



AKSHAR
SPINTEX LIMITED

Effectiveness is our
GOAL,
Efficiency is our
STRENGTH.

2025

12th

ANNUAL REPORT

for the Year 2024-25





AKSHAR
SPINTEX LIMITED

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12th ANNUAL GENERAL MEETING

being held through VC/OAVM

Monday 25th August, 2025

Time : 3:00 p.m. (IST)

Venue:

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



About us

WE ARE

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

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.

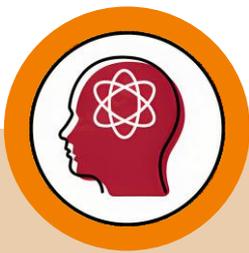
A purpose-led and high-order transformation is underway at Akshar Spintex Limited. We are transforming by building on our strengths and transcending boundaries. We are expanding the ambit of our businesses by making them more consumer-centric.

We can proudly say that we are providing one of most essential thing which is necessary for living human. The Company always focuses on providing its best to the customers by optimizes 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 were 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 vision is to spintex industry by driving innovation in spinning technologies and championing sustainable manufacturing. We aim to redefine industry standards in quality, efficiency, and creativity—shaping the future of textiles while delivering outstanding value to our customers, empowering our employees, and creating lasting impact for stakeholders across the globe. To foster a safe, inclusive, and growth-oriented workplace while contributing to the socioeconomic development of our communities.



OUR MISSION

"We are committed to producing exceptional yarn and fabric solutions by harnessing cutting-edge spinning technologies and streamlined manufacturing practices. Our goal is to consistently deliver quality, innovation, and reliability that not only meet but surpass our customers' expectations. Guided by a strong sense of sustainability and operational excellence, we strive to add meaningful value to our clients, drive progress across the textile industry, and nurture a workplace culture rooted in continuous growth and improvement."



OUR VALUES

We believe strongly in the promising future of Indian textiles and are committed to ongoing growth in the areas where we excel. As a responsible corporate citizen, we are dedicated to producing high-quality, innovative products with efficiency and sustainability at the forefront. Our focus on environmental responsibility, economic contribution, and outstanding customer service not only strengthens the industry's global competitiveness but also delivers meaningful value to all our stakeholders.

“Quality is never an accident; it is always the result of intelligent effort”

- John Ruskin

Message from The Chairman

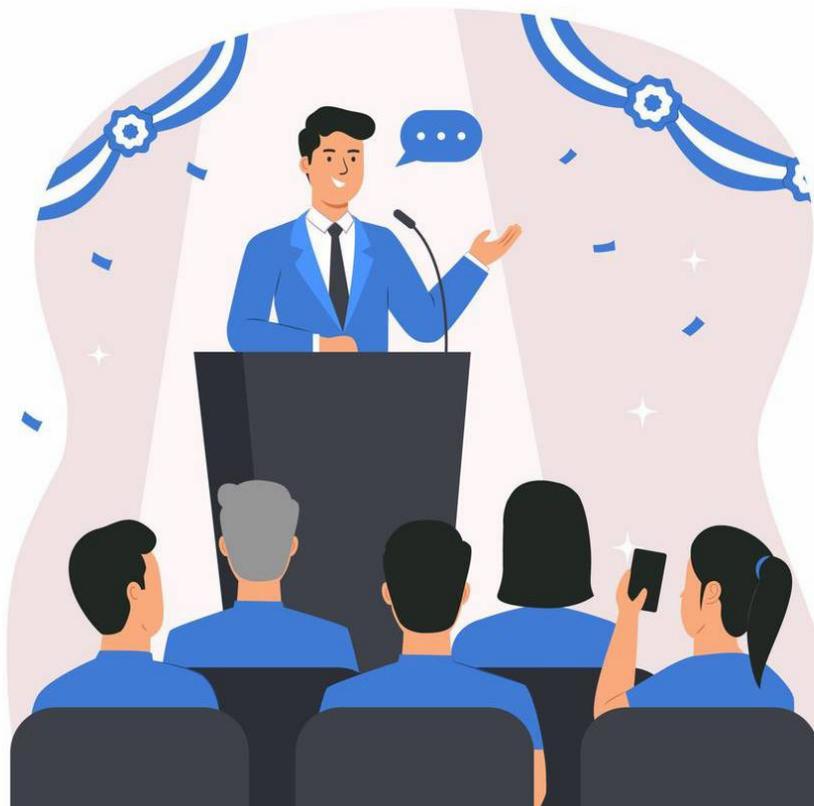


Dear Shareholders,

I extend my sincere gratitude to each of you for your continued trust and support in what has been a challenging year for Spintex Industry Ltd.

The financial year [2024–25] was marked by significant macroeconomic headwinds, volatility in raw material prices, weakened global demand, and operational constraints. These factors, combined with ongoing sectoral pressures in the textile industry, impacted our performance. As a result, the Company recorded a net loss for the year, a development that is deeply concerning to us and one we are addressing with utmost seriousness.

Despite the adverse financial outcome, I want to assure you that our fundamentals remain resilient. Our focus has remained firmly on operational efficiency, customer retention, product quality, and responsible cost management. We have already initiated a comprehensive strategic review of our operations to streamline costs, enhance productivity, and improve our market positioning.





In response to the year's challenges, we have taken several proactive steps:

- Strengthened supply chain management and renegotiated procurement terms to reduce input costs
- Rationalized inventory and optimized production cycles to align with actual demand
- Invested in technology upgrades to improve efficiency and reduce waste
- Begun exploring new product lines and geographies to diversify our revenue streams

Looking ahead, while uncertainties remain in the global market, we are cautiously optimistic. With a committed management team, renewed focus on sustainability and innovation, and a plan to strengthen our financial base, we are determined to navigate through these turbulent times and return to profitability.

On behalf of the Board of Directors, I thank our employees, partners, suppliers, and of course, you—our valued shareholders—for your patience, commitment, and belief in Spintex Industry. Your continued support will be vital as we work diligently to turn challenges into opportunities and lay the foundation for a stronger, more resilient future.

"Tough times never last, but tough people do."

"Success is not final, failure is not fatal: It is the courage to continue that counts."

As we look ahead, our outlook is one of cautious optimism. Industry indicators suggest a gradual recovery in demand in key regions. Governments are also extending support to manufacturing sectors through policy reforms, which we expect to benefit from in the coming Years.

What remains unchanged is our commitment to excellence, transparency, and long-term shareholder value. We are learning from this difficult year, and we are emerging from it leaner, wiser, and more determined than ever.

Together, we will weather the storm. And when the sun rises again, as it always does, we will stand stronger, better, and more united.

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. Harry Paghdar

Managing Director (Additional)

(DIN: 11096100)

Mrs. Ilaben Dineshbhai Paghdar

Executive Director

(DIN: 07591339)

Mr. Sureshkumar Chaturbhai Gajera

Additional Director Independent director

(DIN: 11106779)

Mr. Rohit Bhanjibhai Dobariya

Independent director

(DIN: 08085331)

Mr. Parshotam Lakhbhai Vasoya

Independent director

(DIN: 09229252)

Mrs. Poonam Pratik Kapupara

Chief Financial Officer

E-Mail: cfo@aksharspintex.in

Mr Dhirajkumar Sahu

Company Secretary

(Resigned w.e.f. 30th June, 2025)

E-Mail: 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 87015



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

Banker

THE SOUTH INDIAN BANK LIMITED

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

Statutory Auditor

M/s. H.B. Kalaria & Associates

Chartered Accountants
Rajkot.

Secretarial Auditor

M/s D N Vora & Associates

Practicing Company Secretaries
Mumbai.

Audit Committee

| | |
|---------------------------|----------|
| Mr. Parshotam Vasoya | Chairman |
| Mr. Sureshkumar C. Gajera | Member |
| Mr. Rohit Dobariya | Member |
| Mrs. Ilaben Paghdar | Member |

Stakeholder 's Relationship Committee

| | |
|-------------------------|----------|
| Mr. Parshotam Vasoya | Chairman |
| Mr. Harikrushna Chauhan | Member |
| Mr. Harry Paghdar | Member |

Internal Complaints Committee for Sexual Harassment Complaints Redressal

| | |
|-------------------------|----------|
| Mrs. Ilaben Paghdar | Chairman |
| Mr. Harry Paghdar | Member |
| Mr. Harikrushna Chauhan | Member |

Nomination and Remuneration Committee

| | |
|---------------------------|----------|
| Mr. Rohit Dobariya | Chairman |
| Mr. Sureshkumar C. Gajera | Member |
| Mr. Parshotam Vasoya | Member |

Risk Management Committee

| | |
|-------------------------|----------|
| Mr. Harry Paghdar | Chairman |
| Mr. Harikrushna Chauhan | Member |
| Mrs. Ilaben Paghdar | Member |

Corporate Social Responsibility Committee

| | |
|---------------------------|----------|
| Mr. Sureshkumar C. Gajera | Chairman |
| Mr. Harry Paghdar | Member |
| Mr. Harikrushna Chauhan | Member |

Management Team



Mr. Harikrushna Chauhan

Chairman cum Whole time Director



Mr. Harry Paghdar

Managing Director



Mrs. Ilaben Paghdar

Executive Director



Mr. Sureshkumar Gajera

Additional Director Independent director



Mr. Parshotam Vasoya

Independent director



Mr. Rohit Dobariya

Independent director

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 |





NOTICE

NOTICE is hereby given that the **12th Annual General Meeting** of the members of **AKSHAR SPINTEX LIMITED** will be held on **Monday, 25th August, 2025 at 03:00 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, 2025 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, 2025 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 Mr. Harikrushna Samjibhai Chauhan (DIN: 07710106), Director of the Company, who retires by rotation and being eligible, offers himself 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, Mr. Harikrushna Samjibhai Chauhan (DIN: 07710106), 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 2025-2026,**

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. 36,000/- 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, 2026, be and is hereby ratified and approved."

4. **APPOINTMENT OF SECRETARIAL AUDITOR:**

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 Regulation 24A and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (‘SEBI Listing Regulations’), Section 204 of the Companies Act, 2013 (“Act”) and other applicable provisions of the Act, if any and the Rules framed thereunder, as amended from time to time, and based on the recommendation of the Audit Committee and the Board of Directors of the Company (hereinafter referred to as the ‘Board’), M/s. D N Vora & Associates, be and is hereby appointed as the Secretarial Auditors of the Company for an Audit period of five consecutive years commencing from FY 2025-26 until FY 2029-30, on such remuneration as may be mutually agreed upon between the Board and the Secretarial Auditors.

RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

5. TO RATIFY APPOINTMENT OF MR. HARRY PAGHDAR 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 **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, 203 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Rules made thereunder (including any statutory modifications or reenactment(s) thereof for the time being in force) and other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing regulations”) as amended from time to time, and the Articles of Association of the Company, Mr. Harry Paghdar (DIN: 11096100) who was appointed as an Additional Director, and designated as an Managing Director of the Company by the Board of Directors, based on the recommendation of Nomination & Remuneration Committee, in their meeting held on 21st May, 2025 pursuant to the provisions of Section 161 of the Act, and on such terms and conditions, including remuneration as set out in his Appointment Letter and in the explanatory Statement annexed to the Notice, (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment within the overall limit of Section 197 of the act r.w. Schedule V of the Act, with the liberty to the Board), be and is hereby appointed as Managing Director of the Company with effect from 21st May, 2025 for a period of 5 years from 21st May 2025 to 20th May, 2030, who shall be liable to retire by rotation;

RESOLVED FURTHER THAT pursuant to the provisions of Section 197, 198 and other applicable provisions, if any, of the Act and Rules made thereunder read with Schedule V of the Act (including any statutory modifications or re-enactment(s) thereof for the time being in force) and as per relevant provisions of Regulation 17 of Listing Regulations, as recommended by Nomination & Remuneration Committee and approved by Board of Directors, the consent of Members be and is hereby accorded for payment of Remuneration not exceeding 12,00,000 per annum to Mr. Harry Paghdar (DIN: 11096100), as Managing Director of the Company for a period of 3 years with effect from appointment date.



RESOLVED FURTHER THAT Mr. Harry Paghdar (DIN: 11096100), Managing Director shall also be entitled for the reimbursement of actual entertainment, traveling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits/amenities and other privileges, as may from time to time, be available to other Executives of the Company, as per Appointment Letter;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things or delegate all or any of its powers in favour of any committee/company official, as in its absolute discretion, it may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto and the Board shall have absolute powers to decide breakup of the remuneration within the said maximum permissible limit and in order to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company."

6. TO RATIFY APPOINTMENT OF MR. SURESHKUMAR CHATURBHAI GAJERA AS AN INDEPENDENT DIRECTOR OF THE COMPANY:

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the rules and regulations made thereunder, each as amended (collectively referred to as the "**Companies Act**") and other applicable law and pursuant to the provisions of the articles of association of the Company, Mr. Sureshkumar Chaturbhai Gajera (DIN: 11106779) who was appointed as an Independent, Additional Director of the Company by the Board of Directors at their meeting held on 21st May, 2025 to hold office effective from 21st May, 2025 and who possesses relevant expertise and experience and is not being disqualified under Section 164 of the Companies Act, 2013 (including the rules framed thereunder) and who has provided his consent to act as an independent director of the Company and submitted a declaration that he meets the criteria for appointment as an independent director under the Companies Act and who is eligible for appointment, be and is hereby appointed as an independent director of the Company, not liable to retire by rotation, for a period of five consecutive years from May 21st, 2025 to May 20th, 2030.

RESOLVED FURTHER THAT pursuant to the provisions of sections 149, 197 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Sureshkumar Chaturbhai Gajera (DIN: 11106779), being an Independent Director be paid such fees as the Board may approve from time to time and subject to such limits, as may be prescribed by the Company from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) be and is hereby authorized to do all such acts, deeds and things as may be considered necessary, proper or expedient to give effect to this resolution."

07. Re-appointment of Mr. Parshotam Lakhabhai Vasoya (DIN: 09229252) as an Independent Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 of the Companies Act, 2013 read with Schedule IV of the Companies Act, 2013 and the Companies (Amendment) Act, 2017 (‘Act’) read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force) and as per the existing Articles of Association of the Company, and basis the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. **Mr. Parshotam Lakhabhai Vasoya (DIN: 09229252)**, Independent Director and non-executive director of the Company whose term is supposed end on 22nd August 2026, and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director on the Board of the Company, not liable to retire by rotation for a second and final term of five consecutive years commencing from 23rd August, 2026 till 22nd August, 2031.

RESOLVED FURTHER THAT pursuant to the provisions of sections 149, 197 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Parshotam Lakhabhai Vasoya (DIN: 90229252), being an Independent Director be paid such fees as the Board may approve from time to time and subject to such limits, as may be prescribed by the Company from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) be and is hereby authorized to do all such acts, deeds and things as may be considered necessary, proper or expedient to give effect to this 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: 1st August, 2025

Registered Office

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

Notes:

1. In compliance with General Circular No. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs (MCA) and Circular issued by SEBI vide Circular No. SEBI/HO/CFD/CFDPoD-2/P/CIR/2024/133 dated October 3, 2024 ("SEBI Circular"), other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof) for the time being in force and as amended from time to time and the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the 12th Annual General Meeting ("AGM") of the Company is being held through VC/OAVM without the physical presence of Members at a common venue. The deemed venue for the 12th AGM will be the Registered Office of the Company – Revenue Survey No.102/2 Paiki, Plot No. – 2, Village: Haripar, Ranuja Road., Tal: Kalavad. Jamnagar – 361013.
2. Further, the Securities and Exchange Board of India ("SEBI") has, vide its Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 ("SEBI Circular") given relaxation from sending hard copy of Annual Report containing salient features of all the documents prescribed in Section 136 of the Companies Act, 2013 ("Act") and proxy forms as required under Regulation 44(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") to the members who have not registered their email addresses in case of general meetings held through electronic mode.
3. 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 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.
4. 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.
5. Since the AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto.
6. 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.
7. The notice of AGM along with Annual Report for 2024-2025 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.

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 2024-2025 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 Friday **25th July, 2025**
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 Monday, **August 18, 2025** 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. 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.
14. 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.
15. 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.
16. 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.
17. 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.



18. 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.
19. 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.
20. 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.
21. 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 **August 18, 2025** 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.
22. 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 **August 18, 2025**. 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.
23. The remote e-voting period begins on **Friday 22nd August, 2025 at 09:00 A.M. and ends on Sunday 24th August, 2025 at 05:00 P.M.** The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. **Monday 18th August, 2025** may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **18th August 2025**.
24. Mr. Piyush Jethva (FCS 6377) Practicing Company Secretary was appointed to work as a Scrutinizer for the online meeting scheduled to be held on 25th August 2025 by the Board of Director in their meeting held on 1st August, 2025. He will be submitted his report to the Chairman/ Compliance Officer/ Authorized person with in prescribed time.
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., **Monday, August 18, 2025**.

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 11:00 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.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER: -

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.

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to / the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. 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 AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM 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 EGM/AGM through VC/OAVM will be made available for 1000 members on first



come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. 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.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at www.aksharspintex The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsd.com.
7. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -

The remote e-voting period begins on **Friday 22nd August, 2025 at 09:00 A.M. and ends on Sunday 24th August, 2025 at 05:00 P.M.** The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. **Monday 18th August, 2025** may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **18th August 2025**.

How do I vote electronically using NSDL e-Voting system?

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"> For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. 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. 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 |

| | |
|---|--|
| | <p>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.</p> <p>5. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; gap: 20px;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div> |
| <p>Individual Shareholders holding securities in demat mode with CDSL</p> | <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. |

| | |
|---|---|
| <p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p> | <p>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.</p> |
|---|---|

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.com or call at 022 - 4886 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. 1800-21-09911 |

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.com 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.com. 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. 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.
3. 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 or send a request to at evoting@nsdl.com

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 shareholders 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.com 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 2025-2026:

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, 2026 at a Remuneration of Rs. 36,000/- (Rupees Thirty-Six 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, 2026. 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 and key managerial personnel or their relatives are interested in the resolution as set out in item no. 3 of this notice.

The Board of Director recommended to pass the resolution as an Ordinary Resolution.

Item 4. Appointment of Secretarial Auditor

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Third Amendment Regulations dated December 12, 2024 and Regulation 24A(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, every listed entity shall undertake Secretarial Audit by a Secretarial Auditor who shall be a Peer Reviewed Company Secretary. The Company may appoint an individual as Secretarial Auditor for not more than one term of five consecutive years or a Secretarial Audit firm as Secretarial Auditor for not more than two terms of five consecutive years.

It is proposed to appoint M/S. D N Vora and Associates, Practicing Company Secretary, as Secretarial Auditors of the Company for an Audit period of five consecutive years commencing from 2025-26 till 2029-30, at a remuneration not exceeding 50,000 p.a. (Rupees Fifty Thousand only), excluding applicable GST and out-of-pocket expenses incurred during the course of the Secretarial Audit, payable for tenure of Secretarial Auditor, as may be mutually agreed upon, between the Board of Directors of the Company and the Secretarial Auditors but should not exceed the above specified limit. The firm has confirmed its eligibility and provided the necessary documents, including the consent letter, peer review certificate, and eligibility confirmation.

The Board and the Audit Committee, while considering the appointment of M/s D N Vora and Associates as Secretarial Auditors of the Company, evaluated the firm's credentials, expertise to manage secretarial audits in the sector that the Company operates, its professional standing, technical competence, and the diversity of its client portfolio. Based on this assessment, M/s D N Vora and Associates was found to be well-qualified to conduct the Secretarial Audit for the Company. Further M/s D N Vora and Associates holding valid peer review Certificate No. 4158/2023 at present.

None of the directors and key managerial personnel or their relatives are interested in the resolution as set out in item no. 4 of this notice.

The Board of Director recommended to pass the resolution as an Ordinary Resolution

Item 5. To Ratify appointment of Mr. Harry Pagdhar as Managing Director and Approval of remuneration under section 196 and 197 read with Schedule V of the Companies act, 2013:-

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at their meeting held on 21st May, 2025 has appointed Mr. Harry Pagdhar (DIN: 11096100) as an Additional Director (Executive Director) of the Company for a period of 5 years with effect from 21st May, 2025 to 20th May, 2030 subject to the approval of the shareholders.

Further, pursuant to Regulation 17(1C) (a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the appointment of Director by the Board of Directors has to be approved by the members within a period of three months from the date of appointment or at the next general meeting, whichever is earlier.

Mr. Harry Pagdhar (DIN: 11096100) has given his consent to act as an Managing Director of the Company and has confirmed that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act or not debarred from holding or being appointed to the office of director pursuant to any SEBI order or any other authority or department and has not been convicted of any offence in connection with the said appointment.

Brief resume of Mr. Hari Pagdhar and other relevant details relating to his appointment as required under the Act, Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India are provided in Annexure – 1 to the Notice of 12th AGM of the Company.

Except Mrs Illaben D. Pagdhar, being a relative of Mr. Harry Pagdhar, none of the Directors, KMPs and or their respective relatives, are in any way, concerned or interested, financially or otherwise in this Resolution.

The Board recommends the resolution set forth in the Item No. 5 for the approval of the members by way of Special Resolution.

Item 6. To Ratify the appointment of Mr. Sureshkumar Chaturbhai Gajera as Independent Director of the Company

Mr. Sureshkumar Chaturbhai Gajera is Non-Executive Independent Director of the Company:

The Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Sureshkumar Chaturbhai Gajera (DIN: 11106779), as an Independent Director of the Company with effect from 21st May, 2025 in terms of the provisions of Sections 149, 150 and 152 of the Act.

The Company has received the declaration from Mr. Sureshkumar Chaturbhai Gajera to the effect that he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

In the opinion of the Board, he fulfils the conditions as set out under Section 149(6) of the Act read with Schedule IV and Regulation 16(1)(b) of the Listing Regulations for being eligible for appointment as an Independent Director of the Company and is independent of the management of the Company. Further, Mr. Sureshkumar Chaturbhai Gajera is not disqualified from being appointed as a director in terms of Section 164 of the Act and the Company has received from him all statutory disclosures / declarations including his consent to act as an Independent Director of the Company.

The Board, based on the recommendation of the Nomination and Remuneration Committee, and considering his skills, integrity, expertise and experience, strongly believe that the association of Mr. Sureshkumar Chaturbhai Gajera as an Independent Director would be beneficial to the Company, and it is desirable to avail his services as an Independent Director of the Company. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to avail services of Mr. Sureshkumar Chaturbhai Gajera as an Independent Director.

The copy of draft letter for appointment of Mr. Sureshkumar Chaturbhai Gajera as an Independent Director setting out the terms and conditions will be available for inspection by members at the Registered Office of the Company between 11.00 A.M. and 5.00 P.M. on any working day of the Company, till the date of 12th AGM. Brief resume of Mr. Sureshkumar Chaturbhai Gajera and other relevant details relating to his appointment as required under the Act, Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India are provided in Annexure – 1 to the Notice of 12th AGM of the Company.

Except Mr. Sureshkumar Chaturbhai Gajera, being appointee, none of the other directors and Key Managerial Personnel of your Company or their relatives are concerned or interested, financial or otherwise, in the said resolution.

The Board recommends the resolution set forth in the Item No. 6 for the approval of the members by way of Special Resolution.

Item No. 7 Re-Appointment of Mr. Mr. Parshotam Lakhabhai Vasoya (DIN: 09229252) as an independent director:

In accordance with Section 149(10) and (11) of the Companies Act, 2013 ('the Act'), an Independent Director shall hold office for a term up to five years on the Board of the Company, but shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such re-appointment in the Boards' Report.

Mr. Parshotam Lakhabhai Vasoya (DIN: 09229252) was appointed as an Independent Director of the Company with the approval of shareholders at 08th Annual General Meeting ('AGM') of the Company held on 29th September, 2021, for a tenure of 5 years from 23rd August, 2021 to 22nd August, 2026. The management is recommended name of Mr. Parshotam Vasoya for second and final term as an independent Director.



Based on his skills, experience, knowledge and performance evaluation and recommendation of the Nomination and Remuneration Committee at its meeting held on 22nd July, 2025, the Board, in line with the Company's policy on Director's appointment and remuneration has proposed the re-appointment of Mr. Parshotam Lakhabhai Vasoya (DIN: 09229252) as an Independent Director for a second and final term of five years from 23rd August, 2026 to 22nd August, 2031.

The Company has received requisite consent/declarations from Mr. Parshotam Lakhabhai Vasoya (DIN: 09229252) for appointment as an Independent Director as required under the Act and rules made thereunder.

In the opinion of the Board and based on the Board's evaluation, Mr. Parshotam Lakhabhai Vasoya (DIN: 09229252) fulfils the conditions specified in the SEBI Listing Regulations, the Act and the Rules framed thereunder for his re-appointment as an Independent Director from the Company and he is independent of the Management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Parshotam Lakhabhai Vasoya (DIN: 09229252) as an Independent Director, the Board recommends the resolution set forth in Item No. 7 the re-appointment of Mr. Parshotam Lakhabhai Vasoya (DIN: 09229252) as an Independent Director of the Company, who shall be not liable to retire by rotation, by way of Special Resolution.

A copy of the draft letter for the re-appointment of Mr. Parshotam Lakhabhai Vasoya (DIN: 09229252) as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on all working days except Sundays up to the date of ensuing AGM.

Except Mr. Parshotam Lakhabhai Vasoya (DIN: 09229252), no other director(s) and Key Managerial Personnel(s) or their relatives, is in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the resolution set forth in the Item No. 7 for the approval of the members by way of Special 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: 1st August, 2025

Anneture-1

Information on Director retiring by rotation as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 as prescribed by ICSI.

| Sr. No. | Particulars | Information | |
|---------|---|---|---|
| 01 | Name of Director | Mr Harikrushna Samjibhai Chauhan | Parshotam Lakhabhai Vasoya |
| 02 | Director Identification Number | 07710106 | 09229252 |
| 03 | Category of Directorship | Chairman Cum Wholetime director | Non-Executive Independent Director |
| 04 | Date of Birth | 04/12/1967 | 04/06/1980 |
| 05 | Date of First Appointment | 17/01/2017 | 23/08/2021 |
| 06 | Brief Resume, qualification, experience of Director | <p>He has 8 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 direction 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.</p> | <p>Mr. Parsottam Lakhabhai Vasoya aged 41 years, he has completed B.com from Saurashtra University. He is a Partner of Vishwas Polymers since last 21 years.</p> <p>He has 21 years' rich and varied experience in the plastic industry. He is expert in effective Management of Organization and providing the ultimate direction to the business.</p> |

| | | | |
|----|---|--|--|
| 07 | Disclosure of relationships between Directors inter-se | NA | No relationship with other Director, Manager and Key Managerial Personnel. |
| 08 | Names of listed entities in which the person also holds the Directorship | Except Akshar Spintex limited, he does not hold directorship in any Listed Company. | Except Akshar Spintex Limited, he does not hold directorship in any Listed Company. |
| 09 | Chairman/Member of the Committees of the Board of Directors of the Company. # | Member in 4 Committee and chairman in 0 committee | Membership in Committee - 2 Chairmanship in Committee -1 |
| 10 | The membership/ chairman of Committees of the board | <ol style="list-style-type: none"> 1. Complaints Committee for Sexual Harassment Complaints Redressal- Member 2. Corporate Social Responsibility Committee- Member 3. Risk Management committee- Member 4. Stakeholder Relationship Committee- Member | <ol style="list-style-type: none"> 1. Audit Committee- Member- Member 2. Nomination and Remuneration Committee- member. 3. Stakeholder Relationship Committee- Chairman |
| 11 | Disclosure of Disqualification | He is not disqualified from being appointed as a director. | he is not disqualified from being appointed as a director |
| 12 | No. of Shares held in the Company as on 31 st March, 2025 | 886838 Shares | Nil |
| 13 | Terms and conditions for appointment/re-appointment | <p>Substantial Terms and Conditions of Appointment are as under:</p> <ol style="list-style-type: none"> 1) Tenure of re-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 | Independent Director, not liable to retire by rotation |

| | | | |
|----|---|---|----------------|
| | | <p>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 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.</p> <p>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.</p> <p>6) The Company shall reimburse of actual expenses incurred by the Chairman cum Whole Time Director in connection with the company's business.</p> <p>Either party shall terminate this employment by giving to the other advance notice of three months.</p> | |
| 14 | Proposed / Eligible Remuneration Approved | 30,00,000/- P.A. | Not applicable |
| 15 | Remunerations Last drawn | 12,00,000/-P.A. | Not Applicable |



| | | | |
|----|--|--|---|
| 16 | Number of Board Meetings attended during the year | 18 | NA |
| 17 | Justification for choosing the Independent Director | Not Applicable | Not Applicable |
| 18 | Listed Entities from which the Director has resigned in past 3 years | Nil | Nil |
| 19 | Information as required pursuant to BSE Circular with ref. no. LIST/COMP/14/2018-19 and the National Stock Exchange of India Limited Circular with ref. no. NSE/CML/2018/24, both dated 20 th June, 2018. | Mr Harikrushna Samjibhai Chauhan is not debarred from holding the office of director by virtue of any SEBI order or any such authority | Mr Parsottambhai Lakhabhai Vasoya is not debarred from holding the office of director by virtue of any SEBI order or any such authority |

By order of the Board of Directors,
AKSHAR SPINTEX LIMITED

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

Place: Haripar (Jamnagar)
Date: 1st August, 2025

Annexure-1

Information of directors seeking appointment/re-appointment at the ensuing annual general meeting of the company as per Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Secretarial Standard – 2:

| Sr. No | Particulars | Information | Information |
|--------|--|---|--|
| 01 | Name of Director | Sureshkumar Chaturbhai Gajera | Harry Dineshbhai Paghdar |
| 02 | Director Identification Number | 11106779 | 11096100 |
| 03 | Category of Directorship | Non-Executive Independent Director | Managing Director |
| 04 | Date of Birth/Age | 01/01/1980 | 23/09/1997 |
| 05 | Date of First Appointment | 21/05/2025 | 21/05/2025 |
| 06 | Brief Resume, qualification, experience of Director | Mr Sureshkumar Chaturbhai Gajera, Experienced and detail-oriented professional with a B.Com degree and Post Graduate Diploma in Computer Applications (PGDCA), bringing over 10 years of extensive experience in the cotton industry. Proven track record in managing commercial operations, procurement, inventory control, logistics, and administrative functions. Adept at using technology to streamline processes and support decision-making. Strong understanding of cotton market dynamics, quality assessment, and supply chain coordination. | Mr. Harry Paghdar, aged 28 years, a a results-driven and technically proficient B.Tech Engineering graduate with over 5 years of hands-on experience in the cotton industry. Demonstrated expertise in production operations, quality control, process optimization, and machinery maintenance within textile and cotton processing environments. Skilled in managing end-to-end operations, improving productivity, and ensuring compliance with industry standards. Adept at working in high-pressure settings and collaborating with cross-functional teams to meet organizational goals and to leverage my technical background and industry experience to contribute to the efficiency, quality, and growth of a progressive organization in the textile or cotton sector |
| 07 | Disclosure of relationships between Directors inter-se | No relationship with other Director, Manager and Key Managerial Personnel. | Relationship with Executive director- Mrs. Illaben D. Paghdar. |

| | | | |
|----|--|--|--|
| | | | Other than her no relationship with other Directors, Manager and Key Managerial Personal |
| 08 | Names of listed entities in which the person also holds the Directorship | Except Akshar Spintex Limited, he does not hold directorship in any Listed Company. | Except Akshar Spintex Limited, he does not hold directorship in any Listed Company. |
| 09 | Chairman/ Member of the Committees of the Board of Directors of the Company. # | Membership in Committee - 2 Chairmanship in Committee - 1 | Membership in Committee - 3 Chairmanship in Committee - 1 |
| 10 | The membership of Committees of the board | 1. Audit Committee- Member 2. Nomination and Remuneration Committee- member 3. Corporate Social Responsibility Committee- Chairman | 1. Corporate Social Responsibility Committee- Member 2. Internal Complaints Committee for Sexual Harassment Complaints Redressal- Member 3. Risk Management Committee- Chairman 4. STAKEHOLDER 'S RELATIONSHIP COMMITTEE- Member |
| 11 | Disclosure of Disqualification | he is not disqualified from being appointed as a director | he is not disqualified from being appointed as a director |
| 12 | No. of Shares held in the Company as on 31 st March, 2025 | Nil | 150 shares |
| 13 | Terms and conditions for appointment/re-appointment | Independent Director, not liable to retire by rotation | Managing director, liable to retire by rotation Substantial Terms and Conditions of Appointment are as under; 1) Tenure of this remuneration shall be Three years with effect from 21 st May, 2025 2) Mr Harry D. Paghdar- as Managing 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 |

| | | | |
|----|--------------------------|----------------|---|
| | | | <p>Board, within the overall limits of Rs. 12,00,000/- (Rupees Twelve Lacs Only) per annum as specified.</p> <p>3) The company shall pay any remuneration to the Managing 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.</p> <p>4) Proposed remuneration is payable to the Managing 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. 12,00,000/- (Rupees Twelve Lacs Only) per annum as specified.</p> <p>5) The appointment shall be governed by Section 196, 197, 203 read with Schedule V of the Companies Act, 2013 and rules made thereunder</p> <p>6) The separation from this engagement could be affected by either side giving One months' notice</p> |
| 14 | Proposed Remuneration | Not applicable | Rs. 12,00,000/- (Rupees Twelve Lacs) per annum |
| 15 | Remunerations Last drawn | Not Applicable | 5.71 Lac |



| | | | |
|----|--|---|---|
| 16 | Number of Board Meetings attended during the year | NA | NA |
| 17 | Justification for choosing the Independent Director | Not Applicable | Not Applicable |
| 18 | Listed Entities from which the Director has resigned in past 3 years | Nil | Nil |
| 19 | Information as required pursuant to BSE Circular with ref. no. LIST/COMP/14/2018-19 and the National Stock Exchange of India Limited Circular with ref. no. NSE/CML/2018/24, both dated 20 th June, 2018. | Mr Sureshkumar Gajera is not debarred from holding the office of director by virtue of any SEBI order or any such authority | Mr. Harry Paghdar is not debarred from holding the office of director by virtue of any SEBI order or any such authority |

By order of the Board of Directors,
AKSHAR SPINTEX LIMITED

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

Place: Haripar (Jamnagar)

Date: 1st August, 2025

Directors' Report

To,
Members of AKSHAR SPINTEX LIMITED,

The Directors of your Company are pleased to present the 12th Annual Report of the business and operations of the Company along with the Audited Financial Statements for the financial year ended 31st March, 2025

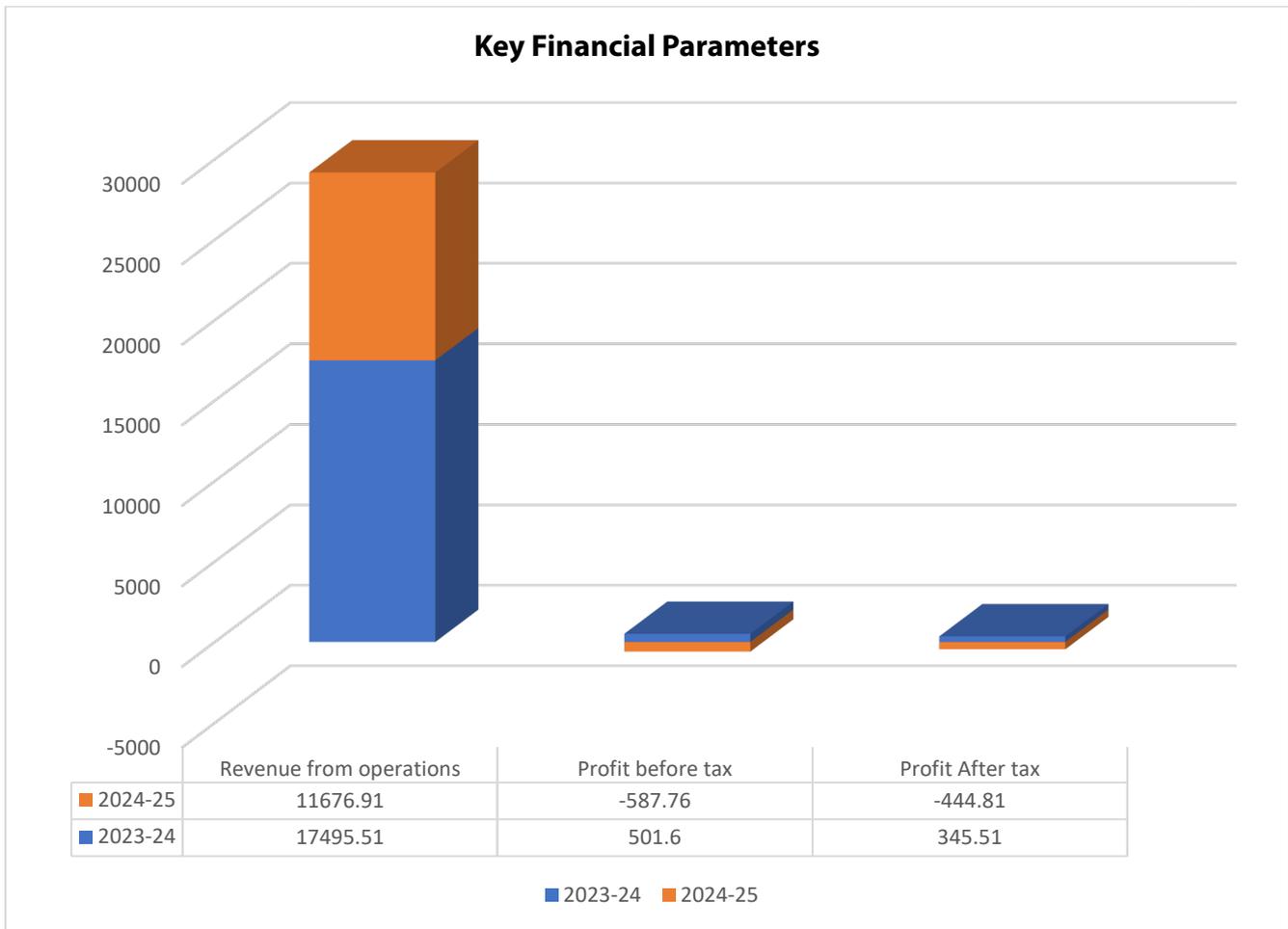
FINANCIAL RESULTS

The financial performance of the Company for the financial year ended on 31st March, 2025 is as under:

(Rs. In Lakhs)

| Particulars | Year ended 31 st March, 2025 | Year ended 31 st March, 2024 |
|--|--|--|
| Revenue From Operations | 11,676.91 | 17495.51 |
| Other income | 227.79 | 295.90 |
| Total(A) | 11,904.70 | 17791.41 |
| Cost of Materials Consumed | 8,452.98 | 11268.46 |
| Purchase | 1,240.70 | 3724.30 |
| Changes in Inventories | 380.22 | (252.37) |
| Employee Benefit Expenses | 539.17 | 480.63 |
| Financial Costs | 108.95 | 133.34 |
| Depreciation | 463.89 | 433.57 |
| Other Expenses | 1,306.54 | 1501.88 |
| Total(B) | 12,492.46 | 17289.81 |
| Profit Before tax | (587.76) | 501.60 |
| <u>Tax Expenses</u> | | |
| i. Current Tax | 0.00 | 84.28 |
| ii. Mat Credit Availment / Entitlement | 0.00 | (7.79) |
| iii. Prior Period Tax | 26.57 | 12.46 |
| iv. Deferred Tax | (116.38) | 67.14 |
| Profit after Tax for the Year | (444.81) | 345.51 |
| Other Comprehensive Income/(Expense) (OCI) net of tax expense | | |
| i. Items that will not be reclassified to Profit and Loss Account Less: Income Tax impact on above | 3.82 | 4.96 |
| Account Less: Income Tax impact on above | 0.99 | 1.29 |
| Total Other Comprehensive Income (Expenses) (OCI) net of tax expense | 2.83 | 3.67 |
| Total Comprehensive Income | (441.98) | 349.19 |
| Earnings per Share: | | |
| Basic | (0.08) | 0.12 |
| Diluted | (0.08) | 0.12 |

FINANCIAL ANALYSIS AND REVIEW OF OPERATIONS



During the financial year under review, the Company recorded a total revenue of **Rs. 11,676.91 Lakhs**, as compared to **Rs. 17,495.51 Lakhs** in the previous financial year, representing a decline of approximately **33.27%**.

The Company reported a Loss before Exceptional Items and Tax of Rs. 587.76 Lakhs, as against a Profit of Rs. 501.60 Lakhs in the previous year. After accounting for exceptional items and tax, the Net Loss stood at Rs. 444.81 Lakhs, compared to a Net Profit of Rs. 345.51 Lakhs in the previous year.

The Company managed to reduce its **total expenses to Rs. 1,306.54 Lakhs**, from **Rs. 1,501.88 Lakhs** in the previous year — a reduction of **13.01%**, demonstrating efforts towards cost control and operational efficiency.

This adverse financial performance reflects the challenges encountered during the year and underscores the need for strategic corrective measures. The Board and the management are committed to undertaking focused efforts towards improving operational efficiencies, optimizing costs, and exploring new revenue streams to enhance the Company's performance in the coming financial year.

The Company acknowledges the impact of these financial results and is taking focused steps to restore growth and profitability through strategic initiatives, improved efficiency, and prudent financial management.

CHANGE IN THE NATURE OF BUSINESS:

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

DIVIDEND

Dividend Distribution Policy

As per the provisions of Regulation 43A of the Securities and Exchanges Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended, the Company is not required to formulate and disclose its Dividend Distribution Policy. However, for better governance practices, the Board of Directors (the "Board") of Akshar Spintex Limited (the "Company") had approved the Company's Dividend Distribution Policy. Policy on Dividend Distribution has been placed on the Company's website at <https://www.aksharspintex.in/pdf/Corporate%20Governance/Dividend%20Distribution%20Policy.pdf>

Interim Dividend

During the year, the board of director has not recommended any interim dividend for the year ended on 31st March, 2025

Unclaimed dividend

The Company declared a dividend for the financial year 2023–24. Pursuant to the declaration, the Company duly issued dividend warrants to all eligible shareholders.

As of the date of this report, an amount of Rs. 36,333.59 remains unclaimed, representing dividend warrants that have not been encashed by certain shareholders.

In accordance with Section 124 of the Companies Act, 2013, any unclaimed dividend amount remaining unpaid for a continuous period of seven years from the date of transfer to the Unpaid Dividend Account shall be transferred to the Investor Education and Protection Fund (IEPF). Shareholders are advised to claim their un-encashed dividend amounts well before the expiry of this period.

In compliance with the provisions of the Companies Act, 2013, the Company has filed Form IEPF-2 with the Ministry of Corporate Affairs, detailing the unclaimed dividend amount of Rs. 36,333.59. Since the dividend was declared in 2024, the 7-year period for transfer to the Investor Education and Protection Fund (IEPF) has not yet lapsed.

Final dividend

The Board of Directors of the Company has not recommended any final dividend for the year ended on 31st March 2025.



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, 2025.

HOLDING/SUBSIDIARY/ASSOCIATE/JOINT VENTURE:

The Company does not have Subsidiary, Joint Venture and Associate Company as on 31st March, 2025.

LISTING OF SECURITIES WITH STOCK EXCHANGE:

The Equity Shares 78,74,68,500/- (Seventy-Eight Crore Seventy-Four Thousand Sixty-Eight Thousand Five Hundred Only) of Rs. 1/- each of the Company are listed in Main Board to the stock exchanges as:

| Stock Exchange, where Akshar shares are listed | Scrip Symbol / Code |
|---|----------------------------|
| National Stock Exchange of India Ltd. | AKSHAR |
| Bombay Stock Exchange of India Ltd. | 541303 |

The Company has paid the requisite Annual Listing Fees to Stock Exchanges, where its securities listed.

MATERIAL EVENT OCCURRED DURING THE YEAR.

- 1) The Decision of National Company Law Board was received in one case which is related to past period when status of the Company was a private limited. One of the then shareholders had registered the case against another shareholder and the Company was a party in that case. The Decision came during the financial year for which required disclosure has been submitted to Stock Exchange. As the Company was only a party in that case, there is no adverse effect of decision on the Company.
- 2) The Company has received the order form Beximcorp Textile- Dhaka amounting to Rs. 171 Crore on 23rd November 2023. Due to unavoidable circumstances the order was cancelled by the above entity on 14th August, 2024.

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:

No such event was occurred, affecting the financial position of the company since the end of the year end till the date of the report.

CAPITAL STRUCTURE:

During financial year 2024-25, there was change in the Authorized Share Capital and Paid-up Share Capital of the company. However, there is no change in class of security.

- **Authorised Share Capital:**

Authorised Share Capital of the company is Rs. 820,000,000/- (Eighty-two Crore Only) divided into 820,000,000 (Eighty-Two Crore) Equity Shares of Rs. 1/- each

- **Issued, Subscribed, Paid up Share Capital:**

The issued, subscribed and fully paid-up Equity Share Capital of the Company is Rs. 78,74,68,500/- (Seventy-Eight Crore Seventy-Four Thousand Sixty-Eight Thousand Five Hundred Only) divided into 78,74,68,500 (Seventy-Eight Crore Seventy-Four Thousand Sixty-Eight Thousand Five Hundred) Equity Shares of Rs. 1/- each.

During the year under review, the Company successfully completed a **Rights Issue of 48,74,80,500 equity shares** of face value **Rs. 1/- each**, aggregating to **Rs. 48,74,80,500/-**. The rights issue was offered to existing shareholders in accordance with applicable provisions of the Companies Act, 2013 and SEBI (Issue of Capital and Disclosure Requirements) Regulations.

The equity shares issued pursuant to the rights issue were listed on both the **BSE Limited (BSE)** and the **National Stock Exchange of India Limited (NSE)** on **15th October 2024**, upon receipt of the necessary approvals from the respective stock exchanges.

The successful completion of the rights issue has further strengthened the Company's capital structure and will support its ongoing business operations and growth initiatives.

The Company has not come up with 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.

DIRECTORS

The composition of the Board of Directors of the Company is in accordance with the provisions of Section 149 of the Act and Regulation 17 of the Listing Regulations, with an appropriate combination of Executive, Non-Executive and Independent Directors draws fine balance of business acumen and independent judgment on Board's decisions. The Board comprised of 6 (Six) Directors as on 31st March, 2025, details of which are tabled below:

| Sr. No. | Name of the Director | Designation |
|---------|--------------------------------|---|
| 01 | Harikrushna Shamjibhai Chauhan | Chairman & Whole Time Director |
| 02 | Ilaben Dineshbhai Paghdar | Director |
| 03 | Rohit Bhanjibhai Dobariya | Independent Director |
| 04 | Parshotam L Vasoya | Independent Director |
| 05 | Sohilkumar Dineshkumar Patel | Additional Director (in the category of independent director) (Resigned on 21.05.2025) |
| 06 | Brijeshkumar Prahladbhai Patel | Additional Director (in the category of independent director) (Resigned on 21.05.2025) |

During the financial year under review, there were changes in the composition of the Board of Directors.

Appointment During the year

During the year following changes have been made in the Board of Directors

Appointment during the Year

1. Mr. Brijeshkumar Prahladbhai Patel was appointed as Additional Director in the Capacity of the Executive Director on 27th December, 2024.
2. Mr. Rohit Naval was appointed as an Additional Director in the capacity of the Executive Director on 27th December 2024.
3. Mr. Keshav Makhija was appointed Additional Director in the category of Non-executive Independent Director on 27th January, 2025.
4. Mr. Sohilkumar Dineshkumar Patel was appointed Additional Director in the category of Non-executive Independent Director on 27th January, 2025.

Resignation During the year

1. Mr. Amit Vallabhbhai Gadhiya – Managing Director was resigned from the post of Managing Director as well as Director w.e.f. 07th March 2025. He is resigned due to due to personal and unavoidable circumstances as per the resignation letter received from him
2. Mr. Nlralla L. Joshi – Independent Director was resigned w.e.f. 07th March 2025. He is resigned due to due to personal and unavoidable circumstances as per the resignation letter received from him
3. Mr. Keshav Makhija – Additional Independent Director was resigned w.e.f. 28th March 2025. He has resigned from the post of the independent director due to his personal reason as per resignation letter received from him.
4. Mr. Rohit Naval - Additional Independent Director was resigned w.e.f. 28th March 2025. He has resigned from the post of the independent director due to his personal reason as per resignation letter received from him.

Appointment after closing of financial year to as on date of the report.

Subsequent to the close of the financial year and up to the date of this report, the Board has appointed the following Director(s):

1. **Mr. Harry Paghdar** was appointed as Managing Director in the board meeting held on 21.05.2025. The appointment is subject to approval by the shareholders at the forthcoming Annual General Meeting.
2. **Mr. Sureshkumar C. Gajera**, Additional director in the capacity non-executive independent director was appointed as on 21st may, 2025. The appointment is subject to approval by the shareholders at the forthcoming Annual General Meeting.

Resignation after the closing of the financial year as on date of the report:

Subsequent to the close of the financial year and up to the date of this report, the Board has appointed the following Director(s):

5. **Mr. Sohilkumar Dineshkumar Patel** Additional Director in the category of Non-executive Independent Director of the Company is resigned on 21st May, 2025. He is resigned due to personal reasons and preoccupations as per the resignation letter received from him
6. **Mr. Brijeshkumar Prahladbhai Patel** Additional Director in the capacity of the Executive Director of the Company is resigned on 21st May, 2025 category of Non-executive Independent Director of the Company is resigned on 21st May, 2025. He is resigned due to personal reasons and preoccupations as per the resignation letter received from him

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.

Re-appointment of Independent Director

In accordance with the provisions of Section 149(10) and (11) of the Companies Act, 2013 and the rules made thereunder, and based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 1st August, 2025 approved the proposal for reappointment of Mr **Mr. Parshotam Lakhabhai Vasoya (DIN: 09229252)**, as an Independent Director of the Company for a second term of 5 consecutive years, subject to the approval of the shareholders by way of a special resolution. he shall be reappoint for second and final term of 5 years commencing from 23rd August, 2026 till 22nd August, 2031

The Board is of the opinion that **Mr. Parshotam Lakhabhai Vasoya (DIN: 09229252)** continues to meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A brief profile of **Mr. Parshotam Lakhabhai Vasoya (DIN: 09229252)** along with the nature of expertise, qualifications, and experience, is provided in the Notice convening the 12th Annual General Meeting.

The Board recommends the reappointment of **Mr. Parshotam Lakhabhai Vasoya (DIN: 09229252)** subject to approval by the members

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 placed 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 during year from 1st April, 2024 to 31st March, 2025:

| Sr. No. | Name | Designation |
|---------|---|--|
| 1 | Mr. Harikrushna Shamjibhai Chauhan | Chairman cum Whole Time Director |
| 2 | Mr. Amit Vallabhbhai Gadhiya (Resigned as Managing Director on 07.03.2025) | Managing Director |
| 3 | Mrs. Poonam P. Kapupara (Appointed w.e.f.26 th February, 2024) | Chief Financial officer |
| 4 | Mrs. Bharti G. Ajudiya Resigned w.e.f. 20 th July, 2024) | Company Secretary & Compliance officer |
| 5 | Mr Dheeraj Sahu Kumar (Appointment w.e.f. 27 th January, 2025 | Company Secretary & Compliance Officer |

During the financial year resignation of Key Managerial Personnel

1. Mr Amit Vallabhbhai Gadhiya, Managing Director with effect from 07th March, 2025
2. Mrs. Bharti G. Ajudiya, Company Secretary & Compliance Officer with effect from 20th July, 2024

After the closing of financial to the date of the report appointment & Resignation of Key Managerial Management

1. Mr. Harry D. Paghdar, Managing Director appointed with effect from 21st May, 2025
2. Mr. Dheeraj Sahu Kumar, Resigned Company Secretary & Compliance Officer with effect from 1st July, 2025

MEETINGS OF THE BOARD:

The Board meets at regular intervals to discuss and decide on company/business policy and strategy apart from other Board business. The notice of Board meeting is given well in advance to all the Directors. The Agenda of the Board meetings is circulated at least a week prior to the date of the meeting. The Agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

During the year, 18 (Eighteen) 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.

DECLARATION AND MEETING OF INDEPENDENT DIRECTORS

All the Independent Directors have given their declaration of Independence stating that they meet the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013. Further that the Board is of the opinion that all the independent directors fulfill the criteria as laid down under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 during the year 2024-25.

Further, the Independent Directors, at their exclusive meeting held on 1st March, 2025 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.aksharspintex.in.

FORMAL ANNUAL EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 (10) of SEBI (listing obligation and disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee has laid down the criteria for evaluation of the performance of individual Directors and the Board as a whole. Based on the criteria the exercise of evaluation was carried out through a structured process covering various aspects of the Board functioning such as composition of the Board and committees, experience & expertise, performance of specific duties & obligations, attendance, contribution at meetings & Strategic perspectives or inputs regarding future growth of company, etc. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Director. The performance of the Independent Directors was carried out by the entire Board (excluding the Director being evaluated). The Directors expressed their satisfaction with the evaluation process.

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 performing 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, 2025 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, 2025 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 | 9869973 | 9.08 | 89588742 |

• **Fuel Consumption:**

| | |
|--|--------|
| Diesel Consumed (Factory) | 162019 |
| Diesel& Petrol Consumed (Vehicle) | 500420 |

(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. 2023-2024 | F.Y. 2022-2023 |
|------------------------------------|----------------|----------------|
| 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, 2025.

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.

During the year under review, the Company has complied with the majority of its statutory obligations within the prescribed timelines. However, there were a few isolated instances of delays in the remittance of professional tax, which were not material in nature and have since been addressed. The management has taken corrective measures to streamline internal processes and strengthen compliance mechanisms to avoid recurrence of such delays in the future.

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 | 3.43 | F.Y. 2022-23 | Monthly | Not paid till date of report |
| Gujarat Professional Tax Act | Professional Tax | 3.01 | F.Y. 2023-24 | Monthly | Not paid till date of report |
| Gujarat Professional Tax Act | Professional Tax | 1.43 | F.Y. 2024-25 | Monthly | Not paid till date of report |

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 |

During the year under review, the Company has defaulted in the repayment of loans and borrowings from financial institutions and banks. The defaults pertain to both principal and interest obligations, which were not serviced within the stipulated due dates as per the terms and conditions of the respective loan agreements.

The Company is actively engaging with its lenders and financial stakeholders to restructure or regularize the overdue amounts. Management is taking necessary steps to improve cash flows and operational efficiency to meet its financial obligations in a timely manner going forward.

Further details regarding the nature and extent of such defaults, including the amount and period of default, are disclosed in the notes to the financial statements and relevant annexures to this Report, as per applicable regulatory requirements. , the details or which are as follows:

| Nature of borrowing | Name of lender | Amount not paid on due date (in Rs. Lakhs) | Whether principal or interest | No. of days of delay or unpaid | Remarks, if any |
|----------------------------|-----------------------|---|--------------------------------------|---------------------------------------|------------------------|
| Rupee Term Loan | SIDBI | 36.75 | Both | 1-6 | - |

the Company has not been declared as a willful defaulter by any bank or financial institution or other lender during the reporting period.

Secretarial Auditor:

D N Vora & Associates, Company Secretaries in Practice, was appointed as a Secretarial Auditors of the Company for the Financial Year 2024-25 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, 2025. 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 Company has appointed new company secretary which has been delayed by 99 days.*
- ✓ *It was observed that Mr. Sohilkumar Dineshkumar Patel and Mr. Brijeshkumar Prahladbhai Patel were appointed as Additional Directors of the Company with effect from 27th December, 2024. However, their appointments have not been regularised by the shareholders at a General Meeting within the prescribed time frame of three months as stipulated under Section 161(1) of the Companies Act, 2013. Accordingly, the Company has not complied with the statutory requirement for regularisation of Additional Directors.*
- ✓ *As per the outcome of the Board Meeting held on January 27, 2025, the Board approved the appointments of Mr. Rohit Naval (DIN: 10542718) as Additional Director in the capacity of Executive Director, and Mr. Keshav Makhija (DIN: 10542719) as Additional Director in the category of Non-Executive Independent Director. However, as on the date of this report, the requisite e-forms for their appointments have not been filed with the Ministry of Corporate Affairs (MCA), resulting in non-compliance with the applicable provisions of the Companies Act, 2013 and relevant Rules made thereunder.*
- ✓ *The Company has not Filed Form DIR-12 with ROC for following:*
 1. *Appointment of Additional Director of Mr. Rohit Naval & Mr. Keshav Makhija.*
 2. *The Internal Auditor resigned on 12th August, 2022 and no new Internal Auditor was appointed up to 31st March 2025;*



Cost records and audit:

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 30th June, 2025 on the recommendation of the Audit Committee, to conduct the Cost Audit of the records for the Financial Year 2025-26 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 148 of the Companies act, 2013 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.

HUMAN RESOURCES

The Company treats its "Human Resources" as one of its most important assets.

Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. The Company thrust is on the promotion of talent internally through job rotation and job enlargement.

COMPLIANCES OF SECRETARIAL STANDARDS

The Board of Directors confirms that the Company, has duly complied and is in compliance, with the applicable Secretarial Standard/s, namely Secretarial Standard-1 ('SS-1') on Meetings of the Board of Directors and Secretarial Standard -2 ('SS-2') on General Meetings, during the financial year 2024-25 ended 31 March 2025.

SUSPENSION OF TRADING

The equity shares of the Company have been listed and actively traded on Main Board of NSE and BSE. There was no occasion wherein the equity shares of the Company have been suspended for trading during the FY 2024-25.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE IBC 2016

During the year under review no application was made further no any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) against the company

RISK & MITIGATING STEPS:

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

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 Company has adopted a Whistle-Blower Policy for Directors and employees to report genuine concerns and to provide for adequate safeguards against victimization of persons who may use such mechanism. 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 had made in previous year which was in the nature of Civil and Criminal in which the company is a party. Till the completion of the financial year decision were pending in the matter.

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. 2024-25 is uploaded on the website of the Company at <https://www.aksharspintex.in/annual-return.html>

ACKNOWLEDGEMENT:

The Board of Directors acknowledges with gratitude for the co-operation and assistance received from National Stock Exchange of India Limited (NSE), Bombay Stock Exchange (BSE) and Securities Exchange Board of India (SEBI), Auditors, Advisors & Consultants, other Intermediary service provider/s and other Investor/s for their continuous support for the working of the Company.

The Board of Directors also take this opportunity to extend its sincere thanks for co-operation and assistance received by the Company from the Central- State - Local Government and other regulatory authorities, Bankers



and Members. The Directors also record their appreciation of the dedication of all the employees at all levels for their support and commitment to ensure that the Company continues to grow.

For and on Behalf of Board of Directors
AKSHAR SPINTEX LIMITED

Date: 1st August, 2025

Place: Haripar (Jamnagar)

Harry D. Paghdar
Managing Director
[DIN : 11096100]

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 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 in Rs. Lacs | Approval by Board |
|-----------------------|------------------------|----------------------|-----------------------|--------------------|-------------------|
| Pravinaben Gohil | Relative of Director | For Financial Year | Salary and Bonus | 0.8 | 20.05.2024 |
| Rekhaben Chauhan | Relative of Director | For Financial Year | Salary and Bonus | 7.25 | 20.05.2024 |
| Harry D. Paghdar | Relative of Director | For Financial Year | Salary and Bonus | 5.71 | 20.05.2024 |
| Dineshbhai Pagdhar | Relative of Director | For Financial Year | Salary and Bonus | 4.23 | 20.05.2024 |

For and on Behalf of Board of Directors
AKSHAR SPINTEX LIMITED

Date: 1st August, 2025

Place: Haripar (Jamnagar)

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

HARRY D. PAGHDAR
Managing Director
DIN : 11096100

To
The Members
Akshar Spintex Limited

Subject: Justification for Related Party Transactions held during the Financial Year 2024-25

1. For Salary to the Related Person

The persons employed by the Company are relatives of Directors. However, they possess the qualification or experience for the post on which he or she is appointed. Further they are employed by 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: 1st August, 2025
Place: Haripar (Jamnagar)

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

HARRY D. PAGHDAR
Managing Director
DIN : 11096100



ANNEXURE-I

Report on Corporate Governance for the year ended March 31, 2025 **PHILOSOPHY ON CORPORATE GOVERNANCE**

At Akshar Spintex limited, we believe Good corporate governance is an essential part of well-managed, successful business enterprise that delivers value to shareholders. Transparency and accountability are the two basic tenets of Corporate Governance. The core of Corporate Governance is based upon, inter- alia; the objective of maximizing the wealth of all the Stakeholders of the Company by making optimum utilization of resources at its disposal and fulfilling its obligations towards Corporate Responsibility and contributing to Nation Building to the best of its might. It also advocates the principles of transparency to be followed by the Company in all its decisions and actions; apart from furnishing full disclosures to the Board, its Shareholders and other Stakeholders.

The above principles have been the guiding force for whatever we do and shall continue to be so in the years to come. The Company is committed to adhere to high standards of the Corporate Governance Code in words and spirit. It is also constantly taking review of systems and procedures to keep pace with changing corporate environment. 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.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Akshar Spintex Limited has promoted practices, standards and resources that benefit all stakeholders comprising customers, vendors, investors, regulators, employees and the society at large.

Our Board recognizes the importance of maintaining high standards of corporate governance, which underpins our ability to deliver consistent financial performance and value to our stakeholders. In line with the above philosophy, the Company continuously strives for excellence and focuses on enhancement of long-term stakeholder value through adoption of best governance and disclosure practices. The Company has a strong legacy of fair, transparent and ethical governance practices and continues to make progressive actions that promote excellence within our business and the marketplace.

The Company's philosophy on Corporate Governance envisages attainment of high level of transparency, accountability and integrity in all its facets.

The Company has consistently practiced good Corporate Governance norms for the efficient conduct of its business and its obligations towards all its stakeholders viz., the shareholders, customers, employees and the community in which the Company operates. The Company is committed to observe good governance by focusing on adequate & timely disclosures, transparent & robust accounting policies, strong & independent Board and endeavors to maximize shareholder's benefit. The Company believes that it shall go beyond adherence of regulatory frameworks in disclosing material information to the stakeholders. We believe that Corporate

Governance is a journey to constantly improving sustainable value creation. The Board of Directors of the Company plays a central role in the good Corporate Governance by building up strong principles and values on which the Company operates.

Our governance framework is based on the following principles:

- Fair and equitable treatment towards stakeholders to encourage active co-operation;
- Timely and accurate disclosure of all material matters regarding the corporation, including the financial situation, performance, ownership, and governance of the company;
- Board members act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company and the shareholders and appropriate composition and size of the Board is ensured;
- Continually reinforcing a culture across the organization of acting lawfully, ethically and responsibly;
- Continuous and on-going focus on training, development and integration of employees across all levels to achieve Company's objectives.

The Company's vision embraces challenges and provides the impetus in setting highest corporate governance standards.

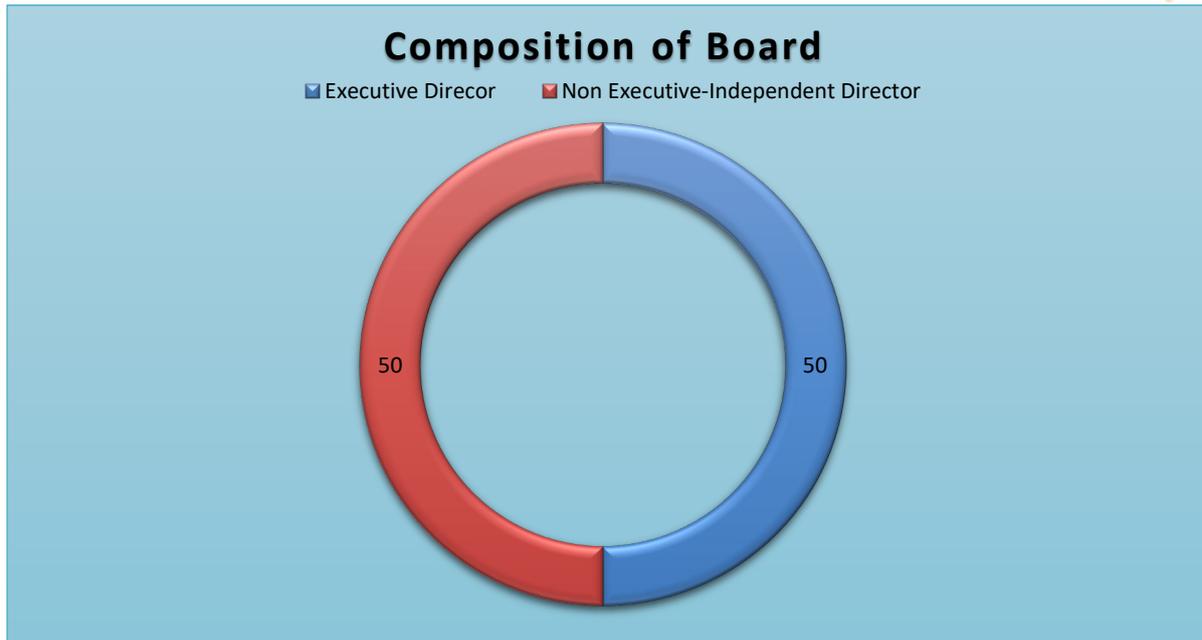
BOARD OF DIRECTORS:

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 2025, 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 | 08-01-2024 | Chairman & Whole- Time Director | 0 | 1 | 3 |
| Mr. Brijeshkumar Patel | 27-12-2024 | NA | Additional Director in the Capacity of the Executive director | 0 | 0 | 2 |
| Mrs. Ilaben Dineshbhai Paghdar | 16-08-2019 | 29-09-2020 | Executive Director | 0 | 1 | 4 |
| Mr. Sohilkumar Patel | 27-12-2024 | NA | Additional Director in the Capacity of the non-executive independent director | 0 | 1 | 2 |
| Mr. Rohit Bhanjibhai Dobariya | 14-03-2018 | 13-03-2023 | Non-Executive Independent Director | 0 | 1 | 1 |
| Mr. Parshotam Vasoya | 23-08-2021 | NA | Non-Executive Independent Director | 0 | 2 | 1 |

- Mr. Nirala Indubhai Joshi (DIN: 08055148), has been resigned from the post of non-executive independent director with effect from 07th march, 2025.
- 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.
- Mr. Harikrushna Samjibhai Chauhan (07710106) has re-appointed for chairman for 3 (Three) Consecutive years commencing from 08th January, 2024 till 7th January 2027, by passing special resolution in the Annual General meeting held on 29th September, 2023
- Mr. Amit Vallabhbbhai Gadhiya (06604671) has been resigned from the post of Managing director as well as director of the company with effect from 07th March, 2025
- Mr. Brijeshkumar Patel and Mr. Sohilkumar Patel have been appointed subject to approval of shareholder however, both are resigned with effect from 21st May, 2025 after the closure financial year.

**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.

BOARD MEETINGS:

During the Financial Year 2024-25, the Board met 18 (Eighteen) times and the attendance of each Director at these meetings is detailed below:

| Sr. No. | Date of Board Meeting | Mr. Harikrushna Chauhan | Mr. Amit Gadhiya | Mrs. Ilaben Paghdar | Mr. Nirala Joshi | Mr. Rohit Dobariya | Mr. Parshotam Vasoya |
|---------|-----------------------|-------------------------|------------------|---------------------|------------------|--------------------|----------------------|
| 1 | 12-04-2024 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 2 | 22-04-2024 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 3 | 30-04-2024 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 4 | 11-05-2024 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 5 | 20-05-2024 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 6 | 25-05-2024 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 7 | 07-06-2024 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 8 | 20-07-2024 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 9 | 30-07-2024 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 10 | 17-08-2024 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 11 | 30-08-2024 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 12 | 07-10-2024 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 13 | 14-11-2024 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 14 | 30-11-2024 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 15 | 27-12-2024 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 16 | 27-01-2025 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 17 | 14-02-2025 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 18 | 07-03-2025 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

During the year Additional Director is appointed, the Attendance details in the Meeting after the Appointment as below:

| Sr. No. | Meeting Number | Date of Meeting | Mr. Brijeshkumar Patel Appointed 27.12.2024 | Mr. Sohilkumar Patel Appointed 27.12.2024 | Mr. Keshvaji Makheja Appointed 27.01.2025 | Mr. Rohit Naval Appointed 27.01.2025 |
|---------|----------------|-----------------|---|---|---|--|
| 1 | Meeting No.15 | 27-12-2024 | Absence | Absence | NA | NA |
| 2 | Meeting No.16 | 27-01-2025 | Absence | Absence | Absence | Absence |
| 3 | Meeting No.17 | 14-02-2025 | Absence | Absence | Absence | Absence |
| 4 | Meeting No. 18 | 07-03-2025 | ✓ | ✓ | Absence | Absence |

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 11th AGM of the Members of the Company was held on Saturday, 28th September, 2024 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').

During year, the attendance record of the directors at the Board Meetings and at previous AGM is as under:

| Sr. No. | Name of The Board of Directors | No. of Board Meeting Attended During the period | Attendance at 11 th AGM (AGM 28 th September, 2024 at 02:00p.m.) |
|---------|------------------------------------|---|--|
| 1 | Mr. Harikrushna Shamjibhai Chauhan | 18 of 18 | Yes |
| 2 | Mr. Amit Vallabhbhai Gadhiya | 18 of 18 | Yes |
| 3 | Mrs. Ilaben Dineshbhai Paghdar | 18 of 18 | Yes |
| 4 | Mr. Nirala Indubhai Joshi | 18 of 18 | Yes |
| 5 | Mr. Rohit Bhanjibhai Dobariya | 18 of 18 | Yes |
| 6 | Mr. Parshotam Vasoya | 18 of 18 | Yes |
| 7 | Mr. Brijeshkumar Patel | 4 of 1 | NA |
| 8 | Mr Sohilkumar Patel | 4 of 1 | NA |
| 9 | Mr.Keshvaji Makheja | 3 of 0 | NA |
| 10 | Mr Rohit Naval | 3 of 0 | NA |

- Based on the declaration submitted by the Independent Directors of the Company provided at the beginning of the Financial Year 2024-25, 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.

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.

MATRIX OF CORE SKILLS/ EXPERTISE/ COMPETENCIES OF DIRECTORS IN CONTEXT OF BUSINESS OF THE COMPANY:

The Matrix setting out the skills, expertise and competencies of Directors as on 31st March 2025, in context of business of the Company is as under:

| Sr. No. | Name of Directors | Knowledge On Company's businesses, policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities, the industry in which the Company operates and advising on domestic market and overseas market. | Behavioral skills – Attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company | Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making, | Financial and Management skills | Technical / Professional skills and specialized knowledge in relation to Company's Business | Environment, Health and Safety and Sustainability - Knowledge of working on environment, health and safety and sustainability activities. |
|---------|---------------------|---|--|--|---------------------------------|---|---|
| 01. | Harikrushna Chauhan | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 02. | Illaben Padghar | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 03. | Sohilkumar Patel | | ✓ | ✓ | | ✓ | ✓ |
| 04. | Brijeshkumar Patel | ✓ | ✓ | ✓ | ✓ | ✓ | |
| 05. | Rohit Dobariya | ✓ | ✓ | | ✓ | | ✓ |
| 06. | Parsottam Vasoya | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

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 during year ended on 31st March, 2025

| Sr. No. | Name of Director | No. of Equity shares Held |
|----------------|---|----------------------------------|
| 1 | Amit Vallabhbai Gadhiya (Resigned on 07.03.2025) | 685130 |
| 2 | Ilaben Dineshbhai Paghdar | 900000 |
| 3 | Harikrushna Shamjibhai Chauhan | 886838 |
| 4 | Nirala Indubhai Joshi | 0 |
| 5 | Brijeshkumar Patel (Additional Executive director) | 0 |
| 6 | Sohilkumar Patel (Additional Independent director | 0 |
| 7 | Rohit Bhanjibhai Dobariya | 0 |
| 8 | Parshotam Vasoya | 0 |
| 9. | Poonam P. Kapupara (Appointed on 26.02.2024) Chief Financial Officer | 0 |
| 10 | Bharti G. Ajudiya (Resigned on 20.07.2025) Company Secretary | 0 |
| 11 | Mr. Dheeraj Sahu Kumar (Appointment on 27.01.2025) Company Secretary | 0 |
| 12 | Keshav Makhija (Additional independent director (Resigned with effect from 28.03.2025) | 0 |
| 13 | Rohit Naval Additional Executive director (Resigned with effect from 28.03.2025) | 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. Committee is Reconstituted on 21st May, 2025 and 07th March, 2025 due to appointment and resignation of the directors.

As on the date of this report, the Committee comprises of following Directors:

| Name of the Directors | Nature of Directorship | Designation in Committee |
|--|-------------------------------|---------------------------------|
| Mr. Rohit Dobariya | Independent Director | Chairman |
| Mr. Parshotam Vasoya | Independent Director | Member |
| Mr. Sureshkumar Chaturbhai Gajera (Appointment on 21.05.2025) | Independent Director | Member |
| Mrs. Ilaben Paghdar | Executive Director | Member |

Meetings and Attendance:

During the Financial Year 2024-25, the Meeting of Audit Committee was held 04 (Four) times i.e. 20th May, 2024, 30th July, 2024, 14th November, 2024, 14th February, 2025. 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 Director | 20/05/2024 | 30/07/2024 | 14/11/2024 | 14/02/2025 |
|---------|----------------------|------------|------------|------------|------------|
| 01. | Mr. Nirala Joshi | ✓ | ✓ | ✓ | ✓ |
| 02. | Mr. Parsottam Vasoya | ✓ | ✓ | ✓ | ✓ |
| 03. | Mr. Rohit Dobariya | ✓ | ✓ | ✓ | ✓ |
| 04. | Mrs. Illaben Paghdar | ✓ | ✓ | ✓ | ✓ |

(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. Committee is Reconstituted on 07th March, 2025 and 21st May, 2025 due to appointment and resignation of the directors.

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. Sureshkumar C. Gajera (Appointment w.e.f.21.05.2025) | Independent Director | Member |
| Mr. Parshotam Vasoya | Independent Director | Member |

Meetings and Attendance:

During the Financial Year 2023-24, the Meeting of NRC was held 04 (Four) times i.e. on 20th July,2024 18th December, 2024, 18th January,2025, & 07th March, 2025. The details of the attendance of the Members at these Meetings are as follows:

| Sr. No. | Name of Director | 20/07/2024 | 18/12/2024 | 18/01/2025 | 07/03/2025 |
|----------------|-------------------------|-------------------|-------------------|-------------------|-------------------|
| 01. | Mr. Nirala Joshi | ✓ | ✓ | ✓ | ✓ |
| 02. | Mr. Parsottam Vasoya | ✓ | ✓ | ✓ | ✓ |
| 03. | Mr. Rohit Dobariya | ✓ | ✓ | ✓ | ✓ |

(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. Committee is Reconstituted on 21st May, 2025 and 07th March, 2025 due to appointment and resignation of the directors.

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. Harry Paghdar (Appointed w.e.f 21.05.2025) | Managing Director | Member |

Meetings and Attendance:

During the Financial Year 2024-25., the Meeting of Stakeholder Relationship Committee met 01 (One) time i.e. on 18th November, 2024. The details of the attendance of the Members at these Meetings are as follows:

| Sr. No. | Name of Director | 18/11/2024 |
|----------------|-------------------------|-------------------|
| 01. | Mr. Parshotam Vasoya | ✓ |
| 02. | Mr. Harikrushna Chauhan | ✓ |
| 03. | Mr. Amit Gadhiya | ✓ |

(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. Harry Paghdar (Appointment w.e.f. 21.05.2025) | Managing Director | Member |
| Mr. Harikrushna Chauhan | Chairman cum Whole Time Director | Member |

Meetings and Attendance:

During the Financial Year 2024-25, the Meeting of Sexual Harassment Complaints Committee met 01 (One) time i.e. on 01st March, 2025. The details of the attendance of the Members at these Meetings are as follows:

| Sr. No. | Name of Director | |
|---------|-------------------------|---|
| 01. | Mrs. Ilaben Paghdar | ✓ |
| 02. | Mr. Amit Gadhiya | ✓ |
| 03. | Mr. Harikrushna Chauhan | ✓ |

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

| | FY 2024-25 | | | FY 2023-24 | | |
|-----------------------------------|------------|---|---|------------|---|---|
| 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

Committee is Reconstituted on 21st May, 2025 and 07th March, 2025 due to appointment and resignation of the directors The Corporate Social Responsibility Committee comprises of following Directors as on date report:

| Name of the Person | Designation | Designation in Committee |
|--|----------------------------------|---------------------------------|
| Mr. Sureshkumar C. Gajera (Appointment w.e.f. 21.05.2025) | Independent Director | Chairman |
| Mr. Harry Paghdar (Appointment w.e.f. 21.05.2025) | Managing Director | Member |
| Mr. Harikrushna Chauhan | Chairman cum Whole Time Director | Member |

Meetings and Attendance:

During the Financial Year 2024-25, the CSR Committee met 02 (Two) time i.e. on 14th November, 2024 and 18th January, 2025. The details of the attendance of the Members at these Meetings are as follows:

| Sr. No. | Name of Director | 14/11/2024 | 18/01/2025 |
|----------------|-------------------------|-------------------|-------------------|
| 01. | Mr. Nirala Joshi | ✓ | ✓ |
| 02. | Mr. Harikrushna Chauhan | ✓ | ✓ |
| 03. | Mr. Amit Gadhiya | ✓ | ✓ |

(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

Committee is Reconstituted on 21st May, 2025 and 07th March, 2025 due to appointment and resignation of the directors

As on the date of this report, the Committee comprises of following Directors

| Name of the Person | Designation | Designation in Committee |
|--|----------------------------------|---------------------------------|
| Mr. Harry Paghdar (Appointment w.e.f. 21.05.2025) | 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 2023-24, the Risk Management Committee met 02 (Two) times i.e. on 14th November, 2024 and 1st March, 2025. The details of the attendance of the Members at these Meetings are as follows:

| Sr. No. | Name of Director | 14/11/2024 | 01/03/2025 |
|----------------|-------------------------|-------------------|-------------------|
| 01. | Mr. Amit Gadhiya | ✓ | ✓ |
| 02. | Mr. Harikrushna Chauhan | ✓ | ✓ |
| 03. | Mrs. Ilaben Paghdar | ✓ | ✓ |

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 30th March, 2024 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 has seven complaints during the year under review which were satisfactorily addressed. There were one pending complaints as on 31st March 25.

One investor query is pending at the end of the year, which shall be resolved within the stipulated time as defined under the SEBI (LODR) Regulations

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

Mrs. Dheeraj Sahu Kumar, 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:

During the year under review As on **31st March 2025**, a total amount of **₹36333.59** remains unclaimed in the **Unclaimed Dividend Account**. Since the dividend was declared in 2023-24, the seven-year period prescribed under Section 124(5) of the Companies Act, 2013 for transfer to the Investor Education and Protection Fund (IEPF) has not yet completed, and accordingly, no shares or dividend amount pertaining to FY 2024-25 have been transferred to IEPF during the year.

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>

Pecuniary Transactions:

There are no pecuniary relationships or transactions of Non-Executive Directors vis-a-vis the Company that have a potential conflict with the interests of the Company

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, 2022 | 2021-2022 | Through Video Conferencing | 02.00 P.M. IST |
| 29 th September, 2023 | 2022-2023 | Through Video Conferencing | 02.00 P.M. IST |
| 28 th September, 2024 | 2023-2024 | Through Video Conferencing | 02.00 P.M. IST |



Following Resolutions Was Passed in the Last AGM Held on Saturday, 28th September, 2024 at 02:00 P.M.

- To Consider and adopt the financial Statement of the Company for the financial year ended March 31, 2024 and reports of Board of Directors and Auditor thereon
- To appoint Mr. Amit Vallabhbhai Gadhiya (DIN: 06604671), Managing Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment,
- To confirm the payment of Interim Dividend for the financial year ended March 31, 2024, and in this regard, to passed as an Ordinary Resolution:
- Payment of remuneration to cost auditors for financial year 2024-25 passed as Special resolution.

Means of Communication:

1. Quarterly /Half yearly/Yearly Results:

The Company had published limited reviewed un-audited standalone financial results on a Quarterly basis when the Company was listed on BSE- NSE platform. In respect of the year ended on 31st March, 2025.the Company has publishes the Audited Standalone Financial Results for the complete financial year.

2. Newspapers wherein results normally published:

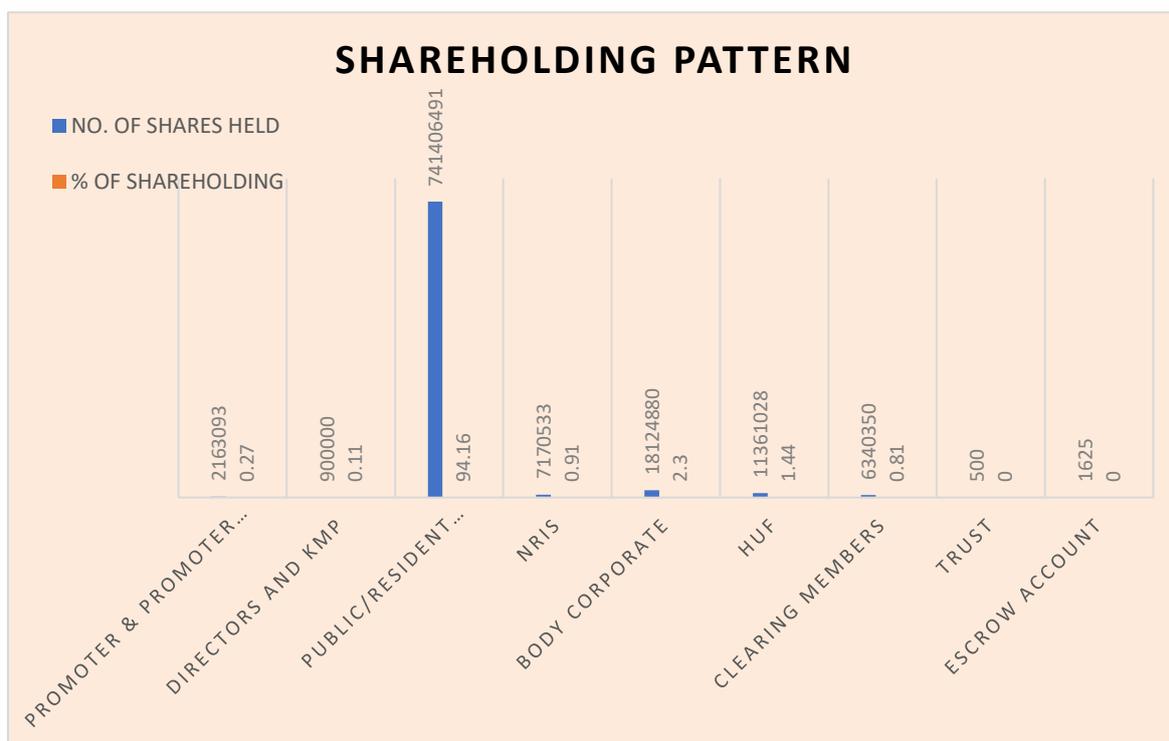
The Company was listed in Main Board Platform at NSE & BSE and as per Regulation 47 the requirements of publication of Financial Results is applicable to listed entities which have listed their specified securities to the stock exchanges. The Company has published quarterly financial results Financial Express [Gujarati version] and Financial Express [English version]. These results are displayed on the website of the Company at <https://www.aksharspintex.in/financial-results.html>

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 <https://www.aksharspintex.in/investor.html>

SHAREHOLDING PATTERN AS ON 31ST MARCH 2025:

| CATEGORY | NO. OF SHARES HELD | % OF SHAREHOLDING |
|-----------------------------|--------------------|-------------------|
| PROMOTER & PROMOTER GROUP | 2163093 | 0.27 |
| DIRECTORS AND KMP | 900000 | 0.11 |
| PUBLIC/RESIDENT INDIVIDUALS | 741406491 | 94.15 |
| NRIS | 7170533 | 0.91 |
| BODY CORPORATE | 18124880 | 2.30 |
| HUF | 11361028 | 1.44 |
| CLEARING MEMBERS | 6340350 | 0.80 |
| TRUST | 500 | 0 |
| ESCROW ACCOUNT | 1625 | 0 |
| TOTAL | 787468500 | 100 |



DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2025:

| SHAREHOLDING OF NOMINAL | NO. OF SHAREHOLDERS | % OF SHAREHOLDERS | SHARE AMOUNT (RS.) | % OF AMOUNT (RS.) |
|-------------------------|---------------------|-------------------|--------------------|-------------------|
| 0001-5000 | 133077 | 88.1159 | 86813448 | 11.0244 |
| 5001-10000 | 7353 | 4.8687 | 54467149 | 6.9167 |
| 10001-20000 | 4780 | 3.1650 | 68122302 | 8.6508 |
| 20001-30000 | 1779 | 1.1780 | 44182528 | 5.6107 |
| 30001-40000 | 919 | 0.6085 | 31911653 | 4.0524 |
| 40001-50000 | 650 | 0.4304 | 30003285 | 3.8101 |
| 50001-100000 | 1313 | 0.8694 | 93775682 | 11.9085 |
| 100001 & Above | 1154 | 0.7641 | 378192453 | 48.0264 |
| TOTAL | 151025 | 100.00 | 787468500 | 100 |

DEMATERIALIZATION OF SHARES AND LIQUIDITY AS ON 31ST MARCH, 2025:

| MODE | RECORD | PERCENTAGE | SHARES | % TO CAPITAL |
|--------------|---------------|------------|------------------|--------------|
| NSDL | 14773 | 9.78 | 186884100 | 23.73 |
| CDSL | 136252 | 90.22 | 600584400 | 76.27 |
| PHYSICAL | 0 | 0 | 0 | 0 |
| TOTAL | 151025 | 100 | 787468500 | 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.



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.

Statutory compliance, Penalties and Strictures:

The company has not made appointment of company secretary & Compliance within 90 days after resignation. As per regulation 6(1) stock exchange imposed the penalties of the company. Details of the penalties as below

| Reg. of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 | Due date of commencement of trading | Date of appointment of company Secretary | No. of days of non-compliance |
|---|-------------------------------------|--|-------------------------------|
| Regulation 6(1) | 20 th October 2024 | 27 th January, 2025 | 99 |

*Fine amount shall be Rs. 1000 per day of non-compliance till the date of compliance from both the stock exchange.

| Particulars | BSE Penalty | NSE Penalty |
|--|-------------|-------------|
| Fine payable (20,000 per day) | 99000 | 99000 |
| Tax (18% GST) | 17820 | 17820 |
| Total Fine Payable (including 18% GST) | 116820 | 116820 |
| 10% TDS Deduction | 9900 | 9900 |
| Total Fine paid | 106920 | 106920 |

Compliance with Mandatory requirements and adoption of Non-Mandatory requirements:

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

Commodity Price risks and hedging activities:

Commodity price risk is a financial risk on an entity’s financial performance upon fluctuations in the prices of commodities that are beyond the control of the entity, since they are primarily driven by external market forces. Any Sharp fluctuations in prices will create significant business challenges, impacting the profitability of the company. To meet the price fluctuations in the price of these commodities, company secures materials to meet around six months of its operational requirement

Details of Utilisation of fund raised through preferential allotment:

No Fund raised through Preferential issue.

Details where the board had not accepted any recommendation of any committee of the board which is mandatorily required:

During the financial year 2024-25, the Board of Directors have accepted all the recommendations of its committees.

Total Fees paid for all services by statutory auditor:

The details of total fees for all services paid by the Company to the Statutory Auditors is given as per below:

| Particulars | Full Figure |
|-----------------------------|-------------|
| Statutory Audit & Tax Audit | 4,50,000 |

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

| Sr. No. | Particulars | Figures |
|---------|--|---------|
| 01. | number of complaints filed during the financial year | 0 |
| 02. | number of complaints disposed of during the financial y | 0 |
| 03. | number of complaints pending as on end of the financial year | 0 |

Transfer of Shares to Investor Education and Protection Fund (IEPF):

There is no requirement during the year to transfer the share to Investor Education and Protection Fund (IEPF)

Disclosures with respect to demat suspense account/ unclaimed suspense account:

During the year review, no shares of the company lying in the D-mat suspense account or unclaimed suspense account.

Disclosure By Listed Entity and Its Subsidiaries of Loans and Advances in The Nature of Loans to Firms/Companies in Which Directors Are Interested by Name and Amount:

During the Financial Year 2024-25 the Company has not given any Loans and advances in the nature of loans to firms/companies in which directors are interested.

Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries: Not Applicable**Disclosure of certain types of agreements binding listed entities as per clause 5A of paragraph A of Part A of Schedule III of SEBI (LODR) Regulation, 2015:** Not Applicable



The Senior Management Personnel of the Company have confirmed to the Board of Directors that they do not have any personal interest relating to material, financial and commercial transactions entered into with the Company that may have a potential conflict with the interests of the Company at large.

The Chairman & Managing Director and Chief Financial Officer have certified to the Board, inter-alia the accuracy of financial statements and adequacy of Internal Controls for the financial reporting purpose as required under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the financial year ended 31st March, 2025. The Annual Certificate given by the Managing Director and the Chief Financial Officer is published in this report.

Mr. Harikrushna Samjibhai Chauhan (DIN: 07710106), Chairman Cum Whole time director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

The Board hereby recommends all the above appointment for approval of shareholders in the ensuing Annual General Meeting.

For and on Behalf of Board of Directors
AKSHAR SPINTEX LIMITED

Date: 1st August, 2025

Place: Haripar (Jamnagar)

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

HARRY D. PAGHDAR
Managing Director
DIN : 11096100

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 | 5.21 |
| Harikrushna S Chauhan | Chairman & Whole-Time Director | 5.21 |
| Illaben D Pagdhar | Executive Director | 3.39 |
| Bharti Ajudiya | Company Secretary | 0.57 |
| Poonam P. Kapupara | Chief financial Officer | 2.07 |
| Mr. Dheeraj Kumar Sahu | Company Secretary | 0 |

- 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 Ms. Bharti G. Ajudiya (Who has resigned w.e.f. 20th July, 2024) is taken on the base of actually payment to her and in proportions of median remuneration of employee for relevant period of her employment.
 - Ratio of Mr. Amit Vallabhbbhai Gadhiya- Managing Director (who has Resigned w.e.f. 7th March, 2025) 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. Dheeraj Kumar Sahu- Company Secretary (Who has Appointed w.e.f. 27th January, 2025) 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 Mrs. Poonam P. Kapupara- Chief Financial Officer is taken on the base of actually payment to her and in proportions of median remuneration of employee for relevant period of her 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 2024-25
- 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 | NIL |
| Harikrushna Chauhan | Chairman & Whole-Time Director | NIL |
| Illaben Pagdhar | Executive Director | NIL |
| Nirala Indubhai Joshi | Independent Director | Not Applicable |
| Rohit Bhanjibhai Dobariya | Independent Director | Not Applicable |
| Parsottambhai Vasoya | Independent Director | Not applicable |
| Bharti Ajudiya | Company Secretary | NIL |
| Poonam P. Kapupara | Chief Financial officer | NIL |
| Mr Dheeraj Kumar Sahu | Company Secretary & Compliance Officer | NIL |

** There is Change of Remuneration of Key managerial person. because of change in company secretary & compliance officer and Chief Financial Officer. The payment of remuneration was counted for their period as per their appointment and resignation.

- 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: 174 (Excluding Security Agency contact with 5 Employees)
- 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: 1st August, 2025

Place: Haripar (Jamnagar)

Harry D. Paghdar
Managing Director
[DIN :11096100]

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

ANNEXURE-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 the provisions of Section 135 of the Companies Act, 2013 ('the Act'), the Board of Directors of the Company reconstituted the Corporate Social Responsibility (CSR) Committee on 07th March, 2024, due to the resignation and appointment of Directors. The CSR Committee member during 01.04.2024 to 31st March, 2025 details as below:"

| Sr. No. | Name of Director | Designation/Nature of Directorship | Appointment & resignation | Number of meetings of CSR committee held during the year | Number of meetings of CSR committee attended during |
|---------|-------------------------|--|---------------------------|--|---|
| 01. | Mr. Nirala Joshi | Chairman (Independent Director) | Resigned as on 07.03.2025 | 02 | 02 |
| 02. | Mr. Amit Gadhiya | Member (Managing Director) | NA | 02 | 02 |
| 03. | Mr. Harikrushna Chauhan | Member (Whole time director) | NA | 02 | 02 |
| 04. | Mr. Sohil Kumar patel | Chairman (Additional Director in capacity of Independent director | Appointment on 07.03.2025 | NA | NA |

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. 26009658/- #**
 - (b) Two per cent of average net profit of the company as per sub section (5) of the Section 135: **Rs. 5,20,193/-**
 - (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): **Rs.5,20,193/-**

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: **Rs. 5,20 193/-**

| Total Amount Spent for the Financial Year 2024-25 (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 |
| 521000/- | 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) | 5,20 193/- |
| 2. | Total amount spent for the Financial Year | 5,21,000 |
| 3. | Excess amount spent for the financial year [(ii)-(i)] | 807/- |
| 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)] | 807/- |

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 | 2023-24 | - | - | Prime Minister National relief Fund | 3,00,000 | 28-12-2024 | Nil |
| 2 | 2022-23 | - | - | Prime Minister National relief Fund | 2,50,000 | 30.03.2024 | NIL |
| 3 | 2021-22 | - | - | - | - | - | 3,59,253/- |

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](#). : **Not Applicable**

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 | N G Mehta Educational and Charitable Trust | Educational & Charitable trust | Rajkot | 520193/- | NA | NIL | 521000/- |
| TOTAL | | | | | 520193/- | - | NIL | 521000/- |

For and on Behalf of Board of Directors
AKSHAR SPINTEX LIMITED

Date: 1st August, 2025

Place: Haripar (Jamnagar)

Harry D. Paghdar
Managing Director
[DIN :11096100]

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

ANNEXURE-VI

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The management discussion and analysis report provide an over view of the financial and Business activities for the fiscal year ended on 31st March 2025, gives an overall sight of the yarn industry, opportunities and threats in the business and Company's strategy to deal with that. This report is designed to focus on current year's activities, resulting changes and other known facts in conjunction to the financial and strategic position of the Company.



GLOBAL ECONOMY

The year 2024 began with confidence that inflation was largely beaten and that major economies would likely avoid recession. Those expectations were correct. However, as the year ended, it became increasingly clear that inflation remained more persistent than anticipated. And while the United States experienced strong growth, most other advanced economies did not. Moreover, as the year ended, many economies including India experienced currency depreciation, which could potentially become disruptive especially for emerging market economies.

As 2025 begins, there is some uncertainty due to the likely shift in policy following numerous elections around the world. New policies could lead to new trajectories for inflation, borrowing costs, and currency values, as well as trade flows, capital flows, and costs of production. Meanwhile, governments and central banks continue to navigate a balance between a desire to suppress inflation and a goal to boost growth.

The global economy exhibited steady yet uneven growth across regions in 2024. A notable trend was the slowdown in global manufacturing, especially in Europe and parts of Asia, due to supply chain disruptions and weak external demand. In contrast, the services sector performed better, supporting growth in many economies. Inflationary pressures eased in most economies. However, services inflation has remained persistent.

Despite global uncertainty, India has displayed steady economic growth. India's real GDP growth of 6.4% in FY25 remains close to the decadal average.

The US economy continues to outperform its developed economy peers. Real gross domestic product growth for 2024 is expected to reach 2.8%. Despite elevated interest rates, consumer spending has grown strongly. A relatively tight labor market, stronger inflation-adjusted wage growth, and a sharp increase in immigration have supported aggregate consumer spending. Business investment has also held up relatively well, largely due to industrial policies that caused a sharp increase in factory construction.

The Federal Reserve's preferred measure of inflation, the personal consumption expenditures (PCE) price index, had come down to 2.3% in October 2024 on a year-ago basis, from 2.8% in March 2024. As a result, the Fed was able to cut the federal funds rate by 100 basis points between September and December 2024. Although additional rate cuts are anticipated for 2025, the pace of those cuts is expected to be modest, due in part to the persistence of services inflation. The mix of federal fiscal policy could also affect the pace of future rate cuts.

Aside from the uncertain policy environment, the US economic outlook remains bright. The economy is gradually slowing toward its potential rate of growth. Unemployment remains low, and inflation is nearing 2%. As a result, the Fed is expected to ease monetary policy at a modest pace, which should prevent a more protracted slowdown in the near term.

India's GDP growth slowed to 6.0% year over year in the first half of fiscal year 2024 to 2025, significantly below the Reserve Bank of India's (RBI) projection of 6.9%. Consequently, the central bank lowered its annual growth forecast

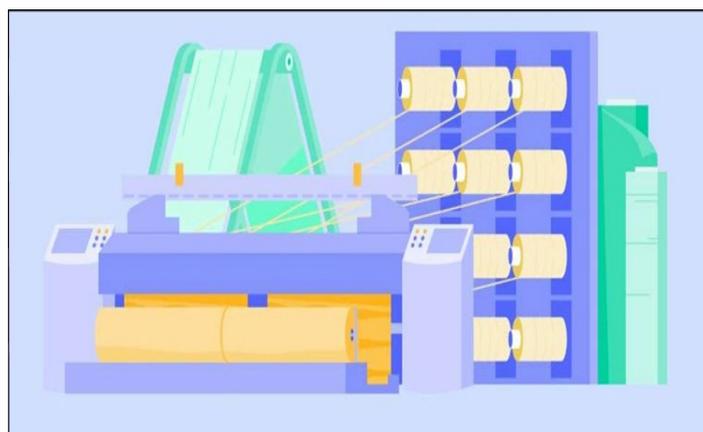
- **Services:** Services grew 7.1% in the first half of the fiscal year, with a large contribution coming from the financial, real estate, and professional services sectors. Services exports also surged 12.8% year over year, reaching US\$248 billion from April to November 2024, with November exports reaching the highest levels ever. This shows the rising significance of services to growth and urban income.
- **High-value manufacturing exports:** With the support of government schemes, Indian manufacturing is moving up the value chain. Electronics, engineering goods, and chemicals now make up 31% of exports, supported by contributions from micro, small, and medium enterprises and rising credit availability.
- **Fiscal deficit control:** At 3.1% of GDP in the second quarter, the fiscal deficit remains manageable, with government spending on capex expected to rise significantly in the second half of the year to meet annual targets.

TEXTILES & INDIAN ECONOMY

The Indian Textile and Apparel Industry;

plays a crucial role in India's economic growth, boosting exports, creating jobs, empowering women and showcasing India's rich heritage and culture.

The industry contributes nearly 2% to the country's GDP, 10% to industrial production, and 8.21 % to India's overall exports.



In terms of Global trade, India is the sixth largest exporter of textiles, with a 3.91% share in World Textile exports. The domestic textile and apparel production is approximately US\$175.7 billion. Exports accounted for US \$ 35.87 bn to the sector (2023-24)

The textile sector is highly labour intensive. Overall **the sector provides direct employment to over 45 million people, including a large number of women and the rural population. This makes it the second largest employment generator in the country, next only to agriculture.** The sector also has perfect alignment with the

Government's overall objectives of Make in India, Skill India, Women's Empowerment, Rural Youth Employment and inclusive growth.

The textiles and apparel industry in India has strengths across the entire value chain from fiber, yarn, fabric to apparel. The Indian textile and apparel industry is highly diversified with a wide range of segments ranging from products of traditional handloom, handicrafts, wool, and silk products to the organized textile industry in India. The organized textile industry in India is characterized by the use of capital-intensive technology for the mass production of textile products and includes spinning, weaving, processing, and apparel manufacturing.

The global cotton yarn market size is projected to grow from \$86.11 billion in 2024 to \$117.79 billion by 2032, at a CAGR of 4.0% during the forecast period.

The share of textile and apparel (T&A) including handicrafts in India's total exports stands at a significant 8.21% in 2023-24. Our country has a share of 3.9% of the global trade in textiles and apparel. Major textile and apparel export destinations for India are USA and EU and with around 47% share in total textile and apparel exports. India is a major textile and apparel exporting country and enjoys trade surplus. Bulk of import takes place for re-export or for industry requirement of raw material.

COTTON YARN INDUSTRIES



Cotton yarn refers to a type of yarn that is made from cotton fibers. It is commonly used in the textile industry to create a wide range of clothing products. Cotton yarn is popular because it is soft, breathable, and comfortable to wear. It can also be dyed in a wide range of colors, making it versatile for various design options.

Cotton yarn is made using natural cotton harvested from the Cotton plant. These yarns are produced using different types of spinning processes. Based on the spinning process used to manufacture cotton yarn, the yarn produced across the globe can be primarily categorized into two types, carded and combed yarns. Different types of yarns have unique characteristics which ultimately influence the type of application it will be employed in and the quality of finished textile goods. For example, combed yarn is produced using high-quality cotton fiber by adding the combing process to the carded yarn.

Combed yarn is a finer and better-quality product, making it useful for manufacturing fabrics with premium texture and durability. The majority of cotton yarn produced across the globe is used to manufacture apparels. Currently, consumers and brands are promoting sustainable fashion like never before, and clothing made using cotton yarn is an excellent choice for sustainability.

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.

The textile industry has around 45 million of workers employed in the sector, including 3.5 million handloom workers. 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 to US\$ 190 billion by 2025-26. The Indian apparel market is expected to reach US\$ 135 billion by 2025



FUTURE OUTLOOK OF THE COTTON YARN

INDUSTRY

India is the world's second-largest producer of textiles and garments.

The Indian textile industry is one of the oldest and most important sectors in the country contributing significantly to its economic growth and employment. The industry has come a long way from its traditional roots, embracing modern technologies and practices to stay competitive in the global market, focusing on key factors such as the demand for cotton yarn, the buying and selling of yarn, and the effect of technology on the industry.

India's textile industry is a strong economic driver, offering employment and notable revenue. It covers fibers, yarns, fabrics, and apparel, making India a major global manufacturing hub. Fueled by great resources, skilled labor, and supportive policies, the sector has seen great growth amid growing local and global demands.

Cotton is the most widely used fiber in India, accounting for a large portion of the textile industry's raw material requirements. The country is known for its high-quality cotton production, which has made it a preferred sourcing destination for many global textile players.

India's textiles sector is one of the oldest industries in the Indian economy, dating back to several centuries. The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital-intensive sophisticated mills sector on the other end. The fundamental strength of the textile industry in India is its strong production base of a wide range of yarns from natural fibres like cotton, jute, silk and wool, to synthetic/man-made fibres like polyester, viscose, nylon and acrylic.

The Indian textile industry has traditionally been dominated by small and medium enterprises (SMEs) and unclean players. However, in recent years, there has been a change towards joining, with larger corporations investing in modern manufacturing facilities and adopting advanced technologies.

One of the key factors driving this transformation is the growing adoption of technology in the industry. Automation, artificial intelligence, and data analytics are revolutionizing textile manufacturing, leading to increased efficiency, productivity, and quality. These technological advancements also enable manufacturers to offer customized and personalized products, catering to the evolving demands of consumers.

India's cotton spinning industry is forecast to grow:

- by 12-14 % in financial year 2026 (FY26),
- Cotton yarn exports typically account for approximately 25-35 % of India's cotton yarn production, while the remaining is accounted for by the domestic market.

India is one of the largest producers of cotton and jute in the world. India is also the 2nd largest producer of silk in the world and 95% of the world's hand-woven fabric comes from India. The Indian technical textiles segment is estimated at \$16 bn, approximately 6% of the global market.

The textiles and apparel industry in India is the 2nd largest employer in the country providing direct employment to 45 million people and 100 million people in allied industries.

COTTON

India is the largest producer of cotton globally, accounts for 23% of total global cotton production. It is a crop that holds significant importance for the Indian economy and the livelihood of Indian cotton farmers. Cotton grows over 13.06 million hectares in India compared to 33.1 million hectares globally. The Indian cotton industry provides livelihood to about 60 million people in the country.

Apart from being the provider of a basic necessity of life i.e. clothing which is next only to food, cotton is also one of the largest contributor to India's net foreign exchange by way of exports in the form of raw cotton, intermediate products such as yarn and fabrics to ultimate finished products in the form of garments, made ups and knitwear. Due to its economic importance in India, it is also termed as "White-Gold"

Majority of the cotton production comes from ten major cotton growing states, which are grouped into three diverse **agro-ecological zones**, as under

- Northern Zone: Punjab, Haryana and Rajasthan
- Central Zone: Gujarat, Maharashtra and Madhya Pradesh
- Southern Zone: Telangana, Andhra Pradesh,

Karnataka and Tamil Nadu

As per Cotton Association of India (CAI), all India total cotton pressing numbers for the 2024-25 season have been estimated at 302.25 lakh bales of 170 kgs. each (equivalent to 317.18 lakh running bales of 162 kgs. each).

The CAI also drew a cotton balance sheet as on 30th September 2025. The State-wise breakup of the cotton pressing numbers and balance sheet for the season with the corresponding data for the previous crop year are enclosed. The Committee however felt that there could be a variation of

+/- 5% in the cotton pressings and balance sheet numbers on account of unpredictable monsoon pattern and other factors influencing the crop.

As per CAI data,

- the highest cotton yield in India during the last five years was 2.67 bales per hectare in 2019-20 season, the lowest cotton yield during the last five years was 2.42 bales per hectare in 2021-22 season and
- the average yield during the last five years was

2.55 bales per hectare.

Considering this and the showing of 112.90 lakh hectare reported by the Ministry of Agriculture in its report dated 27th September 2024, the highest cotton production in India during 2024-25 season is about 301 lakh bales of 170 kgs. each (equivalent to 315.86 lakh running bales of 162 kgs. each), the lowest cotton production during 2024-25 season is about 273 lakh bales of 170 kgs. each (equivalent to 286.48 lakh running bales of 162 kgs, each) while the average cotton production in India during the ongoing crop year 2024-25 is about 288 lakh bales of 170 kgs. each (equivalent to 302.22 lakh running bales of 162 kgs. each).

The total cotton supply till end of the cotton season 2024-25 (i.e. upto 30th September 2025) is estimated at 357.44 lakh bales of 170 kgs. each (equivalent to 375.09 lakh running bales of 162 kgs. each) as against the last year's total cotton supply of 371.69 lakh bales of 170 kgs. each (equivalent to 390.05 lakh running bales of 162 kgs. each).

CONSUMPTION

CAI has maintained cotton consumption for 2024-25 season at 313 lakh bales of 170 kgs. each (equivalent to 328.46 lakh running bales of 162 kgs. each).

GOVERNMENT GRANTS AND POLICIES:

Government policies play an important role in shaping the future of the textile industry in India. The government has recognized the potential of the industry and has implemented various policies to promote its growth and competitiveness in the global market. Also, the government has announced incentives and tax breaks to promote exports and attract foreign investment in the textile sector. These policies aim to boost India's exports and position it as a global textile hub.



Pivotal government policies and initiatives are steering the future of India's textile industry. Key programs like **"Make in India"** are fostering an ecosystem of innovation and investment. Additionally, the textile policy and the production-linked incentive scheme aim to boost competitiveness and attract investments. At the same time, the Technical Textiles Mission seeks to promote advanced textile applications in various sectors.

The government's plans for 75 textile hubs, skill development programs, and encouragement of FDI and JVs further contribute to the industry's growth, supporting innovation, productivity, and global competitiveness. The government has been implementing various policy initiatives and schemes to encourage cotton spinning millers in the country, including the announcement of key reforms under a Special Package that includes additional



incentives under the Amended Technology Upgradation Fund Scheme (ATUFS), relaxation of Section 80JJAA of the Income Tax Act, and the introduction of fixed-term employment for the apparel sector. Under the Market Access Initiative (MAI) Scheme, the government offers rebates on state and central taxes and levies that are integrated into production, as well as aid to exporters. Schemes like SAMARTH (Scheme for Capacity Building in the Textile Sector) aim to address the shortage of skilled workers in the textile sector with a target of training 10 lakh people. The Cott-Ally mobile app was created to help farmers by providing information on minimum support prices (MSP), locating nearby procurement centers, tracking payments, sharing best farming practices.

BHARAT TEX:

BHARAT TEX 2025, a global textile mega event organized by a consortium of 11 Textile Export Promotion Councils and supported by the Ministry of Textiles was held from February 14-17, 2025 in New Delhi. Bharat Tex 2025 event was having 5000+ Exhibitors, 12000+ Textile Products, 6000+ Overseas Buyer, 1,20,000+ Trade Visitors and 70+ Knowledge Sessions in a single roof having area of 2,20,000 Sq. Meters with a focus on sustainability and resilient supply chains, it promises to be a tapestry of tradition and technology attracting the best and the brightest from the textile world. It has dedicated pavilions on Sustainability and Recycling, thematic discussions on resilient global supply chains and digitization, interactive fabric testing zones, product demonstrations and master-classes by crafts persons and events involving global brands and international designers. Bharat Tex 2025 was a unique experience for knowledge, business and networking.

PLI Scheme:

The Government has approved the Production Linked Incentive (PLI) Scheme for Textiles with an approved outlay of ₹ 10,683 crore over a five year period to promote production of MMF Apparel, MMF Fabrics and products of Technical Textiles in the country to enable Textile sector to achieve size and scale and to become competitive. The Scheme has two parts: Part-1 envisages a minimum investment of ₹ 300 crore & minimum turnover of ₹ 600 crore per company and Part-2 envisages a minimum investment of ₹ 100 crore & minimum turnover of ₹ 200 crore per company.

Remission of Duties or Taxes on Export Product

(RoDTEP):

The government of India introduced a new scheme, named RoDTEP, in September 2019 and released a budget allocated of ₹ 500 billion, in a move to replace MEIS and RoSL (only refunds state taxes). The new scheme is in terms with the conditions of the WTO, where incentives cannot be provided, but the taxes incurred during the process can be refunded. Hence, the government plans to refund all state (RoSL) and Central government taxes incurred by the export players during the manufacturing process of RMG. According to the government, this new scheme would “adequately compensate” for the current 6% (4% MEIS and 2% RMG) benefits being availed of by the RMG exporters and help them stay competitive enough in the international trade market.

PM Mitra:

The Government has launched PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks Scheme to develop world class infrastructure including plug and play facility with an outlay of ₹ 4445 crores for a period up-to 2027-28. PM MITRA Parks Scheme are inspired by the 5F vision of Hon'ble Prime Minister - Farm to Fibre to Factory to Fashion to Foreign. Nearly ₹ 70,000 crore investment and 20 lakhs employment generation is envisaged. Parks will offer an opportunity to create an integrated textiles value chain right from spinning, weaving, processing/dyeing and printing to garment manufacturing at a single location. World-class industrial infrastructure would attract cutting edge technology and boost FDI and local investment in the sector. Centre and States to form SPVs for setting up PM MITRA Parks. These parks will be developed in PPP mode.

SAMARTH:

The Government with a view to enhance the skills of the workforce in the textile sector has formulated Samarth Scheme under a broad skilling policy framework with the objective of providing opportunity for sustainable livelihood. The implementation period of the scheme is upto March 2024.



The scheme aims to provide demand driven and placement oriented National Skill Qualification Framework (NSQF) compliant skilling programmes to incentivize and supplement the efforts of the industry in creating jobs in the organised textile sector and related sectors, covering the entire value chain of textiles excluding spinning & weaving and in addition it also provides skilling and skill- upgradation in the traditional textile sectors.

Kasturi Cotton Bharat:

Kasturi Cotton Bharat programme of Ministry of Textiles is a first of its kind branding, traceability and certification exercise carried out jointly by the Government of India, Trade Bodies and Industry to promote Indian Cotton. Stakeholders across the supply chain including farmers, Ginning Units, Spinning Mills, Processing Houses, Weaving Units, Garmenting Units, Home Textile manufacturers and even Retailers and Brands will be involved in a collaborative effort to promote and enhance the value of Indian Cotton across the domestic and overseas markets. To encourage the Trade and Industry to work on the principle of self- regulation by owning complete responsibility of Traceability, Certification and Branding of Kasturi Cotton Bharat, MoU has been signed between CCI on behalf of Govt. of India, Ministry of Textiles and TEXPROCIL.

Other Grants & Incentives:

Scaling-up organic cotton industry:

- Cott-Ally mobile app has been developed for farmers to increase awareness about MSP rates, nearest procurement centers, payment tracking, best farm practices etc.
- the Tamil Nadu government included a Sustainable Cotton Cultivation Mission in its agriculture budget by allocating US\$ 1.86 million (₹ 15.32 crore) to enhance the yield of organic cotton.

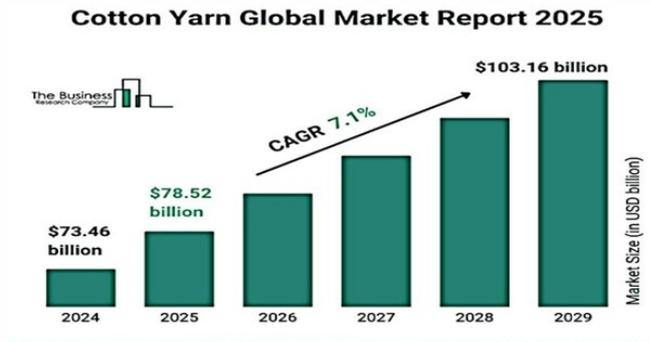
Innovations to create sustainable textiles:

- Many Indian textile players are now opting for sustainable production. BRFL Textiles Private Limited (BTPL), India's largest fabric processing facility, has introducing a new sulphur dyeing process involving continuous dyeing without requiring water. BTPL is the first company in the textile sector to implement this new process of dyeing, making it the pioneer of this innovative sustainable process.
- Amended Technology Upgradation Fund Scheme (ATUFS)
- The Sustainable Textiles for Sustainable Development (SusTex) project by the United Nations Climate Change entity enhances the employment and working circumstances of textile artisans while promoting the sustainable production and use of environmentally friendly textiles.

GLOBAL OUTLOOK

Cotton Yarn Market Size 2025 And Growth Rate

The cotton yarn market size has grown strongly in recent years. It has grown from \$73.46 billion in 2024 to \$78.52 billion in 2025 at a compound annual growth rate (CAGR) of 6.9%. The growth in the historic period can be attributed to textile industry growth, natural fiber preference, global cotton production, cotton yarn innovation, affordability and accessibility Cotton Yarn Market Size 2025 And Growth Rate:



The cotton yarn market size is expected to see strong growth in the next few years. It will grow to \$103.16 billion in 2029 at a compound annual growth rate (CAGR) of 7.1%. The growth in the forecast period can be attributed to sustainable and organic trend, E-Commerce growth, regulatory emphasis on sustainable practices, demand in emerging markets, circular economy initiatives. Major trends in the forecast period include technology integration in manufacturing, sustainable and organic cotton, technological innovations in spinning processes, digitalization in supply chain management, fluctuations in cotton prices and global trade dynamics.

India aims to achieve a prominent global position in manufacturing and exports of different types of textiles including jute, silk, cotton and wool. India has the potential to increase its textile exports in the next five years. Exports of Cotton yarns are a significant component of India’s export basket, as it plays a vital role in boosting the domestic economy.

Cotton Yarn Market Driver: Growing Textile Industry Demand Propels Cotton Yarn Market Expansion:

The increasing demand from the textile industry is expected to propel the growth of the cotton yarn market going forward. Textile refers to any material that is made from fibers or yarn that are spun, woven, knitted, or otherwise formed into a fabric or cloth Cotton yarn is a popular and widely used material in the textile industry. It is made by spinning together the individual fibers of cotton into a continuous thread or yarn. This yarn can then be used to create a wide range of different textile products, such as clothing, bedding, and home decor. Cotton yarn is popular among textile manufacturers because of its durability, breathability, and softness, so these factors boost the cotton yarn market. For instance, In May 2023, according to the National Council of Textile Organizations (NCTO) is a US-based trade association that representing textile industry, in 2022, the estimated value of U.S. shipments in the man-made fiber, textile, and apparel sector reached \$65.8 billion, showing an increase from the \$64.04 billion recorded in 2021. Notably, U.S. exports in textiles and apparel to the Western Hemisphere experienced a significant rise of 14.9%, reaching a total of \$18 billion in 2022. Therefore, the increasing demand from the textile industry is driving the growth of the cotton yarn market.

Global Cotton Yarn Market Trend: Innovations In The Cotton Yarn Production:

Major companies operating in the cotton yarn market are focusing on developing innovative yarn types, such as compact spun yarns and blended yarns, to enhance fabric quality and meet growing industry demands. Compact spun yarns enhance fabric quality by minimizing imperfections, resulting in superior strength, smoothness, and durability. In light of this, your company has also expanded with the addition of 41,472 spindles of Compact Cotton Yarn, commissioned on 31st January 2024, to deliver better quality to the world.

The Blended yarns combine natural fibers such as cotton with synthetic materials, providing improved sheen, strength, and a softer feel. For instance, in June 2024, Gimatex Industries Pvt. Ltd., an India-based textile manufacturer, launched two innovative types of yarns, Siro Compact Yarns and Chief Value Cotton (CVC) Yarns. These yarns enhance fabric quality and meet industry demands by utilizing compact spinning technology to reduce imperfections, resulting in superior strength, smoothness, and durability. The CVC Yarns combine a cotton-like touch with polyester for improved sheen and strength.

Regional Outlook for The Global Cotton Yarn Market:

North America was the largest region in the cotton yarn market in 2024. The regions covered in the cotton yarn market report are Asia-Pacific, Western Europe, Eastern Europe, North America, South America, Middle East, Africa.

The countries covered in the cotton yarn market report are Australia, Brazil, China, France, Germany, India, Bangladesh (Cotton Yarn Importer), Indonesia, Japan, Russia, South Korea, UK, USA, Canada, Italy, Spain.

Bangladesh Crisis:

Textile and garment industry of Bangladesh is a vital pillar of its economy that accounts for over 80% of the country's total export earnings and contributes approximately 11% to the GDP. The industry employs millions of people.

The sector faced a severe crisis due to a volatile mix of political unrest marked by violent protests, and catastrophic floods in August. The situation threatened to unravel the years of growth and global presence of the sector. The unprecedented anti-government protests led to resigning and fleeing of reigning Prime Minister from the country. The political unrest disrupted factory operations as they were forced to close during the peak season of Christmas shipments and the booking of next season's orders. The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) estimated a shortfall of 6,400 crore (\$534 million) due to shutdowns and communication breakdowns disrupting both export activities and production, resulting in an expected shortfall of nearly \$45 billion in export target for 2024.

India is also a major cotton yarn exporter to Bangladesh, and your company has also exported to Bangladesh during the year. However, there has been no impact on the company's payments, and no significant effect has been observed on its operations, as all exports to Bangladesh are made on a 100% Letter of Credit (LC) basis, ensuring full security in the payment terms.

Today, Indian yarn is widely accepted in international markets as the exporters here regularly meet the needs of importers with unmatched efficiency and economy in countries like USA, Italy, Spain, Japan, China, South Korea, Taiwan, Bangladesh, Vietnam etc.

- The Indian cotton textile industry has been facing increasing competition in world markets. This is largely due to high cost of production and consequently high prices of cotton. It is paradoxical in a country where wages are low and cotton is internally available.
- Availability of quality cotton in required volume can be made achievable through framing Government Policies for increasing the productivity of cotton on par with international producers.



Risk & Concerns

The Company's processes for risk identification, assessment, mitigation, and reporting are supported by an effective framework for risk management. Indian Textile Industry continues to face stiff competition from China, Bangladesh, Taiwan and other emerging economies. The relative competitiveness of Industry is dependent upon the raw cotton prices, exchange rates and prevalent interest rates regime. The primary raw material for the manufacturing of yarn is cotton which is an agriculture produce. Its supply and quality are subject to forces of nature i.e. Monsoon. 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.



There are certain key risks associated with our Company. Such risks are stated in the table below along with our mitigation strategies for curbing the same:

| Risk | Impact | Mitigation |
|--|--|--|
| Finance risk due to fluctuation in Raw Material Prices | Fluctuation in cotton prices can adversely impact our Company | Our purchasing policy allows us to enjoy control over the purchase price. We constantly track cotton prices and store the raw material as and when price decreases. This practice helps us mitigate the risk of price. |
| Business & Competition risk | An increase in the competition from textile industry can severely hamper our Company's market share | The Company is a prominent player in this segment. The Company has always focused on quality products with strong brand equity. Its ability to understand the market demand and fulfil it accordingly helps them retain clients and market position |
| 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 | An increase in the competition from textile industry can severely hamper our Company's market share. | <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 <p>Improve competitive analysis</p> |
| Availability of skilled personnel | Our success depends upon our ability to attract and retain skilled personnel. Any kind of failure in this area can adversely affect our business and operations | <p>We conduct induction programmes to nurture our talent in a structured manner. We also offer various incentives and growth opportunities to our people. This helps retain the talented and skilled workforce</p> |

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. Sales volume of value-added yarn such as Elitwist, Gassing, High twist, Melange, Core Yarn and Mercerized Yarn sales decreased by 22.6%, from 5,563.23 tonnes (2024) to 4,307.96 tonnes (2025). This decline may indicate softening demand for value-added products or a strategic shift in product mix due to market or capacity constraints.

During the Financial Year 2024–25, the company recorded a revenue from operations of ₹11,676.91 lakhs, marking a significant decline of approximately 33% compared to ₹17,495.51 lakhs in the previous financial year. This substantial decrease in revenue indicates operational and market challenges during the year. One of the key contributing factors is the continued volatility in cotton prices. Despite improved arrivals in the latter part of the cotton season, prices have remained elevated, primarily driven by strong domestic demand. However, higher cotton and yarn prices alone do not fully explain the revenue decline. It is likely that a reduction in production levels also played a significant role. This could be due to a combination of factors such as high input costs, supply chain disruptions, operational constraints etc. the inability to produce or procure adequate quantities of cotton at viable rates may have limited the company's ability to meet demand, thereby impacting sales volume.

Looking forward, the outlook for the spinning industry remains uncertain in the short term, primarily due to continued volatility in cotton prices, fluctuation in demand from export markets, and global economic pressures. However, the Company sees opportunities for recovery as domestic demand for cotton yarn remains steady and is expected to grow with improvements in downstream textile segments. The Company aims to enhance its procurement strategies, streamline production planning, and explore value-added yarn products to reduce dependence on commodity-grade spinning.

Additionally, strategic investments in modernizing machinery, improving energy efficiency, and optimizing labor productivity are being evaluated to strengthen the Company's cost competitiveness. The management remains cautiously optimistic and believes that with a stable raw material supply chain and prudent operational planning, the Company is well-positioned to navigate current market uncertainties and improve performance over the medium term.

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 rapid transformation driven by technological innovation, shifting global trade dynamics, and changing consumer preferences. As the sector continues to grow, modern enterprises are gaining multiple advantages from digital integration, automation, and sustainability-focused processes. These developments contribute to ongoing economic shifts, reshaping how textile businesses operate and compete.

To remain competitive in this evolving environment, it is essential for textile organizations to understand and adapt to current market trends. Strategic planning based on a deep understanding of market movements



provides companies with an early-mover advantage. One of the most effective tools for this purpose is a SWOT analysis, which offers valuable insights into strengths, weaknesses, opportunities, and threats—helping businesses develop focused, data-driven strategies for sustained growth.

Traditionally, the textile sector has been a cornerstone of industrial development, contributing approximately 14% to the total output of the manufacturing sector. It addresses one of the most basic human needs—clothing—and continues to evolve to meet growing and diversifying demands. Today, the industry is not only self-sustaining but also a global player, attracting foreign investment and expanding export markets.

The recent surge in innovation and global interest has accelerated the industry's growth. From eco-friendly fabrics to smart textiles and supply chain digitization, the textile sector is now at the intersection of fashion, technology, and sustainability. These changes position the industry as a vital contributor to economic development, quality of life, and employment—both locally and globally.

In this rapidly shifting landscape, organizations that leverage strategic tools like SWOT analysis, embrace innovation, and remain agile in their operations are best positioned to lead and thrive in the future of textiles.

The **textile industry** today enjoys several **strengths** that make it a key player in the global manufacturing landscape. It contributes approximately 14% to industrial production, backed by a well-integrated and self-sufficient supply chain that includes spinning, weaving, dyeing, and finishing. The industry benefits from a large and growing domestic market, increasing global demand, and a skilled labor force with deep roots in craftsmanship and innovation. These strengths help maintain its resilience and capacity for expansion.

However, the industry also faces notable **weaknesses**. Many regions still rely on outdated production methods, which hampers efficiency and scalability. Environmental concerns—such as water consumption, chemical pollution, and textile waste—pose challenges to sustainability. Additionally, fragmented supply chains, uneven quality standards, and limited investment in research and development create operational inefficiencies. The sector is also vulnerable to fluctuations in raw material prices, which can disrupt production costs and profitability.

Looking ahead, there are significant **opportunities** for growth and innovation. The global push toward sustainable fashion and eco-friendly fabrics opens new markets, while advancements in smart textiles and wearable technology present cutting-edge product possibilities. Government incentives, international trade agreements, and the digitization of supply chains through Industry 4.0 practices can enhance competitiveness. Furthermore, emerging markets in Africa and Latin America offer untapped potential for exports and expansion.

At the same time, the industry must navigate several **threats**. These include fierce competition from low-cost manufacturing countries and the pressure to keep up with fast-changing consumer trends and expectations. Trade restrictions, tariffs, and geopolitical instability can also affect global supply and demand. Technological disruptions, while offering efficiency gains, may lead to job displacement and require workforce reskilling. Additionally, global economic uncertainty can impact both domestic and international textile markets.

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 174 permanent and on contract based 5 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.

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 made in this Management Discussion and Analysis Report may contain certain forward- looking statements based on various assumptions on the Company's present and future business strategies and the environment in which we operate. Actual results may differ substantially or materially from those expressed or implied due to risk and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India and abroad, volatility in interest rates and in the securities market, new regulations and Government policies that may impact the Company's businesses as well as the ability to implement its strategies. The information contained herein is as of the date referenced and the Company does not undertake any obligation to update these statements. The Company has obtained all market data and other information from sources believed to be reliable or its internal estimates, although its accuracy or completeness cannot be guaranteed

KEY FINANCIAL RATIO

| Ratios | | 31 st March 2025 | 31 st March 2024 |
|----------------------------------|---|-----------------------------|-----------------------------|
| Current Ratio | Current assets / Current liabilities | 9.91 | 1.58 |
| Debt-Equity Ratio, | Total debt / Shareholders Equity | 0.07 | 0.43 |
| Debt Service Coverage Ratio, | Earning available for debt service / debt service | -0.04 | 2.79 |
| Return on Equity Ratio, | Profit after tax / Shareholders Equity | -6.73 | 8.18 |
| Inventory turnover ratio, | Turnover / average inventory | 3.01 | 7.11 |
| Trade Receivables turnover ratio | Turnover / Average Receivable | 18.31 | 20.39 |
| Trade payables turnover ratio, | Total Purchases / Average Payable | 22.53 | 13.32 |
| Net capital turnover ratio, | Turnover / Working capital | 3.66 | 17.18 |
| Net profit ratio | PAT/ Turnover | -5.03 | 1.97 |
| Return on Capital employed, | PBIT / Capital Employed | -6.57 | 12.39 |
| Return on investment. | | NA | NA |

Explanation of Movement of Ratio

- Current ration:** Current Ratio increased from 1.58 in FY 2023–24 to 9.91 in FY 2024–25, a rise of 527%. This indicates a strong improvement in liquidity; however, the unusually high ratio may suggest inefficient use of current assets or underutilized working capital.
- Debt -Equity Ratio:** it decreased from 0.43 in FY 2023–24 to 0.07 in FY 2024–25, a reduction of approximately 84%. This reflects a significant decrease in reliance on debt financing, indicating a more conservative capital structure and reduced financial risk.
- Debt Coverage Service Ratio:** it) dropped from 2.79 in FY 2023–24 to -0.04 in FY 2024–25, which is a decrease of over 101%. This sharp decline indicates that the Company was unable to generate sufficient earnings to cover its debt obligations, highlighting severe cash flow challenges and financial stress during the year.
- Return on Equity Ratio:** ROE dropped 182% from 8.18% (2024) to -6.73% (2025), showing a shift from profits to losses and a decline in shareholder value.
- Inventory turnover ratio:** The Inventory Turnover Ratio increased from 5.00 in FY 2023–24 to 5.78 in FY 2024–25, representing a growth of approximately 15.6%. This indicates that the company is managing its inventory more efficiently by selling and replenishing stock faster than the previous year.
- Trade Receivables turnover ratio:** it decreased by **6.3%** from **10.72 (2024)** to **10.04 (2025)**, indicating slightly slower collection of receivables and a minor decline in cash flow efficiency

7. **Trade Payables Turnover Ratio:** it rise by **2.2%** from **47.71 (2024)** to **48.76 (2025)**, indicating slightly faster payments to suppliers.
8. **Net Capital Turnover Ratio:** It fell by **79%** from **17.18 (2024)** to **3.66 (2025)**, indicating reduced efficiency in using working capital to generate sales.
9. **Net Profit Ratio:** it decreased by **36.3%** from **3.33% (2024)** to **2.12% (2025)**, indicating lower profitability margins.
10. **Return on Capital employed:** it increased by **28.5%** from **7.05% (2024)** to **9.06% (2025)**, showing improved efficiency in generating returns from capital employed.

For and on Behalf of Board of Directors
AKSHAR SPINTEX LIMITED

Date: 1st August, 2025

Place: Haripar (Jamnagar)

Harry D. Paghdar
Managing Director
[DIN :11096100]

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



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SECRETARIAL AUDIT REPORT

Form No. MR-3

For The Financial Year Ended 31st March, 2025

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 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

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Akshar Spintex Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me with 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, the Company has, during the audit period covering the financial year ended on 31st March, 2025 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 the records maintained by the Company for the financial year ended on 31st March, 2025 according to the provisions of the Companies Act, 2013 and the rules made there under:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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'):-



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- 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, 2009 and The Securities and Exchange Board of India (Issue of Capital And Disclosure Requirements) Regulations, 2018;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable during the Audit Period)**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable during the Audit Period)**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable during the Audit Period)**
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and The Securities and Exchange Board of India (Buyback of Securities) Regulations 2018; **(Not Applicable during the Audit Period)**
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- 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.

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 BSE Limited and National Stock Exchange Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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.



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

- ✓ *The Company has appointed new company secretary after 6 months and 9 days which has been delayed by 99 days.*
- ✓ *It was observed that Mr. Sohilkumar Dineshkumar Patel and Mr. Brijeshkumar Prahladbhai Patel were appointed as Additional Directors of the Company with effect from 27th December, 2024. However, their appointments have not been regularised by the shareholders at a General Meeting within the prescribed time frame of three months as stipulated under Section 161(1) of the Companies Act, 2013. Accordingly, the Company has not complied with the statutory requirement for regularisation of Additional Directors.*
- ✓ *as per the outcome of the Board Meeting held on January 27, 2025, the Board approved the appointments of Mr. Rohit Naval (DIN: 10542718) as Additional Director in the capacity of Executive Director, and Mr. Keshav Makhija (DIN: 10542719) as Additional Director in the category of Non-Executive Independent Director. However, as on the date of this report, the requisite e-forms for their appointments have not been filed with the Ministry of Corporate Affairs (MCA), resulting in non-compliance with the applicable provisions of the Companies Act, 2013 and relevant Rules made thereunder.*
- ✓ *The Company has not Filed Form DIR-12 with ROC for following:*
 1. *Appointment of Additional Director of Mr. Rohit Naval & Mr. Keshav Makhija.*
- ✓ *The Internal Auditor resigned on 12th August, 2022 and no new Internal Auditor was appointed up to 31st March 2025;*



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I further report that:

- The Board of Directors of the Company are:
 1. Mr. Harikrushna Shamjibhai Chauhan– Whole Time Director.
 2. Mrs. Ilaben Dineshbhai Paghdar –Director
 3. Mr. Rohit Bhanjibhai Dobariya– Independent Director
 4. Mr. Parshotam L Vasoya– Independent Director
 5. Mr. Sohilkumar Dineshkumar Patel – Additional Independent Director
 6. Mr. Brijeshkumar Prahladbhai Patel – Additional Independent Director

Following are the KMP of the Company:

1. Ms. Poonam Pratik Kapupara – CFO
2. Mr. Dheeraj Kumar Sahu – CS

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive 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.

- During the year under review the company has issued 48,74,80,500 equity share of Rs. 1/- as right shares to the existing shareholder.
- The Company Secretary resigned on 20th July, 2024 and Mr. Dheeraj Kumar Sahu was appointed as Company Secretary w.e.f. 27th January, 2025.
- There were few forms which were filled with additional fees. Except these, The Company has filed the required forms and returns with the Registrar of Companies (RoC) within the time prescribed under the Act. However, no forms or returns were filed with the Regional Director, Central Government, Company Law Board/The Tribunal, Court or other authorities.
- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- Adequate notice of board meeting is given to all the directors along with agenda at least seven days in advance or shorter notice consent is taken whenever required, and a system exists for seeking and obtaining further



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information and clarifications on the agenda items before the meeting and meaningful participation at the meeting.

- As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded
- 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 there were no specific events / actions having a major bearing on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For D N Vora & Associates,
Practicing Company Secretary

Dipali Natvar Vora

Proprietor

Membership No: A46989/ COP No.: 21254

Peer Review No: 4158/2023

UDIN: A046989G000835458

Place: Mumbai

Date: 24/07/2025

Note: you can verify UDIN on the link <https://stimulate.icsi.edu/udin/Home/UDINVerification>

This report is to be read with my letter of even date which is annexed as Annexure - A and forms an integral part of this report.



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'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

My report of even date is to read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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 to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provided a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report 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.

For D N Vora & Associates,
Practicing Company Secretary

Dipali Natvar Vora
Proprietor
Membership No: A46989/ COP No.: 21254
Peer Review No: 4158/2023
UDIN: A046989G000835458

Place: Mumbai

Date: 24/07/2025

Note: you can verify UDIN on the link <https://stimulate.icsi.edu/udin/Home/UDINVerification>



MD & 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, 2025 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.

For and on Behalf of Board of Directors
AKSHAR SPINTEX LIMITED

Date: 1st August, 2025
Place: Haripar (Jamnagar)

Poonam P. Kapupara
Chief Financial Officer

Harry D. Paghdar
Managing Director
DIN : 11096100

**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, 2025.

For **AKSHAR SPINTEX LIMITED**

Date: 1st August, 2025
Place: Haripar (Jamnagar)

Harry D. Paghdar
Managing Director
DIN : 11096100



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CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to the provisions of Regulation 34(3) read with Clause 10 (i) of Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
Akshar Spintex Limited
Revenue Survey No.102/2 Paiki, Plot No. – 2,
Village: Haripar, Ranuja Road, Tal: Kalavad.,
Jamnagar-361013

I have examined the relevant registers, records, forms, returns and disclosures received from the directors of Akshar Spintex Limited (CIN: L17291GJ2013PLC075677), having Registered Office at Revenue Survey No.102/2 Paiki, Plot No. – 2, Village: Haripar, Ranuja Road, Tal: Kalavad., Jamnagar-361013 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate in accordance with the provisions of Regulation 34(3) read with Clause 10(i) of Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my 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 me by the Company and its officers, I hereby certify that none of the directors on the Board of the Company as stated below as on the financial year ended 31st March, 2025 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 initial appointment in the Company (as appearing on MCA portal) |
|----------------|--------------------------------|------------|--|
| 01 | Harikrushna Shamjibhai Chauhan | 07710106 | 17/01/2017 |
| 02 | Ilaben Dineshbhai Paghdar | 07591339 | 16/08/2016 |
| 03 | Rohit Bhanjibhai Dobariya | 08085331 | 14/03/2018 |
| 04 | Parshotam L Vasoya | 09229252 | 23/08/2021 |
| 05 | Brijeshkumar P. Patel | 10877543 | 27/12/2024 |
| 06 | Sohilkumar Patel | 10877535 | 27/12/2024 |



CS Dipali Vora
(B.COM, ACS)

D N VORA & ASSOCIATES

Company Secretaries
Peer Reviewed Firm

Address: 102, New Kamal Kunj, Daulat Nagar, Road No. 09, Borivali (East), Mumbai- 400066
Email ID: dnvoraandaassociates@yahoo.com | **Mobile:** 9022688680

Ensuring the eligibility for the appointment / continuity of every director on the Board is responsibility of the management of the Company. My responsibility is to express an opinion based on my verification. 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.

For D N Vora & Associates,
Practising Company Secretary

Dipali Natvar Vora

Proprietor

Membership No: A46989/ COP No.: 21254

Peer Review No: 4158/2023

UDIN:

Place: Mumbai

Date: 24/07/2025



Address: 102, New Kamal Kunj, Daulat Nagar, Road No. 09, Borivali (East), Mumbai- 400066
Email ID: dnvoraandaassociates@yahoo.com | **Mobile:** 9022688680

PRACTISING COMPANY SECRETARIES'
CERTIFICATE ON CORPORATE GOVERNANCE
*[Pursuant to provisions of Regulation 34(3) read with Part E of
Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

To,
The Members of
Akshar Spintex Limited
Revenue Survey No.102/2 Paiki, Plot No. – 2,
Village: Haripar, Ranuja Road, Tal: Kalavad.,
Jamnagar-361013

I have examined the compliance of conditions of Corporate Governance by **“Akshar Spintex Limited”** (‘the Company’) for the financial year ended 31st March, 2025 as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub regulation (2) of Regulation 46 and paras C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’).

Management’s Responsibility

The compliance of the conditions contained in the Corporate Governance provisions is responsibility of the Management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance provisions as stipulated in the Listing Regulations including the preparation and maintenance of all relevant supporting records and documents

Auditor’s Responsibility

My responsibility was limited to examining the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

I have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance provisions.



Address: 102, New Kamal Kunj, Daulat Nagar, Road No. 09, Borivali (East), Mumbai- 400066
Email ID: dnvoraandaassociates@yahoo.com | **Mobile:** 9022688680

Opinion

In my opinion and to the best of my information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the financial year ended 31st March, 2025.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For D N Vora & Associates,
Practising Company Secretary

Dipali Natvar Vora

Proprietor

Membership No: A46989/ COP No.: 21254

Peer Review No: 4158/2023

UDIN:

Place: Mumbai

Date: 24/07/2025



Independent Auditor's Report

To the Members of **Akshar Spintex Limited**

Report on 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, 2025, and the Statement of Profit and Loss, Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by 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, 2025, and profit, 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.

Emphasis of Matter

We draw your attention to Note 38.2 to the financial statements where the Company's management has stated that outstanding balances, if any, at the year-end in respect of trade receivables, trade payables etc. are subject to confirmation from those respective parties and consequential reconciliation 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 profit and net assets of the Company for the period and year ended March 31, 2025.

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 and cash flows 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Ind AS 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, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 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:
 - a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements –Refer Note 31 to the financial statements;
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
 - d.
 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.
- e. 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.
- f. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023.

Audit trail maintained throughout the year: Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

Place: Rajkot
Date: 10/05/2025

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

Hasmukh Kalaria
Partner
Mem. No. 042002
UDIN: 25042002BMJEYO3819

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, 2025

| | | |
|-------|-----|--|
| (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 and intangible assets 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 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 32.2 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 | 3.43 | F.Y. 2022-23 | Monthly | Not paid till date of report |
| Gujarat Professional Tax Act | Professional Tax | 3.01 | F.Y. 2023-24 | Monthly | Not paid till date of report |
| Gujarat Professional Tax Act | Professional Tax | 1.43 | F.Y. 2024-25 | 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 my opinion and according to the information and explanations given to me, the Company is in default of the repayment of loans/borrowings to financial institutions/banks, the details of which are as follows:

| Nature of borrowing | Name of lender | Amount not paid on due date (in Rs. Lakhs) | Whether principal or interest | No. of days of delay or unpaid | Remarks, if any |
|---------------------|----------------|--|-------------------------------|--------------------------------|-----------------|
| Rupee Term Loan | SIDBI | 36.75 | Both | 1-6 | - |

- (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 inadequate internal audit system commensurate with the size and nature of its business. |
| | (b) | We have not 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) | In our opinion, subject to our comments and observations in the auditor’s report, if any, 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, the auditor’s knowledge of the Board of Directors and management plans, we are unable to arrive at a conclusion regarding the Company’s capability of meeting its liability existing at the balance sheet as and when they fall due within a period of one year from the balance sheet date. |
| (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 Order is not applicable in the report on the standalone financial statements of the Company. |

Place: Rajkot
Date: 10/05/2025

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

Hasmukh Kalaria
Partner
Mem. No. 042002
UDIN: 25042002BMJEYO3819



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, 2025

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, 2025, 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

According to the information and explanations given to us and based on our audit, the following material weakness(es) have been identified as at March 31, 2025:

- a. The Company did not have an appropriate internal control system for customer acceptance, credit evaluation and establishing customer credit limits for sales, which could potentially result in the Company recognizing revenue without establishing reasonable certainty of ultimate collection:
- b. The Company did not have an appropriate internal control system for inventory with regard to receipts, issue for production and physical verification. Further, the internal control system for identification and allocation of overheads to inventory was also not adequate. These could potentially result in material misstatements in the Company's trade payables, consumption, inventory and expense account balances.

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, 2025 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: 10/05/2025

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

Hasmukh Kalaria
Partner
Mem. No. 042002
UDIN: 25042002BMJEYO3819



Balance Sheet as at 31st March, 2025

(Rs. In lakhs)

| Particulars | Note No. | As at 31st March, 2025 | As at 31st March, 2024 |
|---|----------|------------------------|------------------------|
| I. ASSETS | | | |
| Non-Current Assets | | | |
| (a) Plant, Property and Equipments | 3 | 3,720.46 | 3,944.22 |
| (b) Capital Work-In-Progress | | - | - |
| (c) Financial Assets | | | |
| (i) Non-Current Investments | | - | - |
| (ii) Other Non-Current Financial Assets | 4 | 241.11 | 223.55 |
| (d) Deferred Tax Assets (Net) | 13 | 69.47 | - |
| (e) Other Non-Current Assets | | - | - |
| Total Non-Current Assets | | 4,031.04 | 4,167.76 |
| Current Assets | | | |
| (a) Inventories | 5 | 4,274.02 | 2,410.23 |
| (b) Financial Assets | | | |
| (i) Trade Receivable | 6 | 772.98 | 502.80 |
| (ii) Cash and Cash Equivalents | 7 | 3.21 | 0.53 |
| (iii) Bank Balances Other Than (ii) Above | 8 | 276.71 | 0.45 |
| (iv) Loans | - | - | - |
| (v) Other Financial Assets | - | - | - |
| (c) Other Current Assets | 9 | 453.34 | 304.03 |
| Total Current Assets | | 5,780.27 | 3,218.05 |
| TOTAL ASSETS | | 9,811.31 | 7,385.81 |
| II. EQUITY AND LIABILITIES | | | |
| Equity | | | |
| a) Equity Share Capital | 10 | 7,874.68 | 2,999.88 |
| b) Other Equity | 11 | 946.47 | 1,388.46 |
| Total Equity | | 8,821.15 | 4,388.34 |
| Liabilities | | | |
| Non-Current Liabilities | | | |
| a) Financial Liabilities | | | |
| (i) Borrowings | 12 | 387.46 | 898.77 |
| (ii) Other Financial liabilities | - | - | 0.00 |
| b) Deferred Tax Liabilities (Net) | 13 | - | 45.91 |
| c) Long Term Provisions | 14 | 19.70 | 14.11 |
| Total Non Current Liabilities | | 407.16 | 958.79 |
| Current Liabilities | | | |
| a) Financial Liabilities | | | |
| (i) Borrowings | 15 | 206.66 | 999.22 |
| (ii) Trade Payables | 16 | 225.43 | 834.43 |
| (iii) Other Financial Liabilities | 17 | 65.93 | 61.52 |
| b) Other Current Liabilities | 18 | 34.18 | 21.98 |
| c) Short Term Provisions | 19 | 50.80 | 52.41 |
| d) Current Tax Liabilities (Net) | 20 | - | 69.13 |
| Total Current Liabilities | | 583.00 | 2,038.68 |
| Total Liabilities | | 990.16 | 2,997.47 |
| TOTAL EQUITY AND LIABILITIES | | 9,811.31 | 7,385.81 |

The above statement shall be read in conjunction with accompanying notes

As per our Report of even date

For and on behalf of the Board of Directors,

For H B Kalaria & Associates

Chartered Accountants

FRN : 104571W

Harikrishna Chauhan

Whole Time Director

DIN:07710106

Ilaben Paghdar

Director

DIN:07591339

Hasmukh B Kalaria

Partner

Membership No.: 042002

Dheeraj Sahu

CS

PAN:EBCPS1128E

Poonam Kapupara

CFO

PAN:LERPK8014D

Rajkot, May 10, 2025

Haripar, May 10, 2025

Statement of Profit and Loss for the year ended 31st March, 2025

(Rs. In lakhs)

| Particulars | | Note No. | For the year ended March 31,2025 | For the year ended March 31, 2024 |
|-------------|---|----------|----------------------------------|-----------------------------------|
| I. | Revenue from Operations | 21 | 11,676.91 | 17,495.51 |
| II. | Other Income | 22 | 227.79 | 295.90 |
| III. | Total Income (I + II) | | 11,904.70 | 17,791.41 |
| IV. | Expenses: | | | |
| | Cost of Materials Consumed | 23 | 8,452.98 | 11,268.46 |
| | Purchases of Stock-in-Trade | 24 | 1,240.70 | 3,724.30 |
| | Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade | 25 | 380.22 | (252.37) |
| | Employee Benefits Expense | 26 | 539.17 | 480.63 |
| | Finance Costs | 27 | 108.95 | 133.34 |
| | Depreciation and Amortization Expense | 3 | 463.89 | 433.57 |
| | Other Expenses | 28 | 1,306.54 | 1,501.88 |
| | Total Expenses | | 12,492.46 | 17,289.81 |
| V. | Profit before exceptional items and tax (III-IV) | | -587.76 | 501.60 |
| VI. | Exceptional income/(expenses)-Net | | 0.00 | - |
| VII. | Profit before tax (V + VI) | | -587.76 | 501.60 |
| VIII. | Tax expense: | 29 | | |
| | (1) Current tax | | 0.00 | 84.28 |
| | (2) MAT credit availed / (entitlement) | | 0.00 | (7.79) |
| | (3) Prior period tax | | 26.57 | 12.46 |
| | (4) Deferred tax liability/(assets) | | (116.38) | 67.14 |
| IX. | Profit for the year from continuing operations (VII-VIII) | | (444.81) | 345.51 |
| X. | Other Comprehensive Income/(Expense) (OCI) net of tax expense | | | |
| | (1) Items that will not be reclassified to Profit and Loss Account | | 3.82 | 4.96 |
| | Less: Income Tax impact on above | | 0.99 | 1.29 |
| | (2) Items that will be reclassified to Profit and Loss Account | | - | - |
| | Less: Income Tax impact on above | | - | - |
| XI. | Total Other Comprehensive Income/(Expenses) (OCI) net of tax expense | | 2.83 | 3.67 |
| XII. | Total Comprehensive Income (IX + XI) | | -441.98 | 349.19 |
| XIII. | Earnings per equity share of Rs. 1 each | 30 | | |
| | (1) Basic | | -0.08 | 0.12 |
| | (2) Diluted | | -0.08 | 0.12 |

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

Hasmukh B Kalaria

Partner

Membership No.: 042002

Rajkot, May 10, 2025

For and on behalf of the Board of Directors,

Harikrishna Chauhan

Whole Time Director

DIN:07710106

Ilaben Paghdar

Director

DIN:07591339

Dheeraj Sahu

CS

PAN:EBCPS1128E

Poonam Kapupara

CFO

PAN:LERPK8014D

Hariapar, May 10, 2025



Statement of Change in Equity for the year ended 31st March, 2025

(Rs. In lakhs)

| A | Equity Share Capital | | | | Amount |
|----------|--|-----------------------------|--------------------------|-----------------------------------|-----------------|
| | Balance as at 1st April 2023 | | | | 2,499.90 |
| | Change in Equity Share Capital during the year | | | | 499.98 |
| | Balance as at 31st March 2024 | | | | 2,999.88 |
| | Change in Equity Share Capital during the year | | | | 4,874.80 |
| | Balance as at 31st March 2025 | | | | 7,874.68 |
| B | Other Equity | | | | |
| | | | | | (Rs. In lakhs) |
| | Particulars | Reserves and Surplus | | | |
| | | Securities Premium | Retained Earnings | Other Comprehensive Income | Total |
| | Balance as at 1st April 2023 | 299.70 | 1,225.84 | 38.71 | 1,564.25 |
| | Profit for the year | - | 345.51 | - | 345.51 |
| | Other Comprehensive Income | - | - | 3.67 | 3.67 |
| | Total Comprehensive Income for the year | 299.70 | 1,571.35 | 42.39 | 1,913.43 |
| | Bonus Shares Issued | - | (499.98) | - | -499.98 |
| | Dividend Paid | - | (24.999) | - | -25.00 |
| | Balance as at 31st March 2024 | 299.70 | 1,046.37 | 42.39 | 1,388.46 |
| | Particulars | Reserves and Surplus | | | |
| | | Securities Premium | Retained Earnings | Other Comprehensive Income | Total |
| | Balance as at 1st April 2024 | 299.70 | 1,046.37 | 42.39 | 1,388.46 |
| | Profit for the year | - | -444.81 | - | -444.81 |
| | Other Comprehensive Income | - | - | 2.83 | 2.83 |
| | Total Comprehensive Income for the year | 299.70 | 601.56 | 45.22 | 946.47 |
| | Balance as at 31st March 2025 | 299.70 | 601.56 | 45.22 | 946.47 |

The above statement shall be read in conjunction with accompanying notes

As per our Report of even date

For and on behalf of the Board of Directors,

For H B Kalaria & Associates
Chartered Accountants
FRN : 104571W

Harikrishna Chauhan
Whole Time Director
DIN:07710106

Ilaben Paghdar
Director
DIN:07591339

Hasmukh B Kalaria
Partner
Membership No.: 042002

Dheeraj Sahu
CS
PAN:EBCPS1128E

Poonam Kapupara
CFO
PAN:LERPK8014D

Rajkot, May 10, 2025

Haripar, May 10, 2025

Cash Flow Statement for the year ended 31st March, 2025

(Rs. In lakhs)

| Particulars | For the year ended March 31,2025 | For the year ended March 31,2024 |
|--|-------------------------------------|-------------------------------------|
| A. Cash Flow from Operating Activity | | |
| Net Profit Before Tax | (587.76) | 501.60 |
| Adjustments For: | | |
| Depreciation | 463.89 | 433.57 |
| Interest & Financial Expenses | 108.95 | 133.34 |
| (Profit)/Loss on sale of Fixed Asset | 0.81 | - |
| Bad Debts written off | - | 15.66 |
| Interest Received on Deposits | (15.07) | (10.95) |
| Operating profit before Working Capital Changes | (29.17) | 1,073.23 |
| Adjustment For: | | |
| Inventories | (1,863.79) | (672.56) |
| Trade Receivables | (270.18) | 694.58 |
| Other Non-Current Financial Assets | (17.56) | (118.47) |
| Other current financial Assets | (149.31) | 338.94 |
| Trade Payables | (609.00) | (644.64) |
| Short-term Provisions | (1.61) | (3.17) |
| Long-term Provisions | 9.41 | 8.43 |
| Other Current Liabilities | 12.20 | (114.76) |
| Other Current Financial Liabilities | 4.41 | (69.10) |
| Taxes Paid | (42.56) | (15.35) |
| Net Cash Generated from Operations | (2,957.16) | 477.13 |
| B. Cash Flow from Investment Activities | | |
| Changes in Creditors for Fixed Assets | - | (0.20) |
| Purchase of Property, Plant and Equipments | (250.95) | (461.22) |
| Proceeds from sale of PPE | 10.00 | - |
| Interest Received | 15.07 | 10.95 |
| Net Cash Flow from Investment Activities | (225.88) | (450.47) |
| C. Cash Flow from Financial Activities: | | |
| Issue of Equity Shares for Cash | 4,874.80 | - |
| Changes in Long Term Borrowings (Net) | (511.31) | 67.57 |
| Changes in Short Term Borrowings (Net) | (792.56) | 62.98 |
| Dividend Paid | - | (24.63) |
| Interest & Financial Expenses | (108.95) | (133.34) |
| Net Cash Flow from Financial Activities | 3,461.98 | (27.42) |
| Total of Cash Flow (A+B+C) | 278.95 | (0.76) |
| Cash & Cash Equivalent at the beginning of the year | 0.98 | 1.74 |
| Cash & Cash Equivalent at the ending of the year | 279.93 | 0.98 |
| Cash & Cash Equivalent comprising of | | |
| Cash on Hand | 3.21 | 0.53 |
| Balances with Scheduled Banks | 276.71 | 0.45 |
| | 279.93 | 0.98 |
| 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

Hasmukh B Kalaria

Partner

Membership No.: 042002

Rajkot, May 10, 2025

For and on behalf of the Board of Directors,

Harikrishna Chauhan

Whole Time Director

DIN:07710106

Dheeraj Sahu

CS

PAN:EBCPS1128E

Haripar, May 10, 2025

Ilaben Paghdar

Director

DIN:07591339

Poonam Kapupara

CFO

PAN:LERPK8014D

Notes to the Financial Statements for the year ended March 31, 2025

Note: 3 Property, Plant & Equipments

(Rs. In lakhs)

| Fixed Assets | Gross Carrying Amount | | | Accumulated Depreciation/Amortisation | | | | Net Carrying Amount | |
|---------------------------|-----------------------|---------------|-----------------------|---------------------------------------|-----------------------|---------------|-----------------------|------------------------|------------------------|
| | As at 1st April, 2024 | Additions | Adjustment/ Deduction | As at 31st March, 2025 | As at 1st April, 2024 | For the year | Adjustment/ Deduction | As at 31st March, 2025 | As at 31st March, 2024 |
| Tangible Assets | | | | | | | | | |
| Land | 63.60 | - | - | 63.60 | - | - | - | 63.60 | 63.60 |
| Buildings | 1,114.57 | 1.86 | - | 1,116.43 | 311.76 | 35.35 | - | 769.33 | 802.81 |
| Plant and Equipment | 5,776.35 | 197.62 | - | 5,973.97 | 3,203.53 | 372.80 | - | 2,397.64 | 2,572.82 |
| Furniture and Fixtures | 26.97 | - | - | 26.97 | 19.15 | 2.56 | - | 5.26 | 7.82 |
| Vehicles | 45.77 | 21.07 | 17.56 | 49.28 | 14.87 | 6.76 | 6.75 | 34.40 | 30.90 |
| Computer | 17.83 | 0.24 | - | 18.07 | 17.08 | 0.74 | - | 0.25 | 0.75 |
| Solar Rooftop Power Plant | 448.20 | - | - | 448.20 | 5.37 | 28.39 | - | 414.45 | 442.84 |
| Office Equipments | 166.59 | 30.15 | - | 196.74 | 143.91 | 17.30 | - | 35.52 | 22.67 |
| Total: | 7,659.88 | 250.95 | 17.56 | 7,893.26 | 3,715.66 | 463.89 | 6.75 | 4,172.81 | 3,944.22 |

Note: 3 Property, Plant & Equipments

(Rs. In lakhs)

| Fixed Assets | Gross Carrying Amount | | | Accumulated Depreciation/Amortisation | | | | Net Carrying Amount | |
|---------------------------|-----------------------|---------------|-----------------------|---------------------------------------|-----------------------|---------------|-----------------------|------------------------|------------------------|
| | As at 1st April, 2023 | Additions | Adjustment/ Deduction | As at 31st March, 2024 | As at 1st April, 2023 | For the year | Adjustment/ Deduction | As at 31st March, 2024 | As at 31st March, 2023 |
| Tangible Assets | | | | | | | | | |
| Land | 63.60 | - | - | 63.60 | - | - | - | 63.60 | 63.60 |
| Buildings | 1,104.17 | 10.39 | - | 1,114.57 | 276.45 | 35.31 | - | 802.81 | 827.73 |
| Plant and Equipment | 5,775.53 | 0.82 | - | 5,776.35 | 2,836.73 | 366.81 | - | 2,572.82 | 2,938.81 |
| Furniture and Fixtures | 26.97 | - | - | 26.97 | 16.58 | 2.57 | - | 7.82 | 10.39 |
| Vehicles | 45.77 | - | - | 45.77 | 9.44 | 5.42 | - | 30.90 | 36.33 |
| Computer | 17.65 | 0.18 | - | 17.83 | 15.52 | 1.56 | - | 0.75 | 2.14 |
| Solar Rooftop Power Plant | - | 448.20 | - | 448.20 | - | 5.37 | - | 442.84 | - |
| Office Equipments | 164.83 | 1.76 | - | 166.59 | 127.38 | 16.53 | - | 22.67 | 37.45 |
| Total: | 7,198.53 | 461.35 | - | 7,659.88 | 3,282.09 | 433.57 | - | 3,715.66 | 3,916.44 |

Note: 4 Other Non-Current Financial Assets

(Rs. In lakhs)

| Particulars | As at 31st March,2025 | As at 31st March,2024 |
|--|-----------------------|-----------------------|
| (Unsecured, considered good) | | |
| Security Deposits | 13.89 | 9.89 |
| Bank Fixed Deposit (having maturity period more than 12 months)* | 227.22 | 213.66 |
| Total | 241.11 | 223.55 |

Note: Fixed deposit is encumbered against loan and the amount of encumbrance is Rs.213.66 lakhs.

Note: 5 Inventories

(Rs. In lakhs)

| Particulars | As at 31st March,2025 | As at 31st March,2024 |
|------------------------------------|-----------------------|-----------------------|
| Raw Materials | 3,472.51 | 1,228.50 |
| Work-in-Progress | 265.50 | 335.37 |
| Finished Goods | 536.01 | 844.78 |
| Other Inventories - Stock in trade | - | 1.59 |
| Total | 4,274.02 | 2,410.23 |

Note: 6 Trade Receivables

(Rs. In lakhs)

| Particulars | As at 31st March,2025 | As at 31st March,2024 |
|--|-----------------------|-----------------------|
| Trade receivables outstanding for a period exceeding six months from the date they are due for payment | | |
| Unsecured, considered good | 278.52 | 103.63 |
| Sub total | 278.52 | 103.63 |
| Trade receivables outstanding for a period less than six months from the date they are due for payment | | |
| Unsecured, considered good | 494.46 | 399.18 |
| Total | 772.98 | 502.80 |

6.1 Trade receivables ageing schedule

(Rs. In lakhs)

| Particulars | As at 31st March,2025 | As at 31st March,2024 |
|---|-----------------------|-----------------------|
| (Outstanding for the following periods from the date of transaction) | | |
| Unsecured | | |
| <u>Undisputed trade receivables - considered good</u> | | |
| Not due | - | - |
| Less than 6 months | 494.46 | 399.18 |
| 6 months -1 year | 165.03 | 0.11 |
| 1-2 years | 10.00 | 103.51 |
| 2-3 years | 103.49 | - |
| More than 3 years | - | - |
| Total | 772.98 | 502.80 |

Note: 7 Cash and Cash Equivalents

(Rs. In lakhs)

| Particulars | As at 31st March,2025 | As at 31st March,2024 |
|--------------|-----------------------|-----------------------|
| Cash on hand | 3.21 | 0.53 |
| Total | 3.21 | 0.53 |

Note:8 Other Bank Balances

(Rs. In lakhs)

| Particulars | As at 31st March,2025 | As at 31st March,2024 |
|--------------------------------------|-----------------------|-----------------------|
| Bank Balances | 231.70 | - |
| Earmarked Balances with Banks | | |
| Dividend Account | 0.43 | 0.45 |
| Right Issue Account | 44.58 | - |
| Total | 276.71 | 0.45 |

Note: 9 Other Current Assets

(Rs. In lakhs)

| Particulars | As at 31st March,2025 | As at 31st March,2024 |
|---|-----------------------|-----------------------|
| Statutory Receivable (net) | 57.78 | 102.41 |
| Advances to Suppliers | 26.50 | 21.58 |
| Advances Recoverable in Cash or in Kind | - | 2.45 |
| Prepaid Expenses | 10.86 | 7.34 |
| Balances with statutory authorities | 185.66 | - |
| Government grants receivable | 172.53 | 169.97 |
| Total | 453.34 | 304.03 |

| Particulars | | Note No. | As at 31st March,2025 | As at 31st March,2024 |
|-------------|---|----------|-----------------------|-----------------------|
| I. | ASSETS | | | |
| | Non-Current Assets | | | |
| | (a) Plant, Property and Equipments | 3 | 3,720.46 | 3,944.22 |
| | (b) Capital Work-In-Progress | | - | - |
| | (c) Financial Assets | | | |
| | (i) Non-Current Investments | | - | - |
| | (ii) Other Non-Current Financial Assets | 4 | 241.11 | 223.55 |
| | (d) Deferred Tax Assets (Net) | 13 | 69.47 | - |
| | (e) Other Non-Current Assets | | - | - |
| | Total Non-Current Assets | | 4,031.04 | 4,167.76 |
| | Current Assets | | | |
| | (a) Inventories | 5 | 4,274.02 | 2,410.23 |
| | (b) Financial Assets | | | |
| | (i) Trade Receivable | 6 | 772.98 | 502.80 |
| | (ii) Cash and Cash Equivalents | 7 | 3.21 | 0.53 |
| | (iii) Bank Balances Other Than (ii) Above | 8 | 276.71 | 0.45 |
| | (iv) Loans | - | - | - |
| | (v) Other Financial Assets | - | - | - |
| | (c) Other Current Assets | 9 | 453.34 | 304.03 |
| | Total Current Assets | | 5,780.27 | 3,218.05 |
| | TOTAL ASSETS | | 9,811.31 | 7,385.81 |
| II. | EQUITY AND LIABILITIES | | | |
| | Equity | | | |
| | a) Equity Share Capital | 10 | 7,874.68 | 2,999.88 |
| | b) Other Equity | 11 | 946.47 | 1,388.46 |
| | Total Equity | | 8,821.15 | 4,388.34 |
| | Liabilities | | | |
| | Non-Current Liabilities | | | |
| | a) Financial Liabilities | | | |
| | (i) Borrowings | 12 | 387.46 | 898.77 |
| | (ii) Other Financial liabilities | - | - | 0.00 |
| | b) Deferred Tax Liabilities (Net) | 13 | - | 45.91 |
| | c) Long Term Provisions | 14 | 19.70 | 14.11 |
| | Total Non Current Liabilities | | 407.16 | 958.79 |
| | Current Liabilities | | | |
| | a) Financial Liabilities | | | |
| | (i) Borrowings | 15 | 206.66 | 999.22 |
| | (ii) Trade Payables | 16 | 225.43 | 834.43 |
| | (iii) Other Financial Liabilities | 17 | 65.93 | 61.52 |
| | b) Other Current Liabilities | 18 | 34.18 | 21.98 |
| | c) Short Term Provisions | 19 | 50.80 | 52.41 |
| | d) Current Tax Liabilities (Net) | 20 | - | 69.13 |
| | Total Current Liabilities | | 583.00 | 2,038.68 |
| | Total Liabilities | | 990.16 | 2,997.47 |
| | TOTAL EQUITY AND LIABILITIES | | 9,811.31 | 7,385.81 |

The above statement shall be read in conjunction with accompanying notes

As per our Report of even date

For and on behalf of the Board of Directors,

For H B Kalaria & Associates

Chartered Accountants

FRN : 104571W

Harikrishna Chauhan

Whole Time Director

DIN:07710106

Ilaben Paghdar

Director

DIN:07591339

Hasmukh B Kalaria

Partner

Membership No.: 042002

Dheeraj Sahu

CS

PAN:EBCPS1128E

Poonam Kapupara

CFO

PAN:LERPK8014D

Rajkot, May 10, 2025

Haripar, May 10, 2025



Note: 11 Other Equity

(Rs. In lakhs)

| Particulars | As at 31st March,2025 | As at 31st March,2024 |
|--------------------------------------|-----------------------|-----------------------|
| Reserves and Surplus | | |
| A. Securities Premium | | |
| Opening Balance | 299.70 | 299.70 |
| Balance as at year end | 299.70 | 299.70 |
| B. Retained Earnings | | |
| Opening balance | 1,046.37 | 1,225.84 |
| (+) Net Profit for year | (444.81) | 345.51 |
| (-) Bonus Shares Issued | - | (499.98) |
| (-) Dividend Paid | - | (25.00) |
| Balance as at year end | 601.56 | 1,046.37 |
| C. Other Comprehensive Income | | |
| Opening balance | 42.39 | 38.72 |
| (+) Changes during the year | 2.83 | 3.67 |
| Balance as at year end | 45.22 | 42.39 |
| Total | 946.47 | 1,388.46 |

Note: 12 Borrowings-Non Current

(Rs. In lakhs)

| Particulars | As at 31st March,2025 | As at 31st March,2024 |
|------------------------------------|-----------------------|-----------------------|
| Secured | | |
| Term loans from banks | 345.19 | 548.30 |
| Vehicle Loan from Banks | 16.88 | 4.80 |
| Unsecured | | |
| Loans from Directors and Relatives | 25.40 | 345.67 |
| Total | 387.46 | 898.77 |

12.1 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 60 Installments | 9.25% |
| Vehicle loans | Hypothecation of the respective vehicle | Repayable in 48-60 Installments | 8.30%-8.90% |
| Solar Loan | Hypothecation of plant & machineries and equipments of the company and fixed deposit of Rs.100.00 lakhs and personal guarantee of directors | Repayable in 54 Installments | Repo rate+1.4% |
| Loans from Directors and Relatives | Unsecured | Repayment schedule not specified | - |

Note: 13 Deferred Tax Liability / (Asset)

(Rs. In lakhs)

| Particulars | As at 31st March,2025 | As at 31st March,2024 |
|--|-----------------------|-----------------------|
| Deferred Tax Liability on account of : (I) Depreciation | 424.28 | 393.82 |
| | 424.28 | 393.82 |
| Deferred Tax Assets on account of : (I) Gratuity | 6.34 | 4.81 |
| (II) Unabsorbed depreciation | 115.76 | - |
| (III) Unrealised/Carried Forward loss | 28.54 | - |
| | 150.65 | 4.81 |
| Less: MAT Credit | 343.10 | 343.10 |
| Total | (69.47) | 45.91 |

Note: 14 Long term provisions

(Rs. In lakhs)

| Particulars | As at 31st March,2025 | As at 31st March,2024 |
|---|-----------------------|-----------------------|
| Provision for employee benefits: Gratuity | 19.70 | 14.11 |
| Total | 19.70 | 14.11 |

Note: 15 Borrowings- Current

(Rs. In lakhs)

| Particulars | As at 31st March,2025 | As at 31st March,2024 |
|--|-----------------------|-----------------------|
| Current Maturities of Long Term Debts | 206.66 | 298.86 |
| Secured Working Capital Loans from banks | - | 700.36 |
| Total | 206.66 | 999.22 |

15.1 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 | 10.50% |

Note: 16 Trade Payables

(Rs. In lakhs)

| Particulars | As at 31st March,2025 | As at 31st March,2024 |
|---------------------------------------|--------------------------|--------------------------|
| Micro, Small and Medium Enterprises * | 116.50 | 683.32 |
| Others | | |
| For Raw material & Packing Material | 101.73 | 145.16 |
| For Expenses & Others | 7.20 | 5.95 |
| Total | 225.43 | 834.43 |

*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. We had disclosed to the extent such information is available with the company.

16.1 Trade payables ageing schedule

(Rs. In lakhs)

| Particulars | As at 31st March,2025 | As at 31st March, 2024 |
|---|--------------------------|---------------------------|
| (Outstanding for the following periods from the date of transaction) | | |
| <u>Undisputed trade payables - MSMEs</u> | | |
| Not due | - | - |
| Less than 6 months | 116.50 | 683.32 |
| 6 months -1 year | - | - |
| 1-2 years | - | - |
| 2-3 years | - | - |
| More than 3 years | - | - |
| | 116.50 | 683.32 |
| <u>Undisputed trade payables - other than MSMEs</u> | | |
| Not due | - | - |
| Less than 1 year | 108.93 | 150.57 |
| 1-2 years | - | 0.54 |
| 2-3 years | - | - |
| More than 3 years | - | - |
| | 108.93 | 151.11 |
| | | - |
| Total | 225.43 | 834.43 |

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

(Rs. In lakhs)

| Particulars | As at 31st March,2025 | As at 31st March, 2024 |
|--|--------------------------|---------------------------|
| Principal amount due and remaining unpaid at the year end | 116.50 | 683.32 |
| Interest due on above and remaining unpaid interest at the year end | - | - |
| Interest paid other than sec 16 beyond the appointed day during the year | - | - |
| Principal amount paid beyond the appointed day during the | - | 14.82 |
| 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 | - | - |

1. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.
2. The Company recognises interest due on late payment to MSMEs on actual payment basis only. Consequently no provision has been made for such interest due during the current reporting period.
3. The Company has not compiled the requisite data to determine the principal amounts paid to suppliers beyond the appointed day during the current reporting period.

Note: 17 Other Financial Liabilities - Current

(Rs. In lakhs)

| Particulars | As at 31st March,2025 | As at 31st March,2024 |
|------------------------------|-----------------------|-----------------------|
| Employee Related Liabilities | 65.93 | 61.52 |
| Total | 65.93 | 61.52 |

17.1 There is no amount due and outstanding to be credited to Investor Education and Protection Fund as at 31st March, 2025

Note: 18 Other Current Liabilities

(Rs. In lakhs)

| Particulars | As at 31st March,2025 | As at 31st March,2024 |
|------------------------|-----------------------|-----------------------|
| Statutory Dues | 21.73 | 21.61 |
| Unpaid Dividend | 0.37 | 0.37 |
| Advance from Customers | 12.08 | - |
| Total | 34.18 | 21.98 |

Note: 19 Short Term Provisions

(Rs. In lakhs)

| Particulars | As at 31st March,2025 | As at 31st March,2024 |
|---|-----------------------|-----------------------|
| Provision for Expenses | 46.09 | 48.02 |
| Provision for Employee Benefits: | | |
| Gratuity | 4.70 | 4.39 |
| Total | 50.80 | 52.41 |

Note: 20 Current Tax Liabilities (Net)

(Rs. In lakhs)

| Particulars | As at 31st March,2025 | As at 31st March,2024 |
|--------------------------|-----------------------|-----------------------|
| Provision for Income-tax | - | 69.13 |
| Total | - | 69.13 |

Note: 21 Revenue from Operations

(Rs. In lakhs)

| Particulars | For the year ended March 31,2025 | For the year ended March 31,2024 |
|------------------|-------------------------------------|--|
| Sale of Products | 11,676.91 | 17,495.51 |
| Total | 11,676.91 | 17,495.51 |

Note: 22 Other Income

(Rs. In lakhs)

| Particulars | For the year ended March 31,2025 | For the year ended March 31,2024 |
|---|-------------------------------------|--|
| Interest on Financial Assets | | |
| On Bank Fixed Deposits | 15.07 | 10.95 |
| Other Gain and Losses | | |
| Income from government grants/subsidies | 212.27 | 284.96 |
| Insurance Claim | 0.45 | - |
| Total | 227.79 | 295.90 |

Note: 23 Cost of Materials Consumed

(Rs. In lakhs)

| Particulars | For the year ended March 31,2025 | For the year ended March 31,2024 |
|--------------------------|-------------------------------------|--|
| Opening Inventory | 1,228.50 | 808.31 |
| Add : Purchase | 10,696.99 | 11,688.64 |
| Less : Closing Inventory | 3,472.51 | 1,228.50 |
| Total | 8,452.98 | 11,268.46 |

Note: 24 Purchase of Stock in Trade

(Rs. In lakhs)

| Particulars | For the year ended March 31,2025 | For the year ended March 31,2024 |
|----------------|-------------------------------------|--|
| Stock in Trade | 1,240.70 | 3,724.30 |

Note: 25 Changes in inventories of finished goods, work-in-progress and stock-in-trade

(Rs. In lakhs)

| Particulars | For the year ended March 31,2025 | For the year ended March 31,2024 |
|---------------------------------------|-------------------------------------|--|
| Inventories (at close): | | |
| Work-in-Process | 265.50 | 335.37 |
| Finished Goods | 536.01 | 844.78 |
| Other Inventories- Stock in trade | - | 1.59 |
| | 801.52 | 1,181.74 |
| Inventories (at commencement): | | |
| Work-in-Process | 335.37 | 350.55 |
| Finished Goods | 844.78 | 577.11 |
| Other Inventories- Stock in trade | 1.59 | 1.71 |
| | 1,181.74 | 929.36 |
| | | |
| Total | 380.22 | (252.37) |

Note: 26 Employee benefit expenses

(Rs. In lakhs)

| Particulars | For the year ended March 31,2025 | For the year ended March 31,2024 |
|---|-------------------------------------|--|
| Salaries and Wages | 526.71 | 467.08 |
| Contributions to - | | |
| Provident fund, Superannuation scheme & Other funds | 11.78 | 12.55 |
| Staff welfare expenses | 0.69 | 1.00 |
| Total | 539.17 | 480.63 |



26.1 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 31,2025 | For the year ended March 31,2024 |
|---|--|--|
| (I) Amount Recognised in Balance Sheet | | |
| Present value of unfunded Obligations | 24.40 | 18.50 |
| Net Liability (asset) | 24.40 | 18.50 |
| (II) Amounts to be recognised in Profit and Loss Account | | |
| Service Cost | | |
| Current Service Cost | 8.52 | 7.29 |
| Net Interest Cost | 1.21 | 0.99 |
| Total included in Employees Expenses | 9.73 | 8.28 |
| Expenses Deducted from the Fund | - | - |
| Total Charged to profit and loss | 9.73 | 8.28 |
| (III) Other Comprehensive Income for the Period | | |
| Components of actuarial gain/loss on obligation | | |
| Due to Change in Financial Assumption | 0.51 | 0.09 |
| Due to Experience Adjustments | (4.33) | (5.05) |
| Amount Recognised in Other Comprehensive Income | (3.82) | (4.96) |
| (IV) Reconciliation of Defined Benefit Obligation | | |
| Opening Defined Benefit Obligation | 18.50 | 15.18 |
| Interest cost | 1.21 | 0.99 |
| Components of actuarial gain/loss on obligation | | |
| Due to Change in Financial Assumption | 0.51 | 0.09 |
| Due to Experience Adjustments | (4.33) | (5.05) |
| Current Service Cost | 8.52 | 7.29 |
| Closing Defined Benefit Obligation | 24.40 | 18.50 |
| (V) Assumptions: | | |
| Discount Rate (per annum) | 6.55% | 7.15% |
| 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: 27 Finance Cost

(Rs. In lakhs)

| Particulars | For the year ended March 31,2025 | For the year ended March 31,2024 |
|---|-------------------------------------|--|
| Interest Expenses | | |
| On Long Term Loan | 60.79 | 51.50 |
| On Short Term Loan | 43.11 | 78.59 |
| On Other Borrowing and/or late payments | 5.05 | 0.75 |
| Other Borrowing Costs | - | 2.50 |
| Total | 108.95 | 133.34 |

Note: 28 Other Expenses

(Rs. In lakhs)

| Particulars | For the year ended March 31,2025 | For the year ended March 31,2024 |
|--|-------------------------------------|--|
| Direct Expenses | | |
| Stores and Spares Consumed | 215.27 | 123.03 |
| Power and Fuel | 1.62 | 1.57 |
| Electricity Expense | 894.95 | 1,185.27 |
| Factory Building repairing expense | 11.58 | 3.17 |
| Indirect Expenses | | |
| Office Electricity Expense | - | 0.05 |
| Factory and Other Expenses | 4.03 | 3.64 |
| Repairs to Machinery | - | 0.05 |
| Repairs to Others | 15.81 | 6.45 |
| Insurance | 11.71 | 14.23 |
| Discount | 1.60 | 5.62 |
| Telephone and Postage | 3.33 | 0.79 |
| Printing and Stationery | 1.98 | 1.14 |
| Donation and Other Subscriptions | - | 3.00 |
| Registration and Filing Fees | 53.94 | 24.58 |
| Factory Lease Exp | 3.91 | - |
| Legal & Professional Fees | 22.91 | 54.60 |
| Bank charges | 5.94 | 2.66 |
| Travelling and Conveyance | 0.41 | 0.41 |
| Payments to Auditors | 4.50 | 4.33 |
| Advertising and sales promotion expenses | 4.32 | 4.28 |
| Vehicle running expenses | 13.04 | 13.63 |
| Safety and Security Expense | 9.35 | 8.34 |
| Information Technology Expense | 1.40 | 2.20 |
| Payment for Technical Services | 2.80 | 1.33 |
| Commission to Selling Agents | 3.04 | 11.09 |
| CSR Expense | 6.99 | 3.53 |
| Bad Debts | - | 15.66 |
| Loss on Sale of Asset | 0.81 | - |
| Stock Audit Fees | 0.49 | - |
| PGVCL Application Charges | 10.10 | - |
| GST audit Assessment Tax | - | 6.34 |
| Miscellaneous Expenses | 0.68 | 0.88 |
| Total | 1,306.54 | 1,501.88 |



28.1 Details of Stores and Spares Consumed

(Rs. In lakhs)

| Particulars | For the year ended March 31,2025 | For the year ended March 31,2024 |
|--------------|----------------------------------|----------------------------------|
| Indigenous | 215.27 | 123.03 |
| Total | 215.27 | 123.03 |

28.2 Expenditure incurred on Corporate Social Responsibility Activities

(Rs. In lakhs)

| Particulars | For the year ended March 31,2025 | For the year ended March 31,2024 |
|--|----------------------------------|----------------------------------|
| Gross amount required to be spent by the company during the year | 6.99 | 3.53 |
| Amount spent during the year on : | | |
| Construction/ Acquisition of any asset | - | - |
| On purpose other than above | 8.21 | 2.50 |
| Amount of shortfall at the end of the year | (1.22) | 1.03 |
| Total of previous year shortfall | 2.73 | 3.95 |
| Nature of CSR activity | PM fund,Education | PM fund |
| 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 |

28.3 Payments to Auditors as:

(Rs. In lakhs)

| Particulars | For the year ended March 31,2025 | For the year ended March 31,2024 |
|----------------------|----------------------------------|----------------------------------|
| Statutory Auditors : | | |
| i) Audit Fees | 4.50 | 4.00 |
| Sub Total | 4.50 | 4.00 |
| Cost Auditors : | | |
| i) As auditors | - | 0.33 |
| Total | 4.50 | 4.33 |

Note: 29 Income Tax

(Rs. In lakhs)

| Particulars | For the year ended March 31,2025 | For the year ended March 31,2024 |
|---|-------------------------------------|--|
| Net Tax Expenses | | |
| Current tax | - | 84.28 |
| MAT credit availed / (entitlement) | - | (7.79) |
| Deferred tax liability/(assets) | (116.38) | 67.14 |
| Prior Period Tax | 26.57 | 12.46 |
| | (89.81) | 156.09 |
| Reconciliation of tax expense and the accounting profit computed by applying the Income tax rate | | |
| Profit/ (loss) before tax | (587.76) | 501.60 |
| India's statutory income tax rate | 26.00% | 26.00% |
| Expected income tax expense as per applicable taxes | - | 130.42 |
| Non-deductibles expenses | 10.16 | 3.09 |
| Prior Period Tax | 26.57 | 12.46 |
| Changes due to brought forward tax losses | (71.09) | (85.47) |
| Difference due to different tax rate | - | 41.68 |
| Others | (55.45) | 53.91 |
| Total | (89.81) | 156.09 |

Note: 30 Earnings Per Share (EPS)

(Rs. In lakhs)

| Particulars | For the year ended March 31,2025 | For the year ended March 31,2024 |
|---|-------------------------------------|--|
| Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs. In lakhs) | (444.81) | 345.51 |
| Weighted average number of shares considered for calculating EPS (In Nos.) | 53,50,46,620 | 29,99,88,000 |
| Basic Earnings per share (Rs.) | (0.08) | 0.12 |
| Diluted Earnings per share (Rs.) | (0.08) | 0.12 |
| Face Value per equity share (Rs.) | 1.00 | 1.00 |

Note: 31 Contingent Liabilities not provided for in respect of

(Rs. In lakhs)

| Particulars | For the year ended March 31,2025 | For the year ended March 31,2024 |
|---|-------------------------------------|--|
| Income tax matters in dispute in respect of Assessment dues before CIT (Appeal) for A.Y. 2018-19. | 119.16 | 119.16 |

Note: 32 Additional regulatory information

32.1 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.

32.2 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) |
|---------|---------------------------|----------------------------------|---|--|-------------------------------------|---|
| Q1 | The South Indian Bank Ltd | Sundry Debtors | 983.28 | 986.54 | (3.26) | Note No 1 |
| Q4 | The South Indian Bank Ltd | Sundry creditors | 181.59 | 183.94 | (2.35) | Note No 2 |

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.

32.3 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.

32.4 Relationship with struck- off companies

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

32.5 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.

32.6 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.

32.7 Analytical ratios

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 | % change |
|--|------------------------|------------------------|----------|
| Current ratio | | | |
| Current assets (in Rs. lacs) (A) | 5,780.27 | 3,218.05 | |
| Current liabilities (in Rs. lacs) (B) | 583.00 | 2,038.68 | |
| Ratio (times) = (A)/(B) | 9.91 | 1.58 | 528.11% |
| Debt-equity ratio | | | |
| Total debt (in Rs. lacs) (A) | 594.12 | 1,897.98 | |
| Shareholders' funds (in Rs. lacs) (B) | 8,821.15 | 4,388.34 | |
| Ratio (times) = (A)/(B) | 0.07 | 0.43 | -84.43% |
| Debt service coverage ratio | | | |
| Net profit/(loss) before tax (in Rs. lacs) | (587.76) | 501.60 | |
| Add: Finance cost (in Rs. lacs) | 108.95 | 133.34 | |
| Add: Depreciation and amortisation expense (in Rs. lacs) | 463.89 | 433.57 | |
| Earnings available for debt services (in Rs. lacs) (A) | (14.92) | 1,068.51 | |
| Interest expense (in Rs. lacs) | 108.95 | 133.34 | |
| Principal repayment (in Rs. lacs) | 298.86 | 249.67 | |
| Debt service (in Rs. lacs) (B) | 407.82 | 383.01 | |
| Ratio (times) = (A)/(B) | -0.04 | 2.79 | -101.31% |
| Return on equity | | | |
| Net profit/(loss) after tax (in Rs. lacs) (A) | (444.81) | 345.51 | |
| Average shareholders' funds (in Rs. lacs) (B) | 6,604.74 | 4,226.24 | |
| Ratio (%) = (A)/(B) | -6.73% | 8.18% | -182.38% |
| Inventory turnover ratio | | | |
| Cost of goods sold (in Rs. lacs) (A) | 10,073.90 | 14,740.39 | |
| Average inventory (in Rs. lacs) (B) | 3,342.13 | 2,073.96 | |
| Ratio (times) = (A)/(B) | 3.01 | 7.11 | -57.59% |
| Trade receivables turnover ratio | | | |
| Revenue from operations (in Rs. lacs) (A) | 11,676.91 | 17,495.51 | |
| Average trade receivables (in Rs. lacs) (B) | 637.89 | 857.92 | |
| Ratio (times) = (A)/(B) | 18.31 | 20.39 | -10.24% |
| Trade payables turnover ratio | | | |
| Total purchase (in Rs. lacs) (A) | 11,937.69 | 15,412.94 | |
| Average trade payables (in Rs. lacs) (B) | 529.93 | 1,156.75 | |
| Ratio (times) = (A)/(B) | 22.53 | 13.32 | 69.07% |
| Net capital turnover ratio | | | |
| Revenue from operations (in Rs. lacs) (A) | 11,676.91 | 17,495.51 | |
| Current assets (in Rs. lacs) | 5,780.27 | 3,218.05 | |
| Less: Current liabilities (in Rs. lacs) | 583.00 | 2,038.68 | |
| Net working capital (in Rs. lacs) | 5,197.27 | 1,179.37 | |
| Average net working capital (in Rs. lacs) (B) | 3,188.32 | 1,018.36 | |
| Ratio (times) = (A)/(B) | 3.66 | 17.18 | -78.68% |
| Net profit ratio | | | |
| Net profit/(loss) after tax (in Rs. lacs) (A) | (587.76) | 345.51 | |
| Revenue from operations (in Rs. lacs) (B) | 11,676.91 | 17,495.51 | |
| Ratio (%) = (A)/(B) | -5.03% | 1.97% | -354.88% |
| Return on capital employed | | | |
| Net profit/(loss) before tax (in Rs. lacs) | (587.76) | 501.60 | |
| Add: Finance cost (in Rs. lacs) | 108.95 | 133.34 | |
| Earning before interest and taxes (in Rs. lacs) (A) | (478.81) | 634.94 | |
| Average capital employed (in Rs. lacs) (B) | 7,287.72 | 5,126.56 | |
| Ratio (%) = (A)/(B) | -6.57% | 12.39% | -153.05% |



Reason for change for more than 25%

1. Current Ratio

Current ratio has increased due to increase in current assets and decrease in current liabilities during the year.

2. Debt-equity ratio

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

3. Debt service coverage ratio

Debt service coverage ratio has decreased due to loss incurred in current year by the company.

4. Return on equity

Return on equity has decreased due to loss incurred in current year by the company

5. Inventory turnover ratio

Inventory turnover ratio has decreased due to increase in average inventory as compared to previous year

6. Trade payables turnover ratio

Trade payables turnover ratio has increased due to faster payment to creditors

7. Net capital turnover ratio

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

8. Net profit ratio

Net profit ratio has increased due to loss incurred in current year by the company.

9. Return on capital employed

Return on capital employed has decreased due to loss incurred in current year by the company.

Note: 33 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. Key Managerial Personnel

| | |
|--|--------------------------------|
| Amitbhai Gadhiya (Resigned w.e.f 07.03.2025) | Managing Director |
| Harikrishna Chauhan | Chairman & Whole Time Director |
| Ilaben Paghadar | Executive Director |
| Nirala Joshi (Resigned w.e.f 07.03.2025) | Independent Director |
| Rohitbhai Dobariya# | Independent Director |
| Parshotambhai Vasoya# | Independent Director |
| Sohilkumar Dineshkumar Patel (Appointed w.e.f. 27.01.2025) | Additional Director |
| Brijeshkumar Prahladbhai Patel (Appointed w.e.f. 27.12.2024) | Additional Director |
| Keshav Makhija (Appointed w.e.f.27.01.2025) | Additional Director |
| Dheeraj Kumar Sahu (Appointed w.e.f 27.01.2025) | CS & Compliance Officer |
| Pratik M. Makawana (Resigned w.e.f 01st August,2023) | CS |
| Bharti Girdharbhai Ajudiya (Resigned w.e.f. 21.07.2024) | CS & Compliance Officer |
| Jagdish D. Otradi (Resigned w.e.f 28th May,2023) | CFO |
| Poonam Kapupara (Appointed w.e.f 26th February,2024) | CFO |

2. Relatives Of Key Managerial Personnel

| |
|------------------------------|
| Chetnaben Bhalala # |
| Harikrishna Chauhan HUF # |
| Rekhaben Harikrishna Chauhan |
| Pooja Amitbhai Gadhiya# |
| Harry Dineshbhai Paghdar |
| Pravinaben Gohil |
| Dineshbhai Paghadar |

There are no transactions during the year with the above entities

(B) Transactions with related party
(Rs. In Lakhs)

| Name of Related Party | Transaction Amount | |
|---|-------------------------------------|-------------------------------------|
| | For the year ended March 31,2025 | For the year ended March 31,2024 |
| Remuneration to Key Managerial Personnel | | |
| Ilaben Paghdar | 7.80 | 7.80 |
| Amitbhai Gadhiya | 12.00 | 12.00 |
| Pratik M. Makawana | - | 1.47 |
| Jagdish D. Otradi | - | 0.54 |
| Harikrishna Chauhan | 12.00 | 12.00 |
| Poonam Kapupara | 4.41 | 0.35 |
| Bharti G Ajudiya | 1.32 | 1.33 |
| Salary to Relatives of KMP's | | |
| Pravinaben Gohil | 0.80 | 5.06 |
| Rekhaben Chauhan | 7.25 | 7.59 |
| Dineshbhai Paghadar | 4.23 | 4.43 |
| Harry Dineshbhai Paghdar | 5.72 | - |
| Loan accepted | | |
| Harikrishna Chauhan | 25.00 | 49.50 |
| Amitbhai Gadhiya | - | 24.75 |
| Accepted loans repaid | | |
| Amitbhai Gadhiya | 101.74 | 50.00 |
| Rekhaben Chauhan | 56.89 | - |
| Ilaben Paghdar | 79.00 | - |
| Harikrishna Chauhan | 107.65 | 135.00 |
| Reimbursement of Expenses Paid | | |
| Harry Dineshbhai Paghdar | 0.32 | - |

(C) Outstanding Balances with related party
(Rs. In Lakhs)

| Name of Related Party | Outstanding balance | |
|-----------------------------------|-------------------------------------|-------------------------------------|
| | For the year ended March 31,2025 | For the year ended March 31,2024 |
| Loans from related parties | | |
| Rekhaben Chauhan | - | 56.89 |
| Ilaben Pagdhar | - | 79.00 |
| Amitbhai Gadhiya | - | 101.74 |
| Harikrishna Chauhan | - | 82.65 |

(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: 34 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

(Rs. In Lakhs)

| 31-Mar-25 | Carrying amount | | | Fair value | | |
|--|-----------------|--------|-----------------|------------|---------|---------|
| | FVTPL | FVTOCI | Amortised Cost | Level 1 | Level 2 | Level 3 |
| [i] Financial assets | | | | | | |
| Security deposit | - | - | 13.89 | - | - | - |
| Trade receivable | - | - | 772.98 | - | - | - |
| Cash and cash equivalents | - | - | 3.21 | - | - | - |
| Bank balances other than cash and cash equivalents | - | - | 503.93 | - | - | - |
| | - | - | 1,294.02 | - | - | - |
| [ii] Financial liabilities | | | | | | |
| Borrowings | - | - | 594.12 | - | - | - |
| Trade payables | - | - | 225.43 | - | - | - |
| Other financial liabilities | - | - | 65.93 | - | - | - |
| | - | - | 885.48 | - | - | - |

(Rs. In Lakhs)

| 31-Mar-24 | Carrying amount | | | Fair value | | |
|--|-----------------|--------|-----------------|------------|---------|---------|
| | FVTPL | FVTOCI | Amortised Cost | Level 1 | Level 2 | Level 3 |
| [i] Financial assets | | | | | | |
| Security deposit | - | - | 9.89 | - | - | - |
| Trade receivable | - | - | 502.80 | - | - | - |
| Cash and cash equivalents | - | - | 0.53 | - | - | - |
| Bank balances other than cash and cash equivalents | - | - | 214.11 | - | - | - |
| | - | - | 727.33 | - | - | - |
| [ii] Financial liabilities | | | | | | |
| Borrowings | - | - | 1,897.98 | - | - | - |
| Trade payables | - | - | 834.43 | - | - | - |
| Other financial liabilities | - | - | 61.52 | - | - | - |
| | - | - | 2,793.93 | - | - | - |

(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 follows:

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 hierarchy 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 estimates.

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 hierarchy.

(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: 35 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-25 | 31-Mar-24 |
|--|-----------------|-----------------|
| Borrowings (Incl. Current Maturity) | 594.12 | 1,897.98 |
| Less: Cash and Cash Equivalents | 3.21 | 0.53 |
| Adjusted Net Debt (A) | 590.91 | 1,897.45 |
| Equity Share Capital | 7,874.68 | 2,999.88 |
| Other Equity | 946.47 | 1,388.46 |
| Total Equity (B) | 8,821.15 | 4,388.34 |
| | | |
| Adjusted Net Debt to Total Equity ratio (A/B) | 0.07 | 0.43 |

Note: 36 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 equivalents | Ageing analysis, Credit ratings | Credit limits and bank guarantees |
| Liquidity risk | Borrowings, Trade payables and other liabilities | Cash flow budgeted Vs actuals | Availability 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 perceived to be low.

[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-25 | | | | | |
| Non-derivatives | | | | | |
| Borrowings (including interest accrued) | 594.12 | 206.66 | 207.23 | 180.23 | 594.12 |
| Trade payables | 225.43 | 225.43 | - | - | 225.43 |
| Other financial liabilities | 65.93 | 65.93 | - | - | 65.93 |
| Total | 885.48 | 498.02 | 207.23 | 180.23 | 885.48 |
| 31-Mar-24 | | | | | |
| Non-derivatives | | | | | |
| Borrowings (including interest accrued) | 1,897.98 | 999.22 | 279.78 | 618.98 | 1,897.98 |
| Trade payables | 834.43 | 225.43 | - | - | 225.43 |
| Other financial liabilities | 61.52 | 65.93 | - | - | 65.93 |
| Total | 2,793.93 | 1,290.58 | 279.78 | 618.98 | 2,189.35 |

[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

The above risks may affect the Company's income and expenses, or the value of its financial instruments.

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-25 | | 31-Mar-24 | |
|-------------------------|---------------|------------|-----------------|------------|
| | Amount | % of total | Amount | % of Total |
| Variable rate borrowing | 594.12 | 100.00% | 1,897.98 | 100.00% |
| Fixed rate borrowing | - | 0.00% | - | 0.00% |
| | 594.12 | | 1,897.98 | |

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-25 | 31-Mar-24 |
| Interest rate increase by 100 basis points | (8.03) | (25.66) |
| Interest rate decrease by 100 basis points | 8.03 | 25.66 |

Note: 37 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: 38

1. Figures of previous reporting periods have been regrouped/reclassified wherever necessary to correspond with the figures of the current reporting period.
2. 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 material variation.
3. 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 and on behalf of the Board of Directors,

For H B Kalaria & Associates

Chartered Accountants

FRN : 104571W

Harikrishna Chauhan

Whole Time Director

DIN:07710106

Ilaben Paghdar

Director

DIN:07591339

Hasmukh B Kalaria

Partner

Membership No.: 042002

Dheeraj Sahu

CS

PAN:EBCPS1128E

Poonam Kapupara

CFO

PAN: LERPK8014D

Rajkot, May 10, 2025

Haripar, May 10, 2025



AKSHAR SPINTEX LIMITED



AKSHAR SPINTEX LIMITED

CIN:L17291GJ2013PLC075677

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