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**AKSHAR SPINTEX LIMITED**

**AKSHAR SPINTEX LIMITED**

Our company was originally incorporated as private limited Company under the Companies Act, 1956 as "Akshar Spintex Private Limited" vide certificate of incorporation dated June 19, 2013 issued by Registrar of Companies, Gujarat. Subsequently, our Company was converted into a Public Limited Company pursuant to special resolution passed by the members in Extraordinary General Meeting held on December 26, 2017 and the name of our Company was changed to "Akshar Spintex Limited", vide a fresh Certificate of Incorporation dated January 05, 2018, issued by Registrar of Companies, Ahmedabad, Gujarat. The company got listed on SME Platform of BSE Limited on May 11, 2018, bearing Scrip Code 541303 and Scrip Name AKSHAR. Subsequently, the Company migrated its securities to the Main Board of the BSE with Scrip Code 541303 on May 20, 2022 and also received listing and trading approval of its securities with the Main Board of NSE bearing Symbol AKSHAR w.e.f. May 23, 2022. The ISIN of the Company is INE256Z01025. For details see 'General Information' on page 52 of this Draft Letter of Offer.

**Corporate Identification Number:** L17291GJ2013PLC075677

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

**Contact No:** +91-7574887015 **Contact Person:** Mrs. Bharti Girdharbhai Ajudiya, Company Secretary and Compliance Officer;

**Email-ID:** [cs@aksharspintex.in](mailto:cs@aksharspintex.in) | **Website:** [www.aksharspintex.in](http://www.aksharspintex.in)

**CORRIGENDUM – CUM-ADDENDUM TO THE DRAFT LETTER OF OFFER DATED APRIL 30, 2024 (THE "DRAFT LETTER OF OFFER" OR THE "DLOF"); NOTICE TO INVESTORS (THE "CORRIGENDUM-CUM-ADDENDUM")**

**PROMOTERS OF OUR COMPANY: HARIKRUSHNA SHAMJIBHAI CHAUHAN, AMIT VALLABHBHAI GADHIYA, REKHABEN HARIKRUSHNABHAI CHAUHAN**

**ISSUE OF UP TO [•]\* FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 1/- EACH ("RIGHTS EQUITY SHARES") OF AKSHAR SPINTEX LIMITED ("ASL" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [•]/- EACH INCLUDING A SHARE PREMIUM OF ₹ [•] PER RIGHTS EQUITY SHARE ("ISSUE PRICE") AGGREGATING UP TO ₹ 4,900.00 LAKHS ON A RIGHTS ISSUE BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [•] ([•]) RIGHTS EQUITY SHARES FOR EVERY [•] ([•]) EQUITY SHARE HELD BY SUCH ELIGIBLE EQUITY SHAREHOLDERS AS ON THE RECORD DATE, [•] ("ISSUE"). THE ISSUE PRICE IS [•] ([•]) TIME THE FACE VALUE OF THE EQUITY SHARE. FOR FURTHER DETAILS, KINDLY REFER TO THE SECTION TITLED 'TERMS OF THE ISSUE' BEGINNING ON PAGE 256 OF THE DRAFT LETTER OF OFFER (the "DLOF").**

**\*Assuming full subscription**

This is with reference to the DLOF filed by the Company with the **BSE Limited ("BSE")** and **National Stock Exchange of India Limited ("NSE")** (together, the "Stock Exchanges"). Potential Shareholders may note the following:

- 1) Under the section titled "Summary of the Draft Letter of Offer" beginning from page 22 of the DLOF, paragraph titled "Objects of the Issue" on page 22, certain information shall be updated and/ or added, as provided beginning on page 3 of the Corrigendum-cum-Addendum.
- 2) Under the section titled "Particulars of the Issue" beginning from page 60 of the DLOF, the table for requirement of fund under paragraph titled "Requirement of Funds, Schedule of Implementation and Utilization of Issue Proceeds" on page 60 shall be updated and/ or added, as provided beginning on page 4 of the Corrigendum-cum-Addendum.
- 3) Certain updates have also been made under the section titled "Particulars of the Issue" beginning from page 60 of the DLOF, point number 1 of paragraph titled "Details of the Objects of the Issue" on page 61-62 as provided beginning on page 4 of this Corrigendum-cum-Addendum.
- 4) Certain updates have also been made under the section titled "Particulars of the Issue" beginning from page 60 of the DLOF, point number 2 of paragraph titled "Details of the Objects of the Issue" on page 62-64 as provided beginning on page 6 of this Corrigendum-cum-Addendum.

The above changes and/ or additions are to be read in conjunction with the DLOF, unless indicated otherwise, and accordingly their references in the DLOF stand updated pursuant to the Corrigendum-cum-Addendum to the DLOF. The information in this Corrigendum-cum-Addendum supplements the DLOF and updates the information in the DLOF, as applicable.

Please note that the information included in the DLOF will be suitably updated, including to the extent stated in this Corrigendum-cum-Addendum, as may be applicable in the Letter of Offer, as and when filed with the Stock Exchanges. Shareholders/ Investors should read the Letter of Offer as and when filed with the Stock Exchanges before making an investment decision in the Issue.

All capitalized terms used in this Corrigendum-cum-Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the DLOF.

The Equity Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") or any state law of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales are made. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The Corrigendum-cum-Addendum is filed with the Stock Exchanges and shall be made available on the website of the Stock Exchanges i.e. NSE and BSE at [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com) and also on the website of the Company at [www.aksharspintex.in](http://www.aksharspintex.in)

*On behalf of Akshar Spintex Limited*

*Sd/-*

*Mr. Amit Vallabhbhai Gadhiya*

*Managing Director*

**Place: Jamnagar**

**Date: May 11, 2024**

**REGISTRAR TO THE ISSUE**



**BIGSHARE SERVICES PRIVATE LIMITED**

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

**Contact Person:** Mr. Suraj Gupta **Tel No.:** +022-62638200

**Email:** [rightsissue@bigshareonline.com](mailto:rightsissue@bigshareonline.com) | **Investor grievance e-mail:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com) | **Website:** [www.bigshareonline.com](http://www.bigshareonline.com)

**SEBI Registration No:** INR000001385

Our Company is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to issue Equity Shares on a rights basis and has filed a DLOF dated April 30, 2024 with the Stock Exchanges. The DLOF and the Corrigendum-cum-Addendum to the DLOF shall be available on the websites of the Stock Exchanges i.e., NSE at [www.nseindia.com](http://www.nseindia.com) and BSE at [www.bseindia.com](http://www.bseindia.com), respectively. Potential Shareholders/ Investors should note that investment in securities involves a high degree of risk and are requested to refer to the DLOF, including the section "Risk Factors" beginning on page 26 of the DLOF in making investment decisions. This Corrigendum-cum-Addendum to the DLOF has been prepared for publication in India and may not be released in the United States. This Corrigendum-cum-Addendum to the DLOF does not constitute an offer of Equity Shares for sale in any jurisdiction, including the United States, and any Equity Shares described in this announcement may not be offered or sold in the United States absent registration under the US Securities Act of 1933, as amended, or an exemption from registration. There will be no public offering of Equity Shares in the United States.



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## SECTION II – SUMMARY OF THE DRAFT LETTER OF OFFER

1. Under the section titled “Summary of the Draft Letter of Offer” beginning from page 22 of the DLOF, paragraph titled “Objects of the Issue” on page 22 shall stand substituted and read as below:

### Objects of the issue

The Net Proceeds are proposed to be used in the manner set out in the following table:

(₹ in Lakhs)

Particulars	Amount proposed to be Funded from Net Proceeds
To repay in full certain identified long term unsecured loans obtained by our Company	345.67
To augment the existing and incremental working capital requirement of our Company	3300.00
General Corporate Purposes#	[•]
<b>Total Net Proceeds**</b>	<b>4865.00</b>

#The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.

\*\*Assuming full subscription in the Issue and subject to the finalisation of the basis of Allotment and the allotment of the Rights Equity Shares.

For further details, please refer to the section titled ‘Objects of the Issue’ beginning on page 60.

## SECTION V – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

2. Under the section titled “Particulars of the Issue” beginning from page 60 of the DLOF, the table for requirement of fund under paragraph titled “Requirement of Funds, Schedule of Implementation and Utilization of Issue Proceeds” on page 60 shall stand substituted and read as below:

#### Requirement of Funds, Schedule of Implementation and Utilization of Issue Proceeds

Particulars	Amount Proposed to be Funded from Net Proceeds  (₹ in Lakhs)	Estimated Deployment of Net Proceeds in FY 2024-25  (₹ in Lakhs)
To repay in full certain identified long term unsecured loans obtained by our Company	345.67	345.67
To augment the existing and incremental working capital requirement of our Company	3300.00	3300.00
General Corporate Purposes#	[•]	[•]
<b>Total Net Proceeds**</b>	<b>4865.00</b>	<b>4865.00</b>

#The amount to be utilized for General corporate purposes will not exceed 25.00% (Twenty-Five Percent) of the Gross Proceeds;

\*\*Assuming full subscription in the Issue and subject to the finalisation of the basis of Allotment and the allotment of the Rights Equity Shares.

3. Under the section titled “Particulars of the Issue” beginning from page 60 of the DLOF, point number 1 of paragraph titled “Details of the Objects of the Issue” on page 61-62 shall stand substituted and read as below:

#### Details of the Objects of the Issue

The details in relation to objects of the Issue are set forth herein below:

#### To repay in full certain identified long term unsecured loans obtained by our Company

We have entered into various financing arrangements from time to time, with various lenders. As on December 31<sup>st</sup>, 2023 we have total outstanding balance of loans and borrowing (aggregate of secured and unsecured loan) amounting to a total of Rs 2007.05 Lakhs, details of which are enclosed in the table hereunder.

Particulars	Amount  (₹ in Lakhs)
Aggregate of secured loan	1661.38
Aggregate of unsecured loan	345.67
<b>Total outstanding balance</b>	<b>2007.05</b>

As and when required, on various points in time, we have availed long term loans of unsecured nature from directors of our Company and their relatives. The current outstanding principal sum amounts to a total of Rs. 345.67Lakhs, details of which are enclosed in the table hereunder.

Our Company proposes to utilize an estimated amount up to Rs.345.67Lakhs from the Net Proceeds of the Issue towards repayment in full, of the said detailed long term unsecured Loans.

The following table provides details of long-term unsecured loans availed by our Company and proposed amount to be repaid from the Net Proceeds of the issue:

S. N	Name of the lender	Relationship with the Company	Type of Borrowing / Purpose for which loan was obtained	Name of the Borrower	Amount outstanding on the date of Draft Letter of Offer (Rs. in Lakhs)	Amount proposed to be repaid out of the Net Proceeds of the issue (Rs. in Lakhs)
1.	<b>Mr. Amit Vallabhbhai Gadhiya</b> DIN:06604671 PAN: AJTPG2291B	Managing Director	Long term unsecured loan	Akshar Spintex Limited	101.73	101.73
2.	<b>Mr. Harikrushna Shamjibhai Chauhan</b> DIN:07710106 PAN: ABYPC7188C	Whole-time Director	Long term unsecured loan	Akshar Spintex Limited	82.65	82.65
3.	<b>Mrs. Rekhaben Harikrushnabhai Chauhan</b> PAN: AGKPC9642E	Director relative	Long term unsecured loan	Akshar Spintex Limited	56.89	56.89
4.	<b>Mrs. Ilaben Dineshbhai Paghdar</b> DIN:07591339 PAN: ALZPP3541R	Executive Director	Long term unsecured loan	Akshar Spintex Limited	79.00	79.00
5.	<b>Mr Rajdeep Mansukhbhai Patel</b> DIN:06798457 PAN: BDMPP9497A	Ex-director (Resigned w.e.f. December 02, 2017)	Long term unsecured loan	Akshar Spintex Limited	25.40	25.40
<b>Total</b>					<b>345.67</b>	<b>345.67</b>

The repayment will help reduce our outstanding indebtedness and debt servicing costs, assist us in maintaining a favourable debt to equity ratio and enable utilization of our internal accruals for further investment in business growth and expansion. In addition, we believe that the leverage capacity of our Company will also improve our ability to raise further resources in the future to expand our business. Further, it will save the Company from the future risk of refinancing if the amount is recalled by the Lenders.

4. Under the section titled “Particulars of the Issue” beginning from page 60 of the DLOF, point number 2 of paragraph titled “Details of the Objects of the Issue” on page 62-64 shall stand substituted and read as below:

**To augment the existing and incremental working capital requirement of our Company**

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals. We operate in a highly competitive and dynamic market conditions and may have to revise our estimates from time to time on account of external circumstances, business or strategy, foreseeable opportunity. Consequently, the requirement is proportionate and variable in nature with the growth of the Company. The investment in the working capital requirements of our Company will help us in meeting the expected growth in demand as per the business plans. Such working capital enhancement will help our Company to capitalise on the growth opportunities and expand into the new markets.

The details of estimation of Working Capital Requirement are as under:

*(₹ in Lakhs)*

Particulars	March 31, 2021	March 31, 2022	March 31, 2023	December 31, 2023	March 31, 2024	March 31, 2025
	Restated	Restated	Restated	Limited Reviewed	Estimated	Estimated
<b>Current Assets</b>						
Inventories	1,564.35	3,318.23	1,737.68	2,671.13	2018.45	3651.44
Trade Receivables	314.31	103.51	1,213.04	901.03	554.37	1495.52
Cash and Cash Equivalents	8.89	5.00	1.74	27.51	6.59	8.83
Short Term Loans and Advances	1.36	0.25	0	2.12	0	825.00
Other current Assets	385.61	1,456.41	642.97	874.34	170.00	389.00
<b>Total Current Assets (A)</b>	<b>2,274.52</b>	<b>4,883.40</b>	<b>3,595.43</b>	<b>4,476.13</b>	<b>2,749.41</b>	<b>6369.79</b>
<b>Current Liabilities</b>						
Trade Payables	751.32	1,357.79	1,479.06	1,776.41	127.80	142.05
Other Current Liabilities	759.56	1445.61	457.93	364.61	512.87	603.70
Short Term Borrowings	500.13	754.81	745.49	749.18	750.00	750.00
Provisions	52.73	113.43	55.58	111.91	0	0
<b>Total Current Liabilities (B)</b>	<b>2063.73</b>	<b>3671.64</b>	<b>2738.07</b>	<b>3002.11</b>	<b>1390.6 7</b>	<b>1495.75</b>
<b>Working Capital Requirements (A-B)</b>	<b>210.78</b>	<b>1211.76</b>	<b>857.37</b>	<b>1474.02</b>	<b>1358.74</b>	<b>4874.04</b>

Kindly note that the above working capital requirement is for the short-term purpose of the Company.

The following table set forth the **holding period** (with days rounded-off to the nearest) considered:

Particulars	March 31, 2023	December 31, 2023	March 31, 2024	March 31, 2025
Inventory	83.14	78.81	41.39	57.21
Debtors	32.67	25.93	10.96	22.59
Creditors	38.84	52.41	3.11	2.48

*\*Not annualised*

The number of days as mentioned above has been calculated as follows:

- Receivable turnover in Days = Accounts Receivable divided by Revenue from Operation \* 365
- Inventory Turnover in Days = Inventory divided by Cost of Goods Sold \* 365
- Payable Turnover in Days = Accounts Payable divided by Cost of RM consumption \* 365

**The working capital projections made by the Company are based on certain key assumptions, as set out below:**

Particulars	Basis of Estimation / Assumption
Inventories	Inventories have been estimated to increase due to increase in estimated sales in the future periods. As the Company sets up its solar facilities, the operating costs of the Company are estimated to decrease and hence, the pricing of the Company's products are estimated to be more competitive in the market and hence, would result in corresponding better utilisation of production capacity of the Company and higher sales going forward. Further, looking to seasonal nature of it's major raw material i.e. cotton, the management proposes to ensure sufficient amount of raw material to insure consistency.
Trade Receivables	Trade receivable days have been estimated at 22.59 days in FY 24-25 which are in line with the current market conditions and is in line with the historical credit terms given by the Company.
Trade Payables	Trade payable days have been estimated at 2.48 days in FY 24-25 as the Company has changed its policy to make prompt payments to its creditors to get better discounts from its suppliers.



## DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Corrigendum-cum-Addendum to Draft Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all disclosures made in this Corrigendum-cum-Addendum to Draft Letter of Offer are true and correct.

### SIGNED BY ALL THE DIRECTORS, CFO AND CS OF OUR COMPANY

Name	Designation	Signature
Mr. Amit Vallabhbhai Gadhiya (DIN: 06604671)	Managing Director	Sd/-
Mrs. Ilaben Dineshbhai Paghdar (DIN: 07591339)	Executive Director	Sd/-
Mr. Harikrushna Shamjibhai Chauhan (DIN: 07710106)	Whole-time Director	Sd/-
Mr. Nirala Indubhai Joshi (DIN: 08055148)	Independent Director	Sd/-
Mr. Rohit Bhanjibhai Dobariya (DIN: 08085331)	Independent Director	Sd/-
Mr. Parshotam L Vasoya (DIN: 09229252)	Independent Director	Sd/-
Mrs. Poonam Pratik Kapupara (PAN: LFRPK8014D)	Chief Financial Officer	Sd/-
Mrs. Bhartiben Girdharbhai Ajudiya (A40194)	Company Secretary & Compliance Officer	Sd/-

**Place:** Jamnagar

**Date:** May 11, 2024