of such video at cyber cell. As per information provided by the management as on date of this certification the stock of the company is out of Surveillance Measure.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year, if any, 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 or lesser days as agreed by all directors pursuant to clause no. 1.3.7 of Secretarial Standard 1 ("SS 1"), circulated separately or placed at the Meetings of the Board and the Committees, after due compliance with the SS 1 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
- Minutes of the meeting is duly recorded and signed by the Chairman, Decision of Board is unanimous and no dissenting views have been recorded.



CS PIYUSH JETHVA

(Practising Company Secretary)

806- The Imperia, Opp: Shashtri Maidan, Above Federal Bank, Limda Chowk, Rajkot 360001 (Gujarat) India

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 during the Audit Period the company has done transaction as under which can be considered material in nature:

- The Company has migrated from SME Platform of BSE to main platform and got listed itself on Board of National Stock Exchange.
- Internal Auditor Mr. Mehul Kumar Parmar was resigned with effect from 12th August 2022.

This report is to be read with letter dated **17th August 2023** which is annexed as “**Annexure-A**” and forms an integral part of this report.

CS PIYUSH JETHVA
Practising Company Secretary
FCS 6377, CP NO. 5452
UDIN: F006377E000811588
Peer Review Certificate No.: 1333/2021

Date: 17/08/2023

Place: Rajkot



CS PIYUSH JETHVA

(Practising Company Secretary)

806- The Imperia, Opp: Shashtri Maidan, Above Federal Bank, Limda Chowk, Rajkot 360001 (Gujarat) India

ANNEXURE -A

To,
The Members,
AKSHAR SPINTEX LIMITED,
Revenue Survey No.102/2 Paiki,
Plot No. - 2 Village: Haripar, Ranuja Road.
Tal: Kalavad. Jamnagar 361013 (Gujarat)

Secretarial Audit Report dated **17th August 2023** is to be read along with this letter.

1. The Company's Management is responsible for preparation and maintenance of Secretarial Records and for devising proper systems to ensure compliance with the provision of applicable laws and regulations. Our responsibility is to express an opinion on the secretarial records, standards and procedures followed by the Company with respect to secretarial compliances by inspecting the records, documents return etc. on random basis.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis and in random manner to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of secretarial record, financial records and Books of Accounts of the company.
4. As it is not possible to verify all the information for certification, we rely on certificate issued by other professional and management of the Company. Further where ever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Date: 17/08/2023

Place: Rajkot

CS PIYUSH JETHVA

Practising Company Secretary

FCS 6377, CP NO. 5452

UDIN: F006377E000811588

Peer Review Certificate No.: 1333/2021

CEO & CFO CERTIFICATION

To,
Board of Directors.
AKSHAR SPINTEX LIMITED,

Subject: Under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We certify that:

- a. We have reviewed financial statements and the cash flow statement of **AKSHAR SPINTEX LIMITED** for the year ended March 31, 2023 and 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.
- b. To the best of our knowledge and belief, no transactions entered into by the Company during the years which are fraudulent, illegal or violative of the Code of Conduct of the Company.
- c. We accept responsibility for establishing and maintaining internal controls over financial reporting and that we have evaluated the effectiveness of internal control systems of the Company over financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls over financial reporting, if any, of which we are aware and the steps we have taken, propose to take, to rectify these deficiencies. In our opinion, there are adequate internal controls over financial reporting;
- d. We have indicated to the auditors and the Audit Committee that there are:
 - (i) no significant changes in internal control over financial reporting during the year;
 - (ii) no significant changes in accounting policies during the year and
 - (iii) no instances of fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

Date: 27.05.2023
Place: Haripar (Jamnagar)

For and on Behalf of Board of Directors
AKSHAR SPINTEX LIMITED

Jagdish D. Otradi
CFO
PAN: ABFPO7856C



**DECLARATION BY THE MANAGING DIRECTOR UNDER
REGULATION 26(3) READ WITH SCHEDULE V OF THE SEBI
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS)
REGULATIONS, 2015 REGARDING ADHERENCE TO THE CODE OF CONDUCT**

Pursuant to Regulation 26 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management personnel of the Company have affirmed compliance to their respective Codes of Conduct, as applicable to them for the Financial Year ended March 31, 2023.

For
AKSHAR SPINTEX LIMITED

Date: 27.05.2023
Place: Haripar (Jamnagar)

Jagdish D. Otradi
CFO
PAN: ABFPO7856C

Amit V. Gadhiya
Managing Director
[DIN : 06604671]

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS****(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,
 The Members,
AKSHAR SPINTEX LIMITED,
 Revenue Survey No.102/2 Paiki,
 Plot No. – 2 Village: Haripar, Ranuja Road.
 Tal: Kalavad. Jamnagar 361013 (Gujarat)

We have examined the relevant registers, records, forms; returns and disclosures received from the Directors of **AKSHAR SPINTEX LIMITED** having CIN: L17291GJ2013PLC075677 and having registered office at Revenue Survey No.102/2 Paiki, Plot No. – 2, Village: Haripar, Ranuja Road, Tal: Kalavad. Jamnagar-361 013, Gujarat (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023, as stated below have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

SR. NO.	NAME OF DIRECTORS	DIN	DATE OF APPOINTMENT
1	AMIT VALLABHBHAI GADHIYA	06604671	19/06/2013
2	ILABEN DINESHBHAI PAGHDAR	07591339	16/08/2016
3	HARIKRUSHNA SHAMJIBHAI CHAUHAN	07710106	17/01/2017
4	NIRALA INDUBHAI JOSHI	08055148	17/01/2018
5	ROHIT BHANJIBHAI DOBARIYA	08085331	14/03/2018
6	PARSHOTAM VASOYA	09229252	23/08/2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.



CS PIYUSH JETHVA

(Practising Company Secretary)

806- The Imperia, Opp: Shashtri Maidan, Above Federal Bank, Limda Chowk, Rajkot 360001 (Gujarat) India

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 17/08/2023

Place: Rajkot

CS PIYUSH JETHVA

Practising Company Secretary

FCS 6377, CP NO. 5452

UDIN : F006377E000812490

Peer Review Certificate No. : 1333/2021



CS PIYUSH JETHVA

(Practising Company Secretary)

806- The Imperia, Opp: Shashtri Maidan, Above Federal Bank, Limda Chowk, Rajkot 360001 (Gujarat) India

**CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE AS PER PROVISIONS OF
CHAPTER IV OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATION
AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015,**

To,
The Members,
AKSHAR SPINTEX LIMITED,
Revenue Survey No.102/2 Paiki,
Plot No. - 2 Village: Haripar, Ranuja Road.
Tal: Kalavad. Jamnagar 361013 (Gujarat)

We have examined all the relevant records of Akshar Spintex Limited having CIN: L17291GJ2013PLC075677 (the Company) for the purpose of certifying compliance of the conditions as stipulated in regulations 17 to 27 clause (b) to (i) of regulations 46(2) and para C and D of Schedule V of Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2023. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The Compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to the procedure and implementation process adopted by the company for ensuring the compliance of the conditions of the corporate governance.

This certificate 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.

In our opinion and to the best of our information and according to the explanations and information furnished to us, we certify that the Company has complied with all the mandatory requirements of Corporate Governance as stipulated in Schedule II of the said regulations.

Date: 17/08/2023

Place: Rajkot

CS PIYUSH JETHVA

Practising Company Secretary

FCS 6377, CP NO. 5452

UDIN : F006377E000812501

Peer Review Certificate No.: 1333/2021



Independent Auditor's Report

To the Members of Akshar Spintex Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Akshar Spintex Limited ("the Company")** which comprises the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Cash Flows, and Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no other key audit matters to communicate in our report except as stated in Emphasis of Matter below.

Emphasis of Matter

The Company's management is responsible for carrying out the inspection of its inventories on a regular basis. We have not independently verified the inventories of the Company during the year under review. Any adjustment to the value of inventories as appearing in the balance sheet of the Company may have an effect on the loss and net assets of the Company for the period and year ended March 31, 2023.

We draw your attention to Note 40.2 to the financial statements where the Company's management has stated that outstanding balances, if any, at the yearend in respect of trade receivables, trade payables etc. are subject to confirmation from those respective parties and consequential reconciliation and/or adjustments arising there from. These have not been independently verified by us during the year under review. Any adjustment to the value of such balances as appearing in the balance sheet of the Company may have an effect on the loss and net assets of the Company for the period and year ended March 31, 2023.

Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

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

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act. 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 implementation and maintenance of 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

1. Identify and assess the risks of material misstatement of the 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.
2. 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, In our opinion 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 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 32 to the 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.
 - iv.
 1. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 2. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether,

directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

3. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (1) and (2) above, contain any material misstatement.
- v. The Company has not paid any dividends during the year and hence, the provisions of Section 123 of the Act are not applicable to the Company.

Place: Rajkot
Date: 27/05/2023

For, **HB Kalaria and Associates**
Firm Reg. No. 104571W
Chartered Accountants

(Hasmukh Kalaria)
Partner
Mem. No. 042002
UDIN: 23042002BGVKEX1295

Annexure A

Referred to in the section Report on Other Legal and Regulatory Requirements on of the Independent Auditors' Report of even date to the members of Akshar Spintex Limited on the financial statements as of and for the year ended March 31, 2023

- (i)
 - (a) In respect of its property, plant, and equipment:
 - (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - (B) The Company does not have any intangible assets and hence, is not required to maintain records for the same.
 - (b) The Company has a programme of verification of property, plant and equipment to cover all the items in a phased manner over a period of 2 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain property, plant and equipment and investment property were physically verified by the Management during the current reporting period. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed/transfer deed/conveyance deed, we report that, the title deeds, comprising all the immovable properties of land and acquired buildings which are freehold, are held in the name of the Company as at the balance sheet date.
 - (d) The Company has not revalued its property, plant and equipment during the reporting period and hence, clause (i)(d) of the Order is not applicable.
 - (e) As explained to us by the management of the Company, there have not been any proceedings initiated or pending against the Company under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder during the current reporting period or as at the balance sheet date.
- (ii)
 - (a) We have not been provided with the records of inventory verification done by the management of the company during the reporting period. Hence, we are unable to comment on whether there were any material discrepancies noticed by the management and whether the same have been dealt with in the books of accounts of the Company during the reporting period.
 - (b) In our opinion and according to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets; the quarterly returns/statements filed by the Company with the banks during the reporting period are not in agreement with the books of accounts of the Company. The details regarding such reconciliation is as disclosed in note [33.3] of the financial statements.
- (iii) According to the information and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, hence clause (iii) of the Order is not applicable.

- (iv) In our opinion and according to the information and explanations given to us, the Company has not made any loans, investments or provided any guarantees and hence, the provisions of Sections 185 and 186 of the Companies Act, 2013 are not applicable to the Company.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits during the current reporting period in terms of provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013 in respect of its products. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) In our opinion and according to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities apart from a few delays in the payment of professional tax.

There were undisputed amounts payable in arrears as at the balance sheet date for a period of more than six months from the date they became payable. The details of which are as follows:

Name of statute	Nature of dues	Amount unpaid (in Rs. lacs)	Period to which the amount relates	Due date of payment	Actual date of payment
Gujarat Professional Tax Act	Professional Tax	4.97	F.Y. 2020-21	Monthly	Not paid till date of report
Gujarat Professional Tax Act	Professional Tax	5.09	F.Y. 2021-22	Monthly	Not paid till date of report
Gujarat Professional Tax Act	Professional Tax	1.66	F.Y. 2022-23	Monthly	Not paid till date of report

- (b) Details of statutory dues which have not been deposited as at the balance sheet date on account of disputes are given below:

Name of statute	Nature of dues	Forum where dispute pending	Period to which the amount relates	Gross amount due (in Rs. lacs)	Amount unpaid (in Rs. lacs)
The Income Tax Act, 1961	Income Tax	The Commissioner of Income tax (Appeals)	A.Y. 2018-19	119.16	119.16

- (viii) According to the information and explanations given to us, the Company does not have any transactions, which were not recorded in the books of accounts and which have been surrendered or disclosed as income during the current reporting period in the tax assessments under the Income-tax Act, 1961.
- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions or banks. The Company has not taken any loans or borrowings from the government.
- (b) In our opinion and according to the information and explanations given to us, the Company has not been declared as a willful defaulter by any bank or financial institution or other lender during the reporting period.
- (c) The Company has obtained term loans during the current reporting period which, in our opinion and according to the information and explanations given to us, have been utilized for their stated purpose(s).
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we believe that no funds raised on short-term basis have been used for long-term purposes by the Company. We have however not made a detailed examination of the same.
- (e) The Company does not have any associate, subsidiary or joint venture and hence, clause (ix)(e) of the Order is not applicable.
- (f) The Company does not have any associate, subsidiary or joint venture and hence, clause (ix)(f) of the Order is not applicable.
- (x) (a) During the current reporting period, the Company has not raised funds by way of initial public offer or further public offer (including debt instruments) and hence reporting under clause (x)(a) of the Order is not applicable to the Company.
- (b) During the current reporting period, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the current reporting period.
- (b) To the best of our knowledge and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) To the best of our knowledge and according to the information and explanations given to us, the Company has not received any whistle-blower complaints during the current reporting period.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the reports of the Internal Auditors for the period under review during our audit of the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the current reporting period the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company, if any or persons connected with them and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.
- (xvi) (a) The Company is not required to be registered under Section 45-I of the Reserve Bank of India Act, 1934.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the current reporting period and hence, is not required to obtain a Certificate of Registration from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company ("CIC") as defined in the regulations made by the Reserve Bank of India.
- (d) The Company does not have any Group companies and hence, clause (xvi)(d) of the Order is not applicable to the Company.
- (xvii) In our opinion, the Company has not incurred any cash losses during the current reporting period and in the immediately preceding reporting period.
- (xviii) There has not been any resignation of the statutory auditors during the current reporting period under review.

- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) (a) According to the information and explanations given to us, the Company has not transferred unspent amount, in respect of other than ongoing project(s), to a Fund specified in Schedule VII to the Companies Act, 2013 within a period of six months of the expiry of the financial year in compliance with the second proviso to sub-section (5) of section 135 of the Act.
- (b) According to the information and explanations given to us, the Company does not have any ongoing project(s) for which funds remain unspent under sub-section (5) of section 135 of the Companies Act and hence, is not required to transfer any funds to a special account in compliance with the provision of sub-section (6) of section 135 of the Companies Act, 2013.
- (xxi) Clause (xxi) of the CARO, 2020 is not applicable in the report on the standalone financial statements of the Company.

Place: Rajkot
Date: 27/05/2023

For, HB Kalaria and Associates
Firm Reg. No. 104571W
Chartered Accountants

(Hasmukh Kalaria)
Partner
Mem. No. 042002
UDIN: 23042002BGVKEX1295

Annexure B

Referred to in point f. of the section Report on Other Legal and Regulatory Requirements of the Independent Auditors' Report of even date to the members of Akshar Spintex Limited on the financial statements for the year ended March 31, 2023

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

In conjunction with our audit of the financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls over the financial reporting of Akshar Spintex Limited ("the Company") as of that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 Act.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting 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 assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the 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 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect of 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 control over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, 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 issued by ICAI.

Place: Rajkot
Date: 27/05/2023

For, **HB Kalaria and Associates**
Firm Reg. No. 104571W
Chartered Accountants

(Hasmukh Kalaria)
Partner
Mem. No. 042002
UDIN: 23042002BGVKEX1295



Balance Sheet as at 31st March, 2023

(Rs. In lakhs)

Particulars		Note No.	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
I.	ASSETS				
	Non-Current Assets				
	(a) Plant, Property and Equipments	3	3,916.44	4,321.17	4,608.54
	(b) Capital Work-In-Progress		0.13	-	-
	(c) Financial Assets				
	(i) Non-Current Investments	4	-	-	31.00
	(ii) Other Non-Current Financial Assets	5	105.08	83.36	155.96
	(d) Deferred Tax Assets (Net)	14	26.98	-	-
	(e) Other Non-Current Assets		-	-	-
	Total Non-Current Assets		4,048.63	4,404.53	4,795.50
	Current Assets				
	(a) Inventories	6	1,737.68	3,318.23	1,564.35
	(b) Financial Assets				
	(i) Trade Receivable	7	1,213.04	103.51	314.31
	(ii) Cash and Cash Equivalents	8	1.74	5.00	8.89
	(iii) Bank Balances Other Than (ii) Above		-	-	-
	(iv) Loans	9	-	0.25	1.35
	(v) Other Financial Assets		-	-	-
	(c) Other Current Assets	10	642.97	1,456.41	385.61
	Total Current Assets		3,595.43	4,883.40	2,274.51
	TOTAL ASSETS		7,644.06	9,287.93	7,070.02
II.	EQUITY AND LIABILITIES				
	Equity				
	a) Equity Share Capital	11	2,499.90	2,499.90	2,499.90
	b) Other Equity	12	1,564.25	1,823.46	1,125.77
	Total Equity		4,064.15	4,323.36	3,625.67
	Liabilities				
	Non-Current Liabilities				
	a) Financial Liabilities				
	(i) Borrowings	13	831.20	1,158.84	1,362.67
	(ii) Other Financial liabilities		-	-	-
	b) Deferred Tax Liabilities (Net)	14	-	109.53	6.14
	c) Long Term Provisions	15	10.64	24.55	11.80
	Total Non Current Liabilities		841.85	1,292.93	1,380.61
	Current Liabilities				
	a) Financial Liabilities				
	(i) Borrowings	16	936.23	1,405.77	1,146.52
	(ii) Trade Payables	17	1,479.07	1,357.79	751.32
	(iii) Other Financial Liabilities	18	130.82	127.29	83.39
	b) Other Current Liabilities	19	136.37	667.35	29.77
	c) Short Term Provisions	20	55.58	49.32	52.73
	d) Current Tax Liabilities (Net)	21	-	64.11	-
	Total Current Liabilities		2,738.07	3,671.64	2,063.73
	Total Liabilities		3,579.91	4,964.57	3,444.34
	TOTAL EQUITY AND LIABILITIES		7,644.06	9,287.93	7,070.02

The above statement shall be read in conjunction with accompanying notes

As per our Report of even date

For H B Kalaria & Associates

Chartered Accountants

FRN : 104571W

For and on behalf of the Board of Directors,

Amit V. Gadhiya

Managing Director

DIN: 06604671

Harikrishna Chauhan

Whole Time Director

DIN:07710106

Hasmukh B Kalaria

Partner

Membership No.: 042002

Rajkot, May 27, 2023

Pratik M. Makawana

CS

PAN: BJHPM5951K

Haripar, May 27, 2023

Jagdish D. Otradi

CFO

PAN: ABFPO7856C

Statement of Profit and Loss for the year ended 31st March, 2023

(Rs. In lakhs)

Particulars		Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
I.	Revenue from Operations	22	13,553.25	17,210.84
II.	Other Income	23	238.91	346.38
III.	Total Income (I + II)		13,792.16	17,557.22
IV.	Expenses:			
	Cost of Materials Consumed	24	11,806.26	12,252.94
	Purchases of Stock-in-Trade	25	348.72	1,659.31
	Changes in Inventories of Finished Goods, Work-in- Progress and Stock-in-Trade	26	(125.58)	(165.54)
	Employee Benefits Expense	27	504.63	749.83
	Finance Costs	28	171.73	256.23
	Depreciation and Amortization Expense	3	426.97	421.19
	Other Expenses	29	1,078.42	1,417.01
	Total Expenses		14,211.16	16,590.97
V.	Profit before exceptional items and tax (III-IV)		(419.00)	966.25
VI.	Exceptional income/(expenses)-Net		-	-
VII.	Profit before tax (V + VI)		(419.00)	966.25
VIII.	Tax expense:	30		
	(1) Current tax		-	160.51
	(2) MAT credit availed / (entitlement)		-	(44.21)
	(3) Prior period tax		(31.64)	(9.29)
	(4) Deferred tax liability/(assets)		(110.92)	156.89
IX.	Profit for the year from continuing operations (VII-VIII)		(276.43)	702.36
X.	Other Comprehensive Income/(Expense) (OCI) net of tax expense			
	(1) Items that will not be reclassified to Profit and Loss Account			
			23.28	(4.67)
	Less: Income Tax impact on above		6.05	-
	Account		-	-
	Less: Income Tax impact on above		-	-
XI.	Total Other Comprehensive Income/(Expenses) (OCI) net of tax expense		17.22	(4.67)
XII.	Total Comprehensive Income (IX + XI)		(259.21)	697.69
XIII.	Earnings per equity share of Rs. 10 each	31		
	(1) Basic		(1.11)	2.81
	(2) Diluted		(1.11)	2.81

The above statement shall be read in conjunction with accompanying notes

As per our Report of even date

For H B Kalaria & Associates

Chartered Accountants

FRN : 104571W

For and on behalf of the Board of Directors,

Amit V. Gadhiya

Managing Director

DIN: 06604671

Harikrishna Chauhan

Whole Time Director

DIN:07710106

Hasmukh B Kalaria

Partner

Membership No.: 042002

Rajkot, May 27, 2023

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PAN: ABFPO7856C



Statement of Change in Equity for the year ended 31st March, 2023

A	Equity Share Capital	Amount			
	Balance as at 1st April 2021	2,499.90			
	Change in Equity Share Capital during the year	-			
	Balance as at 31st March 2022	2,499.90			
	Change in Equity Share Capital during the year	-			
	Balance as at 31st March 2023	2,499.90			
B	Other Equity				
	Particulars	Reserves and Surplus			
		Securities Premium	Retained Earnings	Other Comprehensive Income	Total
	Balance as at 1st April 2021	299.70	799.91	26.16	1,125.77
	Profit for the year	-	702.36		702.36
	Other Comprehensive Income	-	-	-4.67	-4.67
	Total Comprehensive Income for the year	299.70	1,502.27	21.49	1,823.46
	Balance as at 31st March 2022	299.70	1,502.27	21.49	1,823.46
Particulars	Reserves and Surplus				
	Securities Premium	Retained Earnings	Other Comprehensive Income	Total	
Balance as at 1st April 2022	299.70	1,502.27	21.49	1,823.46	
Profit for the year	-	-276.43	-	-276.43	
Other Comprehensive Income	-	-	17.22	17.22	
Total Comprehensive Income for the year	299.70	1,225.83	38.72	1,564.25	
Balance as at 31st March 2023	299.70	1,225.83	38.72	1,564.25	
The above statement shall be read in conjunction with accompanying notes					

The above statement shall be read in conjunction with accompanying notes

As per our Report of even date

For H B Kalaria & Associates

Chartered Accountants

FRN : 104571W

For and on behalf of the Board of Directors,

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Rajkot, May 27, 2023

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Haripar, May 27, 2023

Jagdish D. Otradi

CFO

PAN: ABFPO7856C

Cash Flow Statement for the year ended 31st March, 2023

(Rs. In lakhs)

	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A.	Cash Flow from Operating Activity		
	Net Profit Before Tax	(419.00)	966.25
	Adjustments For:		
	Depreciation	426.97	421.19
	Interest & Financial Expenses	171.73	256.23
	(Profit)/Loss on sale of Fixed Asset	-	1.97
	Bad Debts written off	0.25	6.44
	Interest Received on Deposits	(5.46)	(6.48)
	Loss/(Gain) on Investments	-	(6.78)
	Provision for Debtors	-	-
	Operating profit before Working Capital Changes	174.48	1,638.82
	Adjustment For:		
	Inventories	1,580.55	(1,753.88)
	Trade Receivables	(1,109.77)	204.36
	Other Non-Current Financial Assets	(21.72)	72.61
	Financial Assets- Loans	0.25	1.11
	Short-term loans and advances	813.44	(1,070.80)
	Trade Payables	121.27	606.48
	Short-term Provisions	6.26	(3.41)
	Long-term Provisions	9.37	8.09
	Other Current Liabilities	(530.98)	637.59
	Other Current Financial Liabilities	4.61	47.77
	Taxes Paid	(64.11)	(96.39)
	Net Cash Generated from Operations	983.63	292.34
B.	Cash Flow from Investment Activities		
	Changes in Creditors for Fixed Assets	(1.08)	(3.87)
	Purchase of Property, Plant and Equipments	(22.37)	(139.30)
	Proceeds from sale of PPE	-	3.50
	Proceeds from sale of non-current investment	-	37.78
	Interest Received	5.46	6.48
	Net Cash Flow from Investment Activities	(17.98)	(95.41)
C.	Cash Flow from Financial Activities:		
	Changes in Long Term Borrowings (Net)	(327.64)	(203.83)
	Changes in Short Term Borrowings (Net)	(469.54)	259.25
	Interest & Financial Expenses	(171.73)	(256.23)
	Net Cash Flow from Financial Activities	(968.91)	(200.82)
	Total of Cash Flow (A+B+C)	(3.26)	(3.89)
	Cash & Cash Equivalent at the beginning of the year	5.00	8.89
	Cash & Cash Equivalent at the ending of the year	1.74	5.00
	Cash & Cash Equivalent comprising of		
	Cash on Hand	1.54	4.80
	Balances with Scheduled Banks	0.20	0.20
		1.74	5.00
Note: 1. The above statement shall be read in conjunction with accompanying notes			
2. Previous year's figures have been regrouped wherever necessary to confirm this year's classification.			

As per our Report of even date

For H B Kalaria & Associates

Chartered Accountants

FRN : 104571W

For and on behalf of the Board of Directors,

Amit V. Gadhiya

Managing Director

DIN: 06604671

Harikrishna Chauhan

Whole Time Director

DIN:07710106

Hasmukh B Kalaria

Partner

Membership No.: 042002

Rajkot, May 27, 2023

Pratik M. Makawana

CS

PAN: BJHPM5951K

Haripar, May 27, 2023

Jagdish D. Otradi

CFO

PAN: ABFPO7856C

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1. Background

Akshar Spintex Limited ('the Company') incorporated in India is a manufacturing and trading of spun cotton yarn.

2. Significant Accounting Policies followed by the Company

A. Basis of preparation

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

(ii) Historical cost convention

The Ind AS financial statements have been prepared on an accrual basis under historical cost convention basis, except for the following:

- 1) certain financial assets and liabilities that are measured at fair value;
- 2) assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
- 3) defined benefit plans - plan assets measured at fair value;

(iii) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

(iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

B. Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

C. Segment reporting:

Geographical segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

D. Foreign currency translation

(i) Functional and presentation currency

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency. The Company determines its own functional currency (the currency of the primary economic environment in which the Company operates) and items included in the financial statements of the Company are measured using that functional currency.

(ii) Transactions and balances

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Monetary assets and liabilities denominated in foreign currencies are retranslated into the Company's functional currency of the entity at the rates prevailing on the reporting date. Non monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at reporting date exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit and Loss.

E. Revenue recognition

Revenue is measured at the value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, discounts, loyalty discount; indirect taxes and amounts collected on behalf of third parties.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below.

Sale of goods

Sales are recognised when substantial risk and rewards of ownership are transferred to customer. In case of domestic customer, generally sales take place when goods are dispatched or delivery is handed over to transporter, in case of export customers, generally sales take place when goods are shipped onboard based on bills of lading.

Other operating revenue

Interest on investments and deposits is booked on a time-proportion basis taking into account the amounts invested and the rate of interest.

Revenue in respect of other types of income is recognised when no significant uncertainty exists regarding realisation of such income.

F. Income tax

The income tax expense or credit for the period is the tax payable 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. 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 amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

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 utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current 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 Company 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.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

G. Impairment of non-financial assets

Property, plant and equipments (PPE) and Intangible assets (IA) that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in

circumstances indicate that they might be impaired. Other 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 costs of disposal and value in use. For the purpose 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 group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

H. 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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

I. Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment, if any.

J. Inventories

Inventories of raw materials, work-in-progress, stores and spares, finished goods and stock-in-trade are stated at cost or net realisable value, whichever is lower. Goods-in-transit are stated 'at cost'. Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. A cost formula used is 'First-in-First-out'. Due allowance is estimated and made for defective and obsolete items, wherever necessary.

K. Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- (1) those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
- (2) those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

Debt instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into following categories:

- (1) **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.
- (2) **Fair value through profit and loss:** Assets that do not meet the criteria for amortised cost are measured at fair value through Profit and Loss. Interest income from these financial assets is included in other income.

Equity instruments:

The Company measures its equity investment other than in subsidiaries, joint ventures and associates at fair value through profit and loss. However where the Company's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income (Currently no such choice made), there is no subsequent reclassification, on sale or otherwise, of fair value gains and losses to the Statement of Profit and Loss.

(iii) Impairment of financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(iv) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method.

Dividends

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

L. Property, plant and equipment

Property, plant and equipment are measured at cost/deemed cost, less accumulated depreciation and impairment losses, if any. Cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated attributable costs of dismantling and removing the item and restoring the site on which it is located.

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 repair and maintenance costs are recognised in Statement of Profit and Loss as incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipments is provided on Straight-line basis, over the estimated useful lives of assets. The Company depreciates its Property, plant and equipment over the useful life in the manner prescribed in Schedule II to the Act, and management believe that useful life of assets are same as those prescribed in Schedule II to the Act.

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

In case of pre-owned assets, the useful life is estimated on a case to case basis.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

M. Investment properties

Investment property is property (land or a building or part of a building or both) held either to earn rental income or for capital appreciation or for both, but neither for sale in the ordinary course of business nor used in production or supply of goods or services or for administrative purposes. Investment properties are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

Any gain or loss on disposal of investment property calculated as the difference between the net proceeds from disposal and the carrying amount of the Investment Property is recognised in Statement of Profit and Loss.

N. Intangible assets

Identifiable intangible assets are recognised when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured. Intangible assets are stated at cost less accumulated amortization and impairments. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Computer software

Computer software is stated at cost, less accumulated amortisation and impairments, if any.

Amortisation method and useful life

The Company amortizes computer software using the straight-line method over the period of 3 years.

O. Borrowings

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest 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.

P. Borrowing 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.. Other interest and borrowing costs are charged to Statement of Profit and Loss.

Q. Provisions and contingent liabilities

Provisions are recognized 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 a reliable estimate can be made of the amount of the obligation.

The expenses relating to a provision is presented in the Statement of Profit and Loss net of reimbursements, if any. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

Contingent liabilities and capital commitments disclosed are in respect of items which in each case are above the threshold limit.

Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave that are not expected to be settled wholly within 12 months are measured as 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 Government Securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

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.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Re-measurement 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.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined Contribution Plans

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

R. Earnings Per Share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit 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 adjust 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.

Notes to the Financial Statements for the year ended March 31, 2023

Note: 3 Property, Plant & Equipments

Fixed Assets	Gross Carrying Amount			Accumulated Depreciation/Amortisation			Net Carrying Amount	
	As at 1st April, 2022	Additions	Adjustment/ Deduction	As at 31st March, 2023	As at 1st April, 2022	For the year	Adjustment/ Deduction	As at 31st March, 2023
Tangible Assets								
Land	63.60	-	-	63.60	-	-	-	63.60
Buildings	1,103.20	0.98	-	1,104.17	241.50	34.95	-	827.73
Plant and Equipment	5,774.98	0.55	-	5,775.53	2,470.94	365.78	-	2,938.81
Furniture and Fixtures	26.97	-	-	26.97	14.02	2.56	-	10.39
Vehicles	26.34	19.43	-	45.77	4.10	5.34	-	36.33
Computer	17.05	0.61	-	17.65	14.00	1.51	-	2.14
Office Equipments	164.17	0.66	-	164.83	110.57	16.82	-	37.45
Total:	7,176.30	22.24	-	7,198.53	2,855.13	426.97	-	3,916.44
								4,321.17

(Rs. In lakhs)

Note: 3 Property, Plant & Equipments

Fixed Assets	Gross Carrying Amount			Accumulated Depreciation/Amortisation			Net Carrying Amount	
	As at 1st April, 2021	Additions	Adjustment/ Deduction	As at 31st March, 2022	As at 1st April, 2021	For the year	Adjustment/ Deduction	As at 31st March, 2022
Tangible Assets								
Land	63.60	-	-	63.60	-	-	-	63.60
Buildings	1,058.80	44.39	-	1,103.20	207.28	34.22	-	861.70
Plant and Equipment	5,709.12	65.87	-	5,774.98	2,107.77	363.18	-	3,304.04
Furniture and Fixtures	24.62	2.35	-	26.97	11.51	2.51	-	12.96
Vehicles	25.01	17.56	16.24	26.34	10.97	3.89	10.77	22.23
Computer	15.30	1.75	-	17.05	13.15	0.85	-	3.05
Office Equipments	156.80	7.37	-	164.17	94.03	16.54	-	53.60
Total:	7,053.24	139.30	16.24	7,176.30	2,444.70	421.19	10.77	4,321.17
								4,608.54

(Rs. In lakhs)

Note: 4 Non Current Investments

(Rs. In lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022		As at 1st April, 2021	
	nos of units	Amount	nos of units	Amount	nos of units	Amount
Investment in Debt Instruments: (fully paid, at cost)						
Quoted:						
SBI Corporate Bond Fund - Regular Plan Growth	-	-	-	-	3.03	31.00
Total	-	-	-	-	3.03	31.00
Aggregate Market Value of quoted investments		-		-		36.65

Note: 5 Other Non-Current Financial Assets

(Rs. In lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
(Unsecured, considered good)			
Security Deposits	0.75	0.75	0.75
Bank Fixed Deposit (having maturity period more than 12 months)	104.33	82.61	155.21
Total	105.08	83.36	155.96

Note: 6 Inventories

(Rs. In lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
Raw Materials	808.31	2,514.44	926.10
Work-in-Progress	350.55	423.41	288.59
Finished Goods	577.11	351.51	324.30
Other Inventories - Stock in trade	1.71	28.87	25.36
Total	1,737.68	3,318.23	1,564.35

Note: 7 Trade Receivables

(Rs. In lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
Trade receivables outstanding for a period exceeding six months from the date they are due for payment			
Unsecured, considered good	112.57	9.03	9.34
Sub total	112.57	9.03	9.34
Trade receivables outstanding for a period less than six months from the date they are due for payment			
Unsecured, considered good	1,100.47	94.48	304.97
Total	1,213.04	103.51	314.31

7.1 Trade receivables ageing schedule

(Rs. In lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
(Outstanding for the following periods from the date of transaction)			
Unsecured			
Undisputed trade receivables - considered good			
Less than 6 months	1,100.47	94.48	311.31
6 months -1 year	109.57	6.03	3.00
1-2 years	-	3.00	-
2-3 years	3.00	-	-
More than 3 years	-	-	-
Total	1,213.04	103.51	314.31

Note: 8 Cash and Cash Equivalents

(Rs. In lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
Bank Balances:-			
In Current Account	0.20	0.20	1.53
Cash on hand	1.54	4.80	7.36
Total	1.74	5.00	8.89

Note: 9 Loans - Current

(Rs. In lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
(Unsecured and Considred Good)			
Loans to Employees	-	0.25	1.35
Total	-	0.25	1.35

Note: 10 Other Current Assets

(Rs. In lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
Statutory Receivable (net)	48.77	87.27	77.20
Advances to Suppliers	407.03	1,073.35	32.02
Capital Advances	-	0.25	-
Advances Recoverable in Cash or in Kind	3.94	4.04	5.66
Prepaid Expenses	7.05	7.90	5.53
Government grants receivable	176.18	283.60	223.48
Total	642.97	1,456.41	385.61

Note:11 Equity Share Capital

(Rs. In lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
Authorised			
2,50,00,000 Equity Shares of Rs. 10/- each.	2,500.00	2,500.00	2,500.00
	2,500.00	2,500.00	2,500.00
Issued, Subscribed & Paid up			
2,49,99,000 Equity Shares of Rs. 10/- each, Fully paid up	2,499.90	2,499.90	2,499.90
Total	2,499.90	2,499.90	2,499.90

11.1 The reconciliation of the number of shares outstanding at the beginning and at the end of the year:-

Particulars	No. of Shares	As at 31st March, 2023	No. of Shares	As at 31st March, 2022	No. of Shares	As at 1st April, 2021
	(In Nos.)	(Rs. In lakhs)	(In Nos.)	(Rs. In lakhs)	(In Nos.)	(Rs. In lakhs)
Shares outstanding at beginning of the year	24,999,000	2,499.90	24,999,000	2,499.90	24,999,000	2,499.90
Shares outstanding at end of the year	24,999,00	2,499.90	24,999,00	2,499.90	24,999,00	2,499.90

11.2 The details of Equity Shareholders holding more than 5% shares:

Name of the Shareholder	As at 31st March, 2023		As at 31st March, 2022		As at 1st April, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Amit Vallabhnbhai Gadhiya	1,838,100	7.35%	1,838,100	7.35%	1,820,100	7.28%
Ashoknbhai Sukanbhai Bhalala	-	0.00%	-	0.00%	1,530,000	6.12%
Nipaben Vikashbhai Sorathiya	-	0.00%	-	0.00%	1,938,500	7.75%
Harikrishna Shamjibhai Chauhan	2,695,000	10.78%	1,930,000	7.72%	600,000	2.40%
Ilaben Dineshbhai Paghdar	1,007,676	4.03%	1,824,000	7.30%	1,602,000	6.41%
Pravinbhai Shukanbhai Bhalala	-	0.00%	-	0.00%	1,330,000	5.32%
Rekhaben Harikrishna Chauhan	4,442,500	17.77%	3,690,000	14.76%	2,160,000	8.64%
Sonal Prakashkumar Sorathia	1,794,867	7.18%	1,936,500	7.75%	1,936,500	7.75%
Narmadaben Shamjibhai Chauhan	-	0.00%	1,530,000	6.12%	290,000	1.16%

11.3 Details of shares held by promoters at the end of the year

Name of the Promoters	As at 31st March, 2023			As at 31st March, 2022		
	No. of Shares	% of Holding	% change	No. of Shares held	% of Holding	% change
Harikrishna Shamjibhai Chauhan	2,695,000	10.78%	3.06%	1,930,000	7.72%	5.32%
Rekhaben Harikrushnabhai Chauhan	4,442,500	17.77%	3.01%	3,690,000	14.76%	6.12%
Ashok Shukan Bhalala	-	-	-	-	0.00%	-6.12%
Amit Vallabhnbhai Gadhiya	1,838,100	7.35%	0.00%	1,838,100	7.35%	0.07%

Name of the Promoters	As at 1st April, 2021		
	No. of Shares held	% of Holding	% change
Harikrishna Shamjibhai Chauhan	600,000	2.40%	0.00%
Rekhaben Harikrushnabhai Chauhan	2,160,000	8.64%	0.00%
Ashok Shukan Bhalala	1,530,000	6.12%	0.00%
Amit Vallabhnbhai Gadhiya	1,820,100	7.28%	0.00%

11.4 The Company has only one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

Note: 12 Other Equity

(Rs. In lakhs)			
Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
Reserves and Surplus			
A. Securities Premium			
Opening Balance	299.70	299.70	299.70
Balance as at year end	299.70	299.70	299.70
B. Retained Earnings			
Opening balance	1,502.27	799.91	701.18
(+) Net Profit for year	(276.43)	702.36	98.73
Balance as at year end	1,225.83	1,502.27	799.91
C. Other Comprehensive Income			
Opening balance	21.49	26.16	0.64
(+) Changes during the year	17.22	(4.67)	25.52
Balance as at year end	38.72	21.49	26.16
Total	1,564.25	1,823.46	1,125.77

Note: 13 Borrowings-Non Current

(Rs. In lakhs)			
Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
Secured			
Term loans from banks	363.13	554.62	906.25
Vehicle Loan from Banks	11.65	7.95	1.52
Unsecured			
Loans from Directors and Relatives	456.42	596.27	454.91
Total	831.20	1,158.84	1,362.67

13.1 Terms of Repayment of Loans:

Financier/ Category	Nature of security	Terms of Repayment	Rate of Interest
Rupee loans from banks	Hypothecation of plant & machinery and equipments of Company and mortgage of land and buildings situated at Plot No. 2, Survey No. 102/2, Vill Haripar, Tal: Kalawad, Dist Jamnagar	Repayable in 44-47 Installments	8.30% - 9.15%
Vehicle loans	Hypothecation of the respective vehicle	Repayable in 36 Installments	8.30%
Loans from Directors and Relatives	Unsecured	Repayment schedule not specified	0.00%

Note: 14 Deferred Tax Liability / (Asset)

(Rs. In lakhs)

Particulars	As at 31st March,	As at 31st March,	As at 1st April, 2021
Deferred Tax Liability on account of : (I) Depreciation	416.41	432.85	434.86
	416.41	432.85	434.86
Deferred Tax Assets on account of : (I) Gratuity (II) Unabsorbed depreciation	3.95 91.87	7.40 -	3.27 163.01
	95.82	7.40	166.29
Less: MAT Credit	347.57	315.93	262.43
Total	(26.98)	109.53	6.14

Note: 15 Long term provisions

(Rs. In lakhs)

Particulars	As at 31st March,	As at 31st March,	As at 1st April, 2021
Provision for employee benefits: Gratuity	10.64	24.55	11.80
Total	10.64	24.55	11.80

Note: 16 Borrowings- Current

(Rs. In lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
Current Maturities of Long Term Debts	190.74	650.96	646.40
Secured			
Working Capital Loans from banks	745.49	754.81	500.13
Total	936.23	1,405.77	1,146.52

16.1 Terms of Repayment

Financier/ Category	Nature of security	Terms of Repayment	Rate of Interest
Working capital loans from banks	Hypothecation of the current and movable assets of the Company	Repayable on demand	10.30%

Note: 17 Trade Payables

(Rs. In lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
Others			
For Raw material & Packing Material	1,349.06	1,339.77	713.55
For Expenses & Others	130.00	18.02	37.77
Total	1,479.07	1,357.79	751.32

***Note:** Under the Micro, Small and Medium Enterprises Development Act, 2006 certain disclosure are required to be made for enterprises which are covered under the Act. Since the company is in a process of compiling relevant information from its suppliers about their coverage under the said Act, no disclosures have been made. However, in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of this Act is not expected to be material.

17.1 Trade payables ageing schedule

(Rs. In lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
(Outstanding for the following periods from the date of transaction)			
Undisputed trade payables - other than MSMEs			
Less than 1 year	1,470.43	1,355.48	745.48
1-2 years	7.37	1.72	4.71
2-3 years	0.19	0.55	0.02
More than 3 years	1.08	0.04	1.10
Total	1,479.07	1,357.79	751.32

17.2 The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the co. is as under:

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Principal amount due and remaining unpaid at the year	-	-	-
Interest due on above and remaining unpaid interest at the	-	-	-
Interest paid other than sec 16 beyond the appointed day during the year	-	-	-
Principal amount paid beyond the appointed day during the	-	-	-
Interest paid under sec 16 beyond appoint day during the	-	-	-
Interest due and payable for payment already made	-	-	-
Amount of further interest remaining due and payable in succeeding years	-	-	-

Note: 18 Other Financial Liabilities - Current

(Rs. In lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
Interest accrued but not due on borrowings	39.47	39.47	14.80
Capital Creditors	0.20	1.28	5.15
Employee Related Liabilities	91.15	86.55	63.44
Total	130.82	127.29	83.39

18.1 There is no amount due and outstanding to be credited to Investor Education and Protection Fund as at 31st March, 2023

Note: 19 Other Current Liabilities

(Rs. In lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
Statutory Dues	88.00	22.94	29.57
Advance from Customers	48.37	644.41	0.20
Total	136.37	667.35	29.77

Note: 20 Short Term Provisions

(Rs. In lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
Provision for Expenses	51.05	45.43	51.93
Provision for Employee Benefits:			
Gratuity	4.53	3.89	0.80
Total	55.58	49.32	52.73

Note: 21 Current Tax Liabilities (Net)

(Rs. In lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
Provision for Income-tax	-	64.11	-
Total	-	64.11	-

Note: 22 Revenue from Operations

(Rs. In lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of Products	13,655.54	17,251.94
	13,655.54	17,251.94
Other Operating Revenue	(102.29)	(41.10)
Total	13,553.25	17,210.84

Note: 23 Other Income

(Rs. In lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on Financial Assets		
On Bank Fixed Deposits	5.46	6.48
Other Gain and Losses		
Gain/(Loss) on Investments	-	6.78
Income from government grants/subsidies	233.45	331.44
Miscellaneous Income	-	1.68
Total	238.91	346.38

Note: 24 Cost of Materials Consumed

(Rs. In lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Inventory	2,514.44	926.10
Add : Purchase	10,100.14	13,841.28
Less : Closing Inventory	808.31	2,514.44
Total	11,806.26	12,252.94

Note: 25 Purchase of Stock in Trade

(Rs. In lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Stock in Trade	348.72	1,659.31

Note: 26 Changes in inventories of finished goods, work-in-progress and stock-in-trade

(Rs. In lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventories (at close):		
Work-in-Process	350.55	423.41
Finished Goods	577.11	351.51
Other Inventories- Stock in trade	1.71	28.87
	929.36	803.79
Inventories (at commencement):		
Work-in-Process	423.41	288.59
Finished Goods	351.51	324.30
Other Inventories- Stock in trade	28.87	25.36
	803.79	638.25
Total	(125.58)	(165.54)

Note: 27 Employee benefit expenses

(Rs. In lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and Wages	490.96	734.64
Contributions to -		
Provident fund, Superannuation scheme & Other funds	13.68	14.77
Staff welfare expenses	-	0.42
Total	504.63	749.83

27.1 Employee Benefits, the disclosures as defined in the Accounting Standard are given below:

Defined Benefit Gratuity Plan:

(Rs. In lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(I) Amount Recognised in Balance Sheet		
Present value of unfunded Obligations	15.18	28.45
Present value of funded Obligations	-	-
Fair Value of plan assets	-	-
Net Liability (asset)	15.18	28.45
(II) Amounts to be recognised in Profit and Loss Account		
Service Cost		
Current Service Cost	8.51	10.55
Past Service Cost	-	-
Curtailement and settlement	-	-
Net Interest Cost	1.50	0.63
Total included in Employees Expenses	10.01	11.18
Expenses Deducted from the Fund	-	-
Total Charged to profit and loss	10.01	11.18
(III) Other Comprehensive Income for the Period		
Components of actuarial gain/loss on obligation		
Due to Change in Financial Assumption	0.43	-0.52
Due to change in demographic assumption	-	-
Due to Experience Adjustments	(23.71)	5.19
Return on planned assets excluding amounts included in interest income	-	-
Amount Recognised in Other Comprehensive Income	-23.28	4.67
(IV) Reconciliation of Defined Benefit Obligation		
Opening Defined Benefit Obligation	28.45	12.59
Interest cost	1.50	0.63
Components of actuarial gain/loss on obligation		
Due to Change in Financial Assumption	0.43	-0.52
Due to change in demographic assumption	-	-
Due to Experience Adjustments	-23.71	5.19
Current Service Cost	8.51	10.55
Loss/Gain on Curtailement	-	-
Liabilities Extinguished on settlement	-	-
Liabilities assumed in an amalgamation in the nature of purchase	-	-
Exchange difference of foreign plan	-	-
Benefits Paid	-	-
Closing Defined Benefit Obligation	15.18	28.45
(V) Assumptions:		
Discount Rate (per annum)	7.30%	5.65%
Rate of Increase in Salary	7.00%	7.00%
Withdrawal Rate	Age 25 & Below and 55 & above: 30% p.a.	Age 25 & Below and 55 & above: 30% p.a.

Note: 28 Finance Cost

(Rs. In lakhs)		
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest Expenses		
On Long Term Loan	80.74	187.98
On Short Term Loan	75.08	53.51
On Other Borrowing and/or late payments	10.62	0.10
Other Borrowing Costs	5.30	14.64
Total	171.73	256.23

Note: 29 Other Expenses

(Rs. In lakhs)		
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Direct Expenses		
Stores and Spares Consumed	95.12	136.80
Power and Fuel	1.32	2.16
Electricity Expense	830.02	1,119.27
Job work Charges	14.04	-
Indirect Expenses		
Office Electricity Expense	0.19	0.23
Rent Expense	-	3.60
Freight Expenses	-	5.56
Factory and Other Expenses	3.47	4.88
Repairs to Others	10.01	9.59
Insurance	16.10	13.56
Rates and Taxes	0.79	1.12
Telephone and Postage	0.82	0.94
Printing and Stationery	1.10	1.02
Donation and Other Subscriptions	0.05	-
Registration and Filing Fees	22.04	5.11
Legal & Professional Fees	8.97	14.53
Bank charges	13.94	1.58
Travelling and Conveyance	0.12	2.27
Payments to Auditors	4.66	3.20
Advertising and sales promotion expenses	1.73	0.68
Vehicle running expenses	12.53	14.34
Safety and Security Expense	8.74	11.77
Information Technology Expense	1.43	1.27
Payment for Technical Services	0.27	0.88
Commission to Selling Agents	27.26	50.73
CSR Expense	2.92	-
Loading and Unloading Cost	0.13	-
Bad Debts	0.25	6.44
Loss on Sale of Asset	-	1.97
Miscellaneous Expenses	0.39	1.56
Total	1,078.42	1,417.01

29.1 Details of Stores and Spares Consumed

(Rs. In lakhs)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Imported	-	-
Indigenous	95.12	136.80
Total	95.12	136.80

29.2 Expenditure incurred on Corporate Social Responsibility Activities

(Rs. In lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Gross amount required to be spent by the company during the year	2.92	-
Amount spent during the year on :		
Construction/ Acquisition of any asset	-	-
On purpose other than above	-	-
Amount of shortfall at the end of the year	2.92	-
Total of previous year shortfall	-	-
Nature of CSR activity	NA	NA
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	NA	NA
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	NA	NA

29.3 Payments to Auditors as:

(Rs. In Lacs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Statutory Auditors :		
i) Audit Fees	4.00	2.90
ii) For Taxation matters	-	-
iii) For others	-	-
Sub Total	4.00	2.90
Cost Auditors :		
i) As auditors	0.66	0.30
Total	4.66	3.20

Note: 30 Income Tax

(Rs. In lakhs)		
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Net Tax Expenses		
Current tax	-	160.51
MAT credit availed / (entitlement)	-	-44.21
Deferred tax liability/(assets)	(110.92)	156.89
Prior Period Tax	(31.64)	-9.29
	-142.57	263.89
Reconciliation of tax expense and the accounting profit computed by applying the Income tax rate		
Profit/ (loss) before tax	-419.00	966.25
India's statutory income tax rate	26.00%	27.82%
Expected income tax expense as per applicable taxes	-108.94	268.81
Non-deductibles expenses	12.92	2.23
Prior Period Tax	31.64	9.29
Changes due to brought forward tax losses	-	-174.42
Difference due to different tax rate	(34.82)	107.54
Others	(43.37)	50.44
Total	(142.57)	263.89

Note: 31 Earnings Per Share (EPS)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs. In lakhs)	(276.43)	702.36
Weighted average number of shares considered for calculating EPS (In Nos.)	24,999,000	24,999,000
Basic Earnings per share (Rs.)	(1.11)	2.81
Diluted Earnings per share (Rs.)	(1.11)	2.81
Face Value per equity share (Rs.)	10.00	10.00

Note: 32 Contingent Liabilities not provided for in respect of

(Rs. In lakhs)		
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Income tax matters in dispute in respect of Assessment dues before CIT (Appeal) for A.Y. 2018-19.	119.16	119.16

Note: 33 Additional regulatory information

33.1. Capital work-in-progress ageing schedule

(Rs. In lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Amount in capital work-in-progress for the period of		
Projects in progress		
Less than 1 year	0.13	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-

33.2. Capital work-in-progress completion schedule

(Rs. In lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Capital work-in-progress to be completed in		
Projects in progress		
[Solar Power Plant]		
Less than 1 year	500.00	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-

33.2 Details of benami property(ies) held

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

33.3 Security of current assets against borrowings

The Company is having borrowings from banks or financial institutions against which security of current assets is given. Quarterly returns and statements of current assets filed by the Company with banks and financial institutions are not in agreement with the books of accounts. Summary of reconciliation and reasons for material discrepancies are as follows:

Quarter	Name of the Bank	Particulars of Security provided	Amount as per books of account (in Rs. lakhs)	Amount as reported in the quarterly return/ statement (in Rs. lakhs)	Amount of difference (in Rs. lakhs)	Reason for material discrepancies (See notes below)
Q4	The South Indian Bank Ltd	Sundry debtors	1,153.02	1,136.62	16.39	Note No 1
		Sundry creditors	1,317.97	1,278.19	39.78	Note No 2

Reason for material discrepancies

Note No. 1: Difference is on account of Provisional Figures of Debtors Submitted to bank. Note No. 2:

Difference is on account of Provisional Figures of creditors Submitted to bank.

33.4 Details of willful default

The Company has not been declared as a wilful defaulter by any bank or financial institution, in accordance with the guidance on wilful defaulters issued by Reserve Bank of India.

33.5 Relationship with struck-off companies

The Company does not have any transactions with struck-off companies.

33.6 Delay in registration/satisfaction of charge with registrar of companies

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

33.7 Compliance with number of layers of companies

The Company does not have subsidiary company, hence the compliance regarding with the number of layers of Companies as prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017, is not applicable to the Company.

33.8 Analytical ratios

Particulars	As at 31st March, 2023	As at 31st March, 2022	% change
Current ratio			
Current assets (in Rs. lacs) (A)	3,595.43	4,883.40	
Current liabilities (in Rs. lacs) (B)	2,738.07	3,671.64	
Ratio (times) = (A)/(B)	1.31	1.33	-1.27%
Debt-equity ratio			
Total debt (in Rs. lacs) (A)	1,767.43	2,564.61	
Shareholders' funds (in Rs. lacs) (B)	4,064.15	4,323.36	
Ratio (times) = (A)/(B)	0.43	0.59	-26.69%
Debt service coverage ratio			
Net profit/(loss) before tax (in Rs. lacs)	(419.00)	966.25	
Add: Finance cost (in Rs. lacs)	171.73	256.23	
Add: Depreciation and amortisation expense (in Rs. lacs)	426.97	421.19	
Earnings available for debt services (in Rs. lacs) (A)	179.70	1,643.67	
Interest expense (in Rs. lacs)	171.73	256.23	
Principal repayment (in Rs. lacs)	664.01	593.41	
Debt service (in Rs. lacs) (B)	835.74	849.64	
Ratio (times) = (A)/(B)	0.22	1.93	-88.89%
Return on equity			
Net profit/(loss) after tax (in Rs. lacs) (A)	(276.43)	702.36	
Average shareholders' funds (in Rs. lacs) (B)	4,193.76	3,974.52	
Ratio (%) = (A)/(B)	-6.59%	17.67%	-137.30%
Inventory turnover ratio			
Cost of goods sold (in Rs. lacs) (A)	12,029.41	13,746.71	
Average inventory (in Rs. lacs) (B)	2,527.95	2,441.29	
Ratio (times) = (A)/(B)	4.76	5.63	-15.49%
Trade receivables turnover ratio			
Revenue from operations (in Rs. lacs) (A)	13,553.25	17,210.84	
Average trade receivables (in Rs. lacs) (B)	658.28	208.91	
Ratio (times) = (A)/(B)	20.59	82.38	-75.01%
Trade payables turnover ratio			
Total purchase (in Rs. lacs) (A)	10,448.86	15,500.59	
Average trade payables (in Rs. lacs) (B)	1,418.43	1,054.56	
Ratio (times) = (A)/(B)	7.37	14.70	-49.88%
Net capital turnover ratio			
Revenue from operations (in Rs. lacs) (A)	13,553.25	17,210.84	
Current assets (in Rs. lacs)	3,595.43	4,883.40	
Less: Current liabilities (in Rs. lacs)	2,738.07	3,671.64	
Net working capital (in Rs. lacs)	857.36	1,211.76	
Average net working capital (in Rs. lacs) (B)	1,034.56	842.49	
Ratio (times) = (A)/(B)	13.10	20.43	-35.87%
Net profit ratio			
Net profit/(loss) after tax (in Rs. lacs) (A)	(276.43)	697.69	
Revenue from operations (in Rs. lacs) (B)	13,553.25	17,210.84	
Ratio (%) = (A)/(B)	-2.04%	4.05%	-150.31%
Return on capital employed			
Net profit/(loss) before tax (in Rs. lacs)	(419.00)	966.25	
Add: Finance cost (in Rs. lacs)	171.73	256.23	
Earning before interest and taxes (in Rs. lacs) (A)	(247.27)	1,222.48	
Average capital employed (in Rs. lacs) (B)	5,261.14	5,311.29	
Ratio (%) = (A)/(B)	-4.70%	23.02%	-120.42%
Return on investment			
Income earned on investments (in Rs. lacs) (A)	-	-	
Average investments (in Rs. lacs) (B)	-	-	
Ratio (%) = (A)/(B)	NA	NA	0.00%

Notes to the Financial Statements for the year ended March 31, 2023

Reason for change for more than 25%

1. Debt-equity ratio

Debt-equity ratio has decreased due to principal repayment made during the current year.

2. Debt service coverage ratio

Debt service coverage ratio has decreased due to decrease in profit in current year as compared to previous year.

3. Return on equity

Return on equity has decreased due to decrease in profit in current year compared to previous year.

4. Trade receivables turnover ratio

Trade receivables turnover ratio has decreased due to decrease in turnover during the current year and Company has not been able to collect its receivables during the current year compare to previous year.

5. Trade payables turnover ratio

Trade payables turnover ratio has decreased as company has higher trade payable outstanding during the current year compared to previous year.

6. Net capital turnover ratio

Net capital turnover ratio has decreased on account of decrease in the working capital intensity of the Company's operations.

7. Net profit ratio

Net profit ratio has decreased due to decrease in profit in current year compared to previous year.

8. Return on capital employed

Return on capital employed has decreased due to decrease in profit in current year compared to previous year.

Note: 34 Related Party Information as per Ind AS 24
(A) Name of related party and nature of relationship

Name of related party	Description of relationship
1. Other related parties where common control exists	
A. Patel Alloys #	
Tricot Impex Pvt Ltd #	
2. Key Managerial Personnel	
Ashokbhai Bhalala (Resigned w.e.f. 24th August, 2022)	Whole-time Director
Amitbhai Gadhiya	Whole-time Director
Harikrishna Chauhan	Chairman
Ilaben Paghadar	Whole-time Director
Nirala Joshi	Independent Director
Rohitbhai Dobariya	Independent Director
Parshotambhai Vasoya	Independent Director
Pratik M. Makawana (Appointed w.e.f. 09th March, 2022)	CS
Jagdish D. Otradi	CFO
3. Relatives of Key Managerial Personnel	
Rekhaben Harikrishna Chauhan	
Pooja Amitbhai Gadhiya	
Pravinaben Gohil	
Kishorbhai M. Kikani (Resigned w.e.f. 19th October, 2021)	
Ashwin Chavda	
Dineshbhai Paghadar	

There are no transactions during the year with the above entities

(B) Transactions with related party

Name of Related Party	Transaction Amount	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Remuneration to Key Managerial Personnel		
Ilaben Paghdar	7.80	8.40
Amitbhai Gadhiya	12.00	13.00
Kishorbhai M. Kikani	-	2.30
Pratik M. Makawana	3.30	-
Jagdish D. Otradi	3.30	3.93
Harikrishna Chauhan	12.00	13.00
Salary to Relatives of KMP's		
Poojaben Gadhiya	-	0.70
Pravinaben Gohil	4.20	4.99
Rekhaben Chauhan	6.30	7.56
Harry Dineshbhai Paghdar	-	0.25
Kantaben Gadhiya	4.20	4.99

Interest paid		
Rekhaben Chauhan	-	10.93
Amitbhai Gadhiya	-	20.16
Harikrishna Chauhan	-	23.53
Ilaben Paghdar	-	14.71
Loan accepted		
Harikrishna Chauhan	43.50	389.09
Ashokbhai Bhalala	-	28.48
Amitbhai Gadhiya	128.87	97.05
Rekhaben Harikrishna Chauhan	-	24.00
Accepted loans repaid		
Ashokbhai Bhalala	-	156.96
Amitbhai Gadhiya	138.67	61.70
Harikrishna Chauhan	173.55	134.60
Ilaben Paghdar	-	10.00
Rekhaben Harikrishna Chauhan	-	34.00
Rent Paid		
Rekhaben Chauhan	-	1.80
Sonalben Sorathiya	-	1.80

(C) Outstanding Balances with related party

Name of Related Party	Outstanding balance	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Loans from related parties		
Rekhaben Chauhan	56.89	56.89
Ilaben Pagdhar	79.00	79.00
Rajdeepbhai Patel	25.40	25.40
Amitbhai Gadhiya	126.99	136.79
Ashokbhai Bhalala	-	-
Harikrishna Chauhan	168.15	298.19
Remuneration payable to KMPs		
Ilaben Paghdar	-	1.02
Amitbhai Gadhiya	-	1.37
Harikrishna Chauhan	-	1.21
Other balances- Interest payable		
Rekhaben Chauhan	4.60	4.60
Ilaben Pagdhar	6.38	6.38
Amitbhai Gadhiya	10.27	10.27
Harikrishna Chauhan	18.22	18.22

(D) There are no provisions for doubtful debts or amounts written off or written back in respect of debts due to or due from related parties

(E) Related party relationship is as identified by the Company on the basis of information available with them and relied upon by the Auditors

Note: 35 Fair Value Measurements
Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

(A) Financial instruments by category

31-Mar-23	Carrying amount			Fair value		
	FVTPL	FVTOCI	Amortised Cost	Level 1	Level 2	Level 3
[i] Financial assets						
Investment in equity instruments	-	-	-	-	-	-
Security deposit	-	-	0.75	-	-	-
Trade receivable	-	-	1,213.04	-	-	-
Cash and cash equivalents	-	-	1.74	-	-	-
Bank balances other than cash and cash equivalents	-	-	104.33	-	-	-
Loans	-	-	-	-	-	-
Other financial assets	-	-	-	-	-	-
	-	-	1,319.86	-	-	-
[ii] Financial liabilities						
Borrowings	-	-	1,767.43	-	-	-
Trade payables	-	-	1,479.07	-	-	-
Other financial liabilities	-	-	130.82	-	-	-
	-	-	3,377.32	-	-	-

31-Mar-22	Carrying amount			Fair value		
	FVTPL	FVTOCI	Amortised Cost	Level 1	Level 2	Level 3
[i] Financial assets						
Investment in debt instruments	-	-	-	-	-	-
Security deposit	-	-	0.75	-	-	-
Trade receivable	-	-	103.51	-	-	-
Cash and cash equivalents	-	-	5.00	-	-	-
Bank balances other than cash and cash equivalents	-	-	82.61	-	-	-
Loans	-	-	0.25	-	-	-
Other financial assets	-	-	-	-	-	-
	-	-	192.12	-	-	-
[ii] Financial liabilities						
Borrowings	-	-	2,564.61	-	-	-
Trade payables	-	-	1,357.79	-	-	-
Other financial liabilities	-	-	127.29	-	-	-
	-	-	4,049.70	-	-	-

01-Apr-21	Carrying amount			Fair value		
	FVTPL	FVTOCI	Amortised Cost	Level 1	Level 2	Level 3
[i] Financial assets						
Investment in equity instruments	-	-	31.00	-	-	-
Security deposit	-	-	0.75	-	-	-
Trade receivable	-	-	314.31	-	-	-
Cash and cash equivalents	-	-	8.89	-	-	-
Bank balances other than cash and cash equivalents	-	-	155.21	-	-	-
Loans	-	-	1.35	-	-	-
Other financial assets	-	-	-	-	-	-
	-	-	511.52	-	-	-
[ii] Financial liabilities						
Borrowings	-	-	2,509.20	-	-	-
Trade payables	-	-	751.32	-	-	-
Other financial liabilities	-	-	83.39	-	-	-
	-	-	3,343.91	-	-	-

(B) FAIR VALUE HEIRARCHY

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable willing parties in an arm's length transaction. The Company has made certain judgements and estimates in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company as classified the financial instruments into three levels prescribed under the accounting standard. An explanation of each level is as

Level 1: Level 1 of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Level 2 heirarchy includes 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

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

(C) VALUATION TECHNIQUES

Specific valuation techniques used to value financial instruments include

- the use of quoted market prices for mutual funds
 - the fair value of the remaining financial instruments is determined using discounted cash flow analysis or such other acceptable valuation methodology, wherever applicable
- There are no items in the financial instruments, which required level 3 valuation.

Note: 36 Capital Management

The Company policy is to have robust financial base so as to maintain outsider's confidence and to sustain future development of the business. Management monitors the return on capital, as well as level of dividends to equity shareholders. The company monitors capital using a ratio of "adjusted net debt" to "equity". For this purpose, adjusted net debt is defined as total liability, comprising interest-bearing loans and borrowing, less cash and cash equivalents. Total Equity includes the share capital, other equity.

The capital gearing ratio is as follows:

(Rs. In lakhs)			
Particulars	31-Mar-23	31-Mar-22	01-Apr-21
Borrowings (Incl. Current Maturity)	1,767.43	2,564.61	2,509.20
Less: Cash and Cash Equivalents	(1.74)	(5.00)	(8.89)
Adjusted Net Debt (A)	1,765.69	2,559.61	2,500.31
Equity Share Capital	2,499.90	2,499.90	2,499.90
Other Equity	1,564.25	1,823.46	1,125.77
Total Equity (B)	4,064.15	4,323.36	3,625.67
Adjusted Net Debt to Total Equity ratio (A/B)	0.43	0.59	0.69

Note: 37 Financial Risk Management

The Company's business activities are exposed to a variety of financial risks, viz liquidity risk, market risk and credit risk. The Management of the Company has the overall responsibility for establishing and governing the Company's risk policy framework. The risk management policies are formulated after the identification and analysis of the risks and suitable risk limits and controls are set which are monitored & reviewed periodically. The changes in the market conditions and allied areas are accordingly reflected in the changes of the policy. The key risks and mitigating actions are placed before the Audit Committee of the Company who then evaluate and take the necessary corrective action. The sources of risk, which the Company is exposed to and how the Company manages these risks with their impact on the Financial Statements is given below:

Risk	Exposure from	Measurement	Management
Credit risk	Trade receivables, Cash and cash	Aging nalysis, Credit ratings	Credit limits and bank gaurantees
Liquidity risk	Borrowings, Trade payables and other liabilities	Cash flow budgeted Vs actuals	Availibility of committed credit lines and borrowing facilities
Market risk - Foreign Currency	Foreign currency receivables and payables; Forecasted foreign currency transactions	Cash flow forecasting and Sensitivity analysis	Insignificant foreign currency exposure
Market risk - Interest rate	Long-term borrowings at variable interest rates	Sensitivity analysis	The management monitors the rates of interests and continues to evaluate refinancing of debts at lower rates of interest on a regular basis.

[A] Credit risk

Credit risk is the risk of financial loss to the Company if the counterparty fails to meet its contractual obligations. The Company is exposed to credit risk from its operating activities (primarily trade receivables). However, the credit risk on account of financing activities, i.e., balances with banks is very low, since the Company holds all the balances with approved bankers only.

Trade receivables

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the customers outstanding balances to which the Company grants credit terms in the normal course of business. Concentration of credit risk with respect to trade receivables are limited, as the Company's customer base is large, reputed and having good credit credential as well as that they are long standing customers. All trade receivables are reviewed and assessed for default on a quarterly basis. Historical experience of collecting receivables of the Company is supported by low level of past default and hence the credit risk is

[B] Liquidity risk

Liquidity risk is the risk the Company faces in meeting its obligations associated with its financial liabilities. The Company's approach in 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.

Maturities of financial liabilities

The below table analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are contractual undiscounted cash flows, balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Particulars	Carrying amount	Upto 1 year	1 - 2 year	More than 2 years	Total
31-Mar-23					
Non-derivatives					
Borrowings (including interest accrued)	1,767.43	936.23	187.75	643.45	1,767.43
Trade payables	1,479.07	1,479.07	-	-	1,479.07
Other financial liabilities	130.82	130.82	-	-	130.82
Total	3,377.32	2,546.12	187.75	643.45	3,377.32
31-Mar-22					
Non-derivatives					
Borrowings (including interest accrued)	2,564.61	1,405.77	237.46	921.38	2,564.61
Trade payables	1,357.79	1,357.79	-	-	1,357.79
Other financial liabilities	127.29	127.29	-	-	127.29
Total	4,049.70	2,890.86	237.46	921.38	4,049.70
01-Apr-21					
Non-derivatives					
Borrowings (including interest accrued)	2,509.20	1,146.52	702.14	660.54	2,509.20
Trade payables	751.32	751.32	-	-	751.32
Other financial liabilities	83.39	83.39	-	-	83.39
Total	3,343.91	1,981.23	702.14	660.54	3,343.91

[C] Market risk

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- Currency risk; and
- Interest rate risk

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing financial assets or borrowings because of fluctuations in the interest rates, if such assets / borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing borrowings will fluctuate because of fluctuations in the interest rates.

Interest rate risk exposure

The exposure of the Company to change in interest rate at end of the reporting periods are as follows:

Particulars	31-Mar-23		31-Mar-22	
	Amount	% of total	Amount	% of total
Variable rate borrowing	1,767.43	100.00%	2,564.61	100.00%
Fixed rate borrowing	-	0.00%	-	0.00%
	1,767.43		2,564.61	

Sensitivity

Profit and loss is sensitive to higher/lower interest expenses from borrowing as a result of change in interest rate.

Particulars	Impact on profit after tax	
	31-Mar-23	31-Mar-22
Interest rate increase by 100 basis points	(23.90)	(34.65)
Interest rate decrease by 100 basis points	23.90	34.65

Note: 38 Segment Information :

(a) Primary segment

The Company operates under a single reporting segment and hence, segment reporting is not applicable to the Company as per AS 17 – Segment Reporting.

Note: 39 The reconciliation of net profit reported in accordance with Indian GAAP to total comprehensive Income in accordance with Ind AS is given below

(Rs. In lakhs)	
Particulars	Year Ended on 31.03.2022
Net Profit for the period under Previous Indian GAAP	697.69
Add: Reclassification of defined benefit plans to other comprehensive income	4.67
Net Profit for the period under Ind AS	702.36
Other Comprehensive Income	
Remeasurements of defined benefit plans	(4.67)
Total Comprehensive Income under Ind AS	697.69

Reconciliation of other equity between previous GAAP and Ind AS

(Rs. In lakhs)		
Particulars	As st 31.03.2022	As st 01.04.2021
Other Equity under previous GAAP	1,823.46	1,125.77
Other Equity under Ind AS	1,823.46	1,125.77

Note: 40

- Figures of previous reporting periods have been regrouped/reclassified wherever necessary to correspond with the figures of the current reporting period.
- The outstanding balance as on year end in respect of trade receivables, trade payables, loans and advances and other payables, and other receivables, if any, are subject to confirmation from respective parties and consequential reconciliation and/or adjustments arising there from, if any. Management of the Company, however, does not expect any
- According to the opinion of the management of the Company, the value of realization of trade and other receivables and loans and advances given in the ordinary course of the business, if any, would not be less than the amount at which they are stated in the balance sheet.

As per our Report of even date

For H B Kalaria & Associates

Chartered Accountants

FRN : 104571W

For and on behalf of the Board of Directors,

Amit V. Gadhiya

Managing Director

DIN: 06604671

Harikrishna Chauhan

Whole Time Director

DIN:07710106

Hasmukh B Kalaria

Partner

Membership No.: 042002

Rajkot, May 27, 2023

Pratik M. Makawana

CS

PAN: BJHPM5951K

Haripar, May 27, 2023

Jagdish D. Otradi

CFO

PAN: ABFPO7856C



AKSHAR SPINTEX LIMITED

CIN:L17291GJ2013PLC075677

Regd. Office & Factory :

Survey no.102/2, Plot no. 2, At-Haripar, Kalavad - Ranuja Road,
Tal. Kalavad, Dist - Jamnagar, Pin - 361013. Gujarat (India).
T : +91 98245 38142 | E : info@aksharspintex.in

Administrative Office:

C-704, The Imperial Heights, 150 feet Ring Road, Opp. Big Bazaar, Rajkot, Gujarat 360005.
T : +91 94260 84066 | E : admin@aksharspintex.in