

GIRNAR SPINTEX INDUSTRIES LIMITED

(Formerly known as Amit Spinning Industries Limited)

7th September 2021

**Department of Corporate Services
BSE Limited**

Department of Corporate Services,
Floor 25, PhirozeJeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

National Stock Exchange of India Limited

Listing Department,
Exchange Plaza, BandraKurla Complex,
Bandra (East) Mumbai – 400 051

Scrip Code : 521076

Scrip Code : ASIL

Dear Sir/Madam,

Sub.: 29th Annual General Meeting, Annual Report 2020-21 along with Notice of Annual General Meeting

In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has, vide its Circular dated January 13, 2021 read with Circulars dated April 8, 2020, April 13, 2020 and May 5, 2020 (collectively referred to as "Circulars"), permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue.

Twenty Ninth (29th) Annual General Meeting (AGM) of **Girnar Spintex Industries Limited (Formerly known as Amit Spinning Industries Limited)** ("the Company") will be held on **Thursday, September 30, 2021 at 1.00 P.M.** through Video Conferencing (VC) or Other Audio Visual Means (OAVM) in compliance with aforesaid MCA circulars and applicable SEBI circular.

Pursuant to Regulation 34(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Annual Report for the Financial Year 2020-21 along with the Notice of 29th Annual General Meeting of the Company. The said Annual Report and Notice of Annual General Meeting are also available on the website of the Company at <https://www.girnarspintex.com>.

The Register of Members and the Share Transfer Books of the Company will remain closed from September 24, 2021 to September 30, 2021 (both days inclusive) for the purpose of 29th Annual General Meeting of the Company.

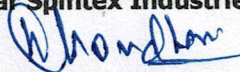
The Company is providing electronic voting (remote e-voting) facility to the members through electronic voting platform of National Securities Depository Limited (NSDL). Members holding shares either in physical form or dematerialized form as on cut-off date i.e. September 23, 2021 may cast their votes electronically on the resolutions included in the 29th Notice of Annual General Meeting. The remote e-voting shall commence from Monday, September 27, 2021 (9:00 a.m. IST) and ends on Wednesday, September 29, 2021 (5:00 p.m. IST). The VC/OAVM facility will also be available through NSDL e-voting system.

Kindly take same on record.

Thanking you,

Yours faithfully,

For Girnar Spintex Industries Limited



DEEPAK CHOUDHARI

Managing Director

DIN: 03175105

Encl.: A/a



Regd. & Corporate Office: Gat No. 47 & 48, Sangwade, Kolhapur Hupari Road Kolhapur 416202

Tel.: +7038094545, Email: Secretarial@girnarspintex.com, Website: www.Girnarspintex.com

CIN: L17100PN1991PLC190209

Girnar Spintex Industries Limited

(Formerly known as Amit Spinning Industries Limited)



ANNUAL REPORT 2020 - 2021

BOARD OF DIRECTORS

Deepak Choudhari	(Chairman and Managing Director)
Jitendrakumar Chopra	(Managing Director)
Sharmiladevi Chopra	(Non- Executive Director)
Siddhant Sunil Patil	(Non Executive, Independent Director)
Pruthveesh Ravi Shetti	(Non Executive, Independent Director)
Vijay Vishnu Dhudharkar	(Non Executive, Independent Director)

AUDITORS

Sanjay Vhanbattee & Co.
Chartered Accountants
Kolhapur

CHIEF FINANCIAL OFFICER

Shreyans Rajendra Choudhari

COMPANY SECRETARY

Gayatri Kulkarni

BANKERS

HDFC Bank Ltd.

INDEX

Notice	: 1
Board's Report	:20
Management Discussion and Analysis Report	:34
Corporate Governance Report	:44
Auditors Report	:63
Balance Sheet	: 74
Statement of Profit & loss	:75
Notes	:77

REGISTERED OFFICE

Gat No. 47 & 48, Sangwade, Hupari Kolhapur Road, Karvir, Kolhapur 416202

REGISTRAR & TRANSFER AGENTS

M/s. RCMC Share Registry Pvt. Ltd.
B-25/1, Okhla Industrial Area, Phase II
Near Rana Motor, New Delhi – 110020
Tel.: 011-26387320 Fax: 011-26387322

PLANT

Gat No. 47 & 48, Sangawade 47 & 48,
Sangavade Village, Kolhapur Hupari Road
Kolhapur 416202
Maharashtra

29th AGM

Date : September 30, 2021 Time: 1.00 PM
Venue : Gat No. 47 & 48, Sangwade, Hupari Kolhapur Road, Karvir, Kolhapur 416202
Book Closure : September 24th,2021 – September 30th ,2021 (Both days inclusive)

Girnar Spintex Industries Limited
(Formerly known as Amit Spinning Industries Limited)
CIN: L17100PN1991PLC190209

Regd Office: Gat No. 47 & 48, Sangwade, Hupari Kolhapur Road, Karvir, Kolhapur 416202

NOTICE

NOTICE is hereby given that the **29th Annual General Meeting** of the Members of Girnar Spintex Industries Limited (Formerly known as **Amit Spinning Industries Limited**) will be held on **Thursday, September 30, 2021 at 1.00 P.M** through Video Conferencing / Other Audio Visual Means (VC) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors (“the Board”) and auditors thereon
2. To appoint a Director in place of Mr. Jitendrakumar Goutamchand Chopra (DIN: 08196887) who retires from office by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

3. **Appointment of Mr. Deepak Chaganlal Choudhari (DIN: 03175105) as a Managing Director of the Company**

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

“RESOLVED THAT pursuant to provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule V thereof, and in accordance with Articles of Association of the Company and recommendation of Nomination & Remuneration Committee and further approval of the Board of Directors and subject to such sanctions, approvals and consents as may be necessary, the consent of Members of the Company be and is hereby accorded to the re-appointment of Shri Deepak Chaganlal Choudhari (DIN 03175105) as Managing Director of the Company for a period of three years with effect from August 13, 2021 to August 12, 2024 (including the remuneration to be paid to him in the event of loss or inadequacy of profits in any financial year during the aforesaid period) , on the terms and conditions as set out in the Explanatory Statement annexed to the notice convening this meeting and as enumerated in the agreement to be entered into between the Company and Shri Deepak Chaganlal Choudhari, with liberty to the Board of Directors or a committee thereof to alter/vary/modify/amend the terms and conditions of the said appointment and/or remuneration in such manner as may be agreed to between the Board of Directors and Shri Deepak Chaganlal Choudhari within the overall limits as specified in Schedule V of the Companies Act, 2013.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard.”

4. Appointment of Mr. Jitendrakumar Goutamchand Chopra (DIN: 08196887) as a Managing Director of the Company

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

“RESOLVED THAT pursuant to provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule V thereof, and in accordance with Articles of Association of the Company and recommendation of Nomination & Remuneration Committee and further approval of the Board of Directors and subject to such sanctions, approvals and consents as may be necessary, the consent of Members of the Company be and is hereby accorded to the reappointment of Mr. Jitendrakumar Goutamchand Chopra (DIN: 08196887) as Managing Director of the Company for a period of three years with effect from August 13, 2021 to August 12, 2024 (including the remuneration to be paid to him in the event of loss or inadequacy of profits in any financial year during the aforesaid period) , on the terms and conditions as set out in the Explanatory Statement annexed to the notice convening this meeting and as enumerated in the agreement to be entered into between the Company and Mr. Jitendrakumar Goutamchand Chopra, with liberty to the Board of Directors or a committee thereof to alter/vary/modify/amend the terms and conditions of the said appointment and/or remuneration in such manner as may be agreed to between the Board of Directors and Mr. Jitendrakumar Goutamchand Chopra within the overall limits as specified in Schedule V of the Companies Act, 2013.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard.”

5. To ratify the remuneration payable to the Cost Auditor appointed by the Board of Directors of the Company for the financial year 2020-21 pursuant to Section 148 and all other applicable provisions of Companies Act, 2013, by passing with or without modification(s), the following resolution as Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of Companies (Audit and Auditors) Rules, 2014 and other applicable provisions of the Companies Act, 2013, the remuneration of 30,000/- (Rupees Thirty Thousands Only) excluding applicable Tax payable to Nilesh Ashok Chalke, Cost Accountants, Nipani, for conducting cost audit of the Company for the financial year 2020-21, as approved by the Board of Directors of the Company, be and is hereby ratified.”

By Order of the Board of Directors

Date: 04-09-2021

Place: Kolhapur

Gayatri Kulkarni
Company Secretary

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, is annexed hereto
2. In view of the outbreak of the COVID-19 social distancing norm to be followed and the continuing restriction on movement of persons at several places in the country and pursuant to General Circular Nos.14/2020, 17/2020, 20/2020 and 02/2021 dated April 8, 2020, April 13, 2020, May 5, 2020 and January 13, 2021 respectively, issued by the Ministry of Corporate Affairs ('MCA Circulars') and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by the Securities and Exchange Board of India ('SEBI Circular') and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the 29th AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue. The deemed venue for the 29th AGM shall be the Registered Office of the Company Gat No. 47 & 48, Sangwade, Hupari Kolhapur Road, Karvir, Kolhapur 416202.
3. 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 thereat and cast their votes through e-voting.
4. 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 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.
5. 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.
6. 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.

7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://www.girnarspintex.com>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com. Further the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
8. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. September 30, 2021. Members seeking to inspect such documents can send an email to secretarialgimar@gmail.com.
9. Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again
10. The Board has appointed M/s. PPS & Associates, Practicing Company Secretaries, as the Scrutinizer to scrutinize the e-voting in a fair and transparent manner.
11. The e-voting period commences on Monday, September 27, 2021 (9:00 a.m. IST) and ends on Wednesday, September 29, 2021 (5:00 p.m. IST). During this period, a member holding shares either in physical or dematerialized form, as on cut-off date, i.e. as on September 23, 2021 may cast their votes electronically. The e-voting module will be disabled by NSDL for voting thereafter. A member will not be allowed to vote again on any resolution on which vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cutoff date, i.e. as on September 23, 2021.
12. The facility for voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.
13. Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he / she is already registered with NSDL for remote e-voting then he / she can use his / her existing user ID and password for casting the vote
14. Additional information, pursuant to Regulation 36 of the Listing Regulations, in respect of the directors seeking appointment / reappointment at the AGM, forms part of this Notice.
15. SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA.

- 16. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The form can be downloaded from the Company’s website at www.Girnarspintex.com. Members are requested to submit these details to their DP in case the shares are held by them in electronic form, and to the RTA, RCMC Share Registry Private Limited, in case the shares are held in physical form.
- 17. The Register of Members and the Share Transfer Books of the Company will remain closed from September 24, 2021 to September 30, 2021 (both days inclusive).
- 18. Pursuant to SEBI circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018, shareholders whose ledger folios did not had/had incomplete details with respect to PAN and Bank particulars were mandatorily required to furnish these details to the Company/ Registrar & Transfer Agent (“RTA”) for registration/ updation in the physical folio. The Company had sent intimation followed by two reminders to those shareholders. Shareholders are requested to update the same at the earliest

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

The remote e-voting period begins on September 27, 2021 at 9:00 A.M. and ends on September 29, 2021 at 5:00 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. September 23, 2021, 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 September 23, 2021.

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.	1. 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”

	<p>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.</p> <ol style="list-style-type: none"> If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; align-items: center;"> <div style="text-align: center; margin-right: 20px;">  <p>App Store</p> </div> <div style="text-align: center; margin-right: 20px;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: center; align-items: center; margin-top: 10px;"> <div style="text-align: center; margin-right: 20px;">  </div> <div style="text-align: center;">  </div> </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistr

	<p>ation</p> <p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in 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 provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
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 022-23058738 or 022-23058542-43

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

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

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

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

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
 - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General 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 shrenik.nagaonkar@gmail.com with a copy marked to evoting@nsdl.co.in.
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 toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to secretarialgirnar@gmail.com.
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 secretarialgirnar@gmail.com. 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.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

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

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

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General 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.

Members are encouraged to join the Meeting through Laptops for better experience.

2. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
3. 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.
4. 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 secretarialgirnar@gmail.com. The same will be replied by the company suitably.

Explanatory Statement

As required under section 102 of the Companies Act, 2013 (“Act”), the following explanatory statements out all material facts relating to business mentioned under item Nos. 3 to 4 of the accompanying Notice:

Item Nos. 3

Mr. Deepak Chaganlal Choudhari (DIN: 03175105) was appointed as Managing Director of the company for the period of 3 years w.e.f. 10th August 2018. The Company’s Nomination and Remuneration Committee (‘the Committee’) of the Board at its meeting held on August 13, 2021 considered and recommended to the Board the re-appointment of Mr. Deepak Chaganlal Choudhari (DIN: 03175105) as Managing Director of the Company, along with the terms of appointment. The Audit Committee of the Board also at its meeting held on August 13, 2021 considered and recommended to the Board the re-appointment of Mr. Deepak Chaganlal Choudhari (DIN: 03175105) as Managing Director of the Company. Accordingly, the Board of Directors at its meeting held on August 13, 2021, has subject to approval of members re-appointed Mr. Deepak Chaganlal Choudhari (DIN: 03175105) Managing Director of the Company w.e.f. August 13, 2021 for the period of three years

In terms of the Section 197 of the Companies Act read with Schedule V thereof approval of the Members is required for the appointment and payment of remuneration to Managing Director, in view of the absence /inadequacy of profits for the Company.

The Directors recommend the passing of the Special Resolution under Item No.3 of the accompanying Notice for the approval of the Members of the Company

None of the Directors of the Company or the Key Managerial Persons of the Company or their respective relatives is concerned or interested in the passing of the above Resolution Except that Mr. Deepak Choudhari is uncle of Mr. Shreyans Rajendrakumar Choudhari who is CFO of the Company.

Sl.No.	Description	Mr. Deepak Chaganlal Choudhari
1.	Period of Agreement (Appointment)	Three years from 13 th August, 2021 to 12 th August, 2024
2.	Salary*	Not exceeding 4.00 lakhs per month
	Salary includes additional Salary, Special Allowance, Performance Salary, Performance linked incentive, Choice Pay and any other allowance as may be determined by the Committee/Committee from time to time.	
3.	Perks/Perquisites	a). Company Car(s) with Chauffeur(s), b). Mobile, Data Card, Land line & Fax connection with Internet facility at residence. c). Club Fee subject to maximum of two clubs. d). Personal Accident Insurance, Medi claim Insurance as per Company policy. e). Company’s contribution to Provident Fund, Superannuation Fund or Annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

4.	Other Terms	<p>f). Leave encashment/ encashment of un-availed leave in accordance with rules specified by the Company.</p> <p>g). Gratuity payable at a rate not exceeding half a month's salary for each completed year of service under the provisions of Payment of Gratuity Act, 1972.</p> <p>a). No sitting fees shall be paid to the Managing Director for attending meetings of Board of Directors/Committee thereof.</p> <p>b). Reimbursement of all entertainment, travelling, hotel and other expenses actually incurred by him in connection with the business of the Company.</p> <p>c). Mr. Deepak Chaganlal Choudhari may claim remuneration voluntarily, less than the remuneration mentioned above for such period at his discretion, if he so desired.</p>
----	-------------	---

The following additional detailed information as per Section – II of Schedule V is as follows:

I. General Information:			
(a) Nature of industry	Textile		
(b) Date or expected date of commencement of commercial production.	The Company was incorporated on November 18, 1991 and is a listed company.		
c) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not applicable		
(d) Financial performance based on given indicators.	Particulars	2020-21 (Rs. in Lakhs)	2019-20 (Rs. in Lakhs)
	Revenue from Operations	4666.80	3946.45
	Other Income	110.84	7.42
	Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	804.33	(141.45)
	Less: Depreciation/ Amortisation/ Impairment, Finance Costs	617.09	665.59
	Profit /loss before Exceptional items and Tax Expense	187.24	(524.14)
	Add/(less): Exceptional items	0.00	(459.13)
	Profit /loss before Tax Expense	187.24	(983.27)
	Less: Tax Expense (Current & Deferred)	0.00	0.00
	Profit /loss for the year	187.24	(983.27)

(e) Foreign investments or collaborators, if any	Not applicable
II. Information about the appointee:	
(a) Background details	Commerce Graduate from Shivaji University, Kolhapur and has over 22 years of experience in Yarn Manufacturing and Fabric Processing Business
(b) Past remuneration	Rs. 4,00,000/- Per Month
(c) Recognition or awards	Not applicable
(d) Job profile and his suitability	He has looking after production and administration of the company since August 2018 and with his expertise and knowledge Company could achieve turnover of Rs. 46 Crores in FY 2020-21 as compared to NIL in 2018-19
(e) Remuneration proposed	It is proposed to pay consolidated remuneration Mr. Deepak Choudhari of Rs. 48,00,000 per annum (Rupees Forty Eight Lakhs only) on a consolidated basis).
(f) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Considering the responsibility shouldered by Mr. Deepak Choudhari in respect of enhancement of the business activities of the Company the proposed remuneration is miniscule. Commensurate with Industry standards and Board level positions held in similar sized companies, the remuneration proposed is very low.
(g) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Mr. Deepak Choudhari is a Director in the following companies: 1. Siddarth Emporium India Priavte Limited 2. Sharad Cotspin Private Limited. 3. Manibhadra Polycot Private Limited Mr. Deepak Choudhari is uncle of Mr. Shreyans Rajendrakumar Choudhari who is CFO of the Company.

III. Other information:	
(a) Reasons of loss or inadequate profits	The Company was not operative since last several years. The Company started operations in last 2 years. However COVID pandemic has affected the overall financials of the company.
(b) Steps taken or proposed to be taken for improvement	It is proposed to utilize the capacity fully and also it is proposed to reduce the raw material consumption ratio.
(c) Expected increase in productivity and profits inmeasurable terms	Barring unforeseen circumstances, the Company hopes to increase the revenue and profits in a significant way in the next 3 years.

Item Nos. 4

Mr. Jitendrakumar Goutamchand Chopra (DIN: 08196887) was appointed as Managing Director of the company for the period of 3 years w.e.f. 10th August 2018. The Company's Nomination and Remuneration Committee ('the Committee') of the Board at its meeting held on August 13, 2021 considered and recommended to the Board the re-appointment of Mr. Jitendrakumar Goutamchand Chopra (DIN: 08196887) as Managing Director of the Company, along with the terms of appointment. The Audit Committee of the Board also at its meeting held on August 13, 2021 considered and recommended to the Board the re-appointment of Mr. Jitendrakumar Goutamchand Chopra (DIN: 08196887) as Managing Director of the Company. Accordingly, the Board of Directors at its meeting held on August 13, 2021, has subject to approval of members re-appointed Mr. Jitendrakumar Goutamchand Chopra (DIN: 08196887) as a Managing Director of the Company w.e.f. August 13, 2021 for the period of three years

In terms of the Section 197 of the Companies Act read with Schedule V thereof approval of the Members is required for the appointment and payment of remuneration to Managing Director, in view of the absence /inadequacy of profits for the Company.

The Directors recommend the passing of the Special Resolution under Item No.3 of the accompanying Notice for the approval of the Members of the Company

None of the Directors of the Company or the Key Managerial Persons of the Company or their respective relatives is concerned or interested in the passing of the above Resolution except He is husband of Mrs. Sharmiladevi Jitendrakumar Chopra, director of the company.

Sl.No.	Description	Mrs. Sharmiladevi Jitendrakumar Chopra
1.	Period of Agreement (Appointment)	Three years from 13 th August, 2021 to 12 th August, 2024
2.	Salary*	Not exceeding 4.00 lakhs per month
	Salary includes additional Salary, Special Allowance, Performance Salary, Performance linked incentive, Choice Pay and any other allowance as may be determined by the Committee/Committee from time to time.	
3.	Perks/Perquisites	a). Company Car(s) with Chauffeur(s), b). Mobile, Data Card, Land line & Fax connection with Internet facility at residence. c). Club Fee subject to maximum of two clubs. d). Personal Accident Insurance, Medi claim Insurance as per Company policy. e). Company's contribution to Provident Fund, Superannuation Fund or Annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961. f). Leave encashment/ encashment of un-availed leave in accordance with rules specified by the Company. g). Gratuity payable at a rate not exceeding half a month's salary for each completed year of service under the provisions of Payment of Gratuity Act, 1972.
4.	Other Terms	a). No sitting fees shall be paid to the Managing Director for

	<p>attending meetings of Board of Directors/Committee thereof.</p> <p>b). Reimbursement of all entertainment, travelling, hotel and other expenses actually incurred by him in connection with the business of the Company.</p> <p>c). Mr. Jitendrakumar Chopra may claim remuneration voluntarily, less than the remuneration mentioned above for such period at his discretion, if he so desired.</p>
--	---

The following additional detailed information as per Section – II of Schedule V is as follows:

I. General Information:																															
(a) Nature of industry	Textile																														
(b) Date or expected date of commencement of commercial production.	The Company was incorporated on November 18, 1991 and is a listed company.																														
c) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not applicable																														
(d) Financial performance based on given indicators.	<table border="1"> <thead> <tr> <th>Particulars</th> <th>2020-21 (Rs. in Lakhs)</th> <th>2019-20 (Rs. in Lakhs)</th> </tr> </thead> <tbody> <tr> <td>Revenue from Operations</td> <td>4666.80</td> <td>3946.45</td> </tr> <tr> <td>Other Income</td> <td>110.84</td> <td>7.42</td> </tr> <tr> <td>Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense</td> <td>804.33</td> <td>(141.45)</td> </tr> <tr> <td>Less: Depreciation/Amortisation/Impairment, Finance Costs</td> <td>617.09</td> <td>665.59</td> </tr> <tr> <td>Profit /loss before Exceptional items and Tax Expense</td> <td>187.24</td> <td>(524.14)</td> </tr> <tr> <td>Add/(less): Exceptional items</td> <td>0.00</td> <td>(459.13)</td> </tr> <tr> <td>Profit /loss before Tax Expense</td> <td>187.24</td> <td>(983.27)</td> </tr> <tr> <td>Less: Tax Expense (Current & Deferred)</td> <td>0.00</td> <td>0.00</td> </tr> <tr> <td>Profit /loss for the year</td> <td>187.24</td> <td>(983.27)</td> </tr> </tbody> </table>	Particulars	2020-21 (Rs. in Lakhs)	2019-20 (Rs. in Lakhs)	Revenue from Operations	4666.80	3946.45	Other Income	110.84	7.42	Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	804.33	(141.45)	Less: Depreciation/Amortisation/Impairment, Finance Costs	617.09	665.59	Profit /loss before Exceptional items and Tax Expense	187.24	(524.14)	Add/(less): Exceptional items	0.00	(459.13)	Profit /loss before Tax Expense	187.24	(983.27)	Less: Tax Expense (Current & Deferred)	0.00	0.00	Profit /loss for the year	187.24	(983.27)
	Particulars	2020-21 (Rs. in Lakhs)	2019-20 (Rs. in Lakhs)																												
	Revenue from Operations	4666.80	3946.45																												
	Other Income	110.84	7.42																												
	Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	804.33	(141.45)																												
	Less: Depreciation/Amortisation/Impairment, Finance Costs	617.09	665.59																												
	Profit /loss before Exceptional items and Tax Expense	187.24	(524.14)																												
	Add/(less): Exceptional items	0.00	(459.13)																												
	Profit /loss before Tax Expense	187.24	(983.27)																												
	Less: Tax Expense (Current & Deferred)	0.00	0.00																												
	Profit /loss for the year	187.24	(983.27)																												
(e) Foreign investments or collaborators, if any	Not applicable																														
II. Information about the appointee:																															
(a) Background details	Post Graduation in Commerce from Shivaji University, Kolhapur and has over 15 years of experience in Yarn Trading and Processing Business. He is the proprietor of M/s Universal Cottex and many small SSI firms which is into																														

	Weaving Business. He was pioneer in growing the Yarn Trading Business into manifold level
(b) Past remuneration	Rs. 4,00,000/- Per Month
(c) Recognition or awards	Not applicable
(d) Job profile and his suitability	He has looking after marketing and administration of the company since August 2018 and with his expertise and knowledge Company could achieve turnover of Rs. 46 Crores in FY 2020-21 as compared to NIL in 2018-19
(e) Remuneration proposed	It is proposed to pay consolidated remuneration Mr. Jitendrakumar Goutamchand Chopra (DIN: 08196887) of Rs. 48,00,000 per annum (Rupees Forty Eight Lakhs only) on a consolidated basis).
(f) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Considering the responsibility shouldered by Mr. Jitendrakumar Goutamchand Chopra (DIN: 08196887) in respect of enhancement of the business activities of the Company the proposed remuneration is miniscule. Commensurate with Industry standards and Board level positions held in similar sized companies, the remuneration proposed is very low.
(g) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Mr. Jitendrakumar Goutamchand Chopra not holding directorship in any other company. He is husband of Mrs. Sharmiladevi Jitendrakumar Chopra director of the company.

III. Other information:	
(a) Reasons of loss or inadequate profits	The Company was not operative since last several years. The Company started operations in last 2 years. However COVID pandemic has affected the overall financials of the company.
(b) Steps taken or proposed to be taken for improvement	It is proposed to utilize the capacity fully and also it is proposed to reduce the raw material consumption ratio.
(c) Expected increase in productivity and profits in measurable terms	Barring unforeseen circumstances, the Company hopes to increase the revenue and profits in a significant way in the next 3 years.

Item No. 5

The Board, on the recommendation of the Audit Committee, has approved on 29-03-2021, the appointment of Nilesh Ashok Chalke, Cost Accountants, Nipani, at a remuneration of ` 30,000/- (Rupees Thirty Thousands only) excluding applicable Tax to conduct the Cost Audit of the Company for the financial year 2020-21

In accordance with the provisions of Section 148 (3) of the Companies Act, 2013 read with Rule 14 of Companies (Audit & Auditor Rules), 2014, the remuneration payable to the Cost Auditor is required to be ratified by the members of the Company.

None of the Directors, Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolution. The Board of Directors recommends the Ordinary Resolution for your approval

By Order of the Board of Directors

**Gayatri Kulkarni
Company Secretary**

Place: Kolhapur
Date: 04-09-2021

Details of Directors seeking appointment/re-appointment at the 28th Annual General Meeting in pursuance of Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2)

Name of the Director	Mr. Jitendra kumar Goutamchand Chopra	Mr. Deepak Chaganlal Choudhari
DIN	08196887	03175105
Age	41	47
Qualifications	B.Com	B.Com
Date of joining the Board	10 th August, 2018	10 th August, 2018
Brief resume and Nature of Expertise in specific functions	Mr. Jitendra Chopra has done Post Graduation in Commerce from Shivaji University, Kolhapur and has over 15 years of experience in Yarn Trading and Processing Business. He is the proprietor of M/s Universal Cottex and many small SSI firms which is into Weaving Business. He was pioneer in growing the Yarn Trading Business into manifold level.	Mr. Deepak Chaganlal Choudhari is a Commerce Graduate from Shivaji University, Kolhapur and has over 22 years of experience in Yarn Manufacturing and Fabric Processing Business. Mr. Deepak Choudhari ventured into Fabric Processing Business in 1999 by joining his father in M/s Arihant Yarn Processors Pvt Ltd. He has built up huge distribution network in Yarn and Fabric Marketing and has expertise and experience in purchase of Cotton and its processing.
Shareholding in the Company	1452484 Equity shares of Rs. 5 Each (35.28%)	1452485 Equity shares of Rs. 5 Each (35.28%)
Last Drawn Remuneration	Rs. 4,00,000 P.M.	Rs. 4,00,000 P.M.
Relationship with other directors or key managerial personnel of the Company	Mr. Jitendra kumar Chopra is the husband of Mrs. Sharmila Devi J Chopra one of the Director of the company.	Mr. Deepak Choudhari is uncle of Mr. Shreyans Rajendrakumar Choudhari who is CFO of the Company
Directorship in other companies	Nil	1. Siddarth Emporium India Priavte Limited 2. Sharad Cotspin Private Limited. 3. Manibhadra Polycot Private Limited
Membership/Chairmanship in committees of other Board	Nil	Nil
Number of meeting of the Board attended during the year	8	8

Girnar Spintex Industries Limited
(Formerly known as Amit Spinning Industries Limited)
CIN: L17100PN1991PLC190209

Regd Office: Gat No. 47 & 48, Sangwade, Hupari Kolhapur Road, Karvir, Kolhapur 416202

BOARD'S REPORT

Dear Members,

Your Directors have great pleasure in presenting the 29th Annual Report together with Audited Statements of Accounts of the Company for the year ended March 31, 2021.

FINANCIAL RESULTS:

The summarized financial results for the year ended March 2021 as compared to the previous year are as follows:

	(Rs. in Lakhs)	
Particulars	2020-21	2019-20
Revenue from Operations	4666.80	3946.45
Other Income	110.84	7.42
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	804.33	(141.45)
Less: Depreciation/ Amortisation/ Impairment, Finance Costs	617.09	665.59
Profit /loss before Exceptional items and Tax Expense	187.24	(524.14)
Add/(less): Exceptional items	0.00	(459.13)
Profit /loss before Tax Expense	187.24	(983.27)
Less: Tax Expense (Current & Deferred)	0.00	0.00
Profit /loss for the year	187.24	(983.27)

REVIEW OF OPERATIONS

After obtaining physical possession of the factory the Management carried out repairs and maintenance activities and started trial production in May 2019.

Further the Company has started its Commercial Production from October 2019. During the year under review, the turnover of the Company was Rs. 4666.80 Lakhs as against Rs. 3946.45 Lakhs in previous year. Company has been increasing its capacity utilization which resulted into Profit of Rs. 187.24 Lakhs as against loss of Rs. 983.27 lakhs in previous year. Further Management is actively involved in trying to utilize the idle capacities available with the Company and reduction of raw material cost.

COVID 19

Covid 19 pandemic which rapidly turned into global crisis forced the government to enforce the lockdown the Country which had an effect on all economic activities in the Country. To ensure safety of workmen, employees and all stakeholders at large the Company temporarily closed its Manufacturing and other operations since lockdown in March 2020. Further the Company had resumed partial manufacturing operations from 4 June 2020 with limited workforce and subject to conditions as stipulated in by Government from time to time.

MAJOR EVENTS OCCURRED DURING THE YEAR

There have been no material changes and commitments, which affect the financial position of the company which have occurred during the year and between the end of the financial year to which the financial statements relate and the date of this Report except COVID – 19 pandemic which is discussed above.

RESERVE

No amount is proposed to be transferred to any reserve except net amount of Rs. 23,80,76,977/- added Insolvency and Bankruptcy Reserve towards adjustments.

NATURE OF BUSINESS

There has been no change in nature of business.

SHARE CAPITAL

The Company's Authorized Share Capital as on 31st March, 2021 stands at Rs. 25,00,00,000/- and issued & paid up capital as on 31st March, 2021 stands at Rs. 20,58,48,35/- divided into 41,16,967 fully paid up equity shares of Rs. 5/- each. During the year, under review, the Company has not issued any share(s). Further the Company has not issued any share with differential Voting Rights/Sweat Equity shares/under Stock Option Scheme (ESOS) earlier and during the year.

NCLT by its order dt. 31-07-2018 approved Reduction of Face Value of Shares to Re. 0.50 per Share from Re. 5 Per Share and further consolidation of face value of shares to Re. 5 per share. Post consolidation paid up equity shares will reduce from 4,11,69,667 shares of Rs. 5/- each to 41,16,967 equity shares of Rs. 5/- each. It also involves extinguishment of shares of previous Promoters and top 10 shareholders. However compliance / corporate actions of the same with CDSL, NSDL, ROC and Stock Exchanges were pending at the end of the March 2020. However the said corporate actions have been initiated in the month of July 2020.

The Company has no scheme of provision of money for purchase of its own shares by employees or by trustees for the benefit of employees. Hence the details under rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014 are not required to be disclosed

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

During the year under review company was not required to transfer any amount as well as any shares to the Investor Education and Protection Fund (IEPF)

DIVIDEND:

In view of the accumulated losses the Board of Directors do not recommend any dividend for the year.

LOANS, GUARANTEE & INVESTMENTS:

The Company has not advanced any loans or provided guarantees or made investments during the year under review covered under section 186 of the Companies Act 2013.

DEPOSITS:

The Company has not accepted any deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, or under Chapter V of the Act.

LISTING OF SHARES

Presently Company's shares are listed and traded at the BSE Limited, Mumbai (BSE) and National Stock Exchange of India, Mumbai (NSE). The Listing fees for the year 2020-21 has been paid.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review following changes happened in Directors and KMP

Name	Designation	Date of Change	Nature of Change
Siddhant Sunil Patil	Independent Director	31-07-2020	Appointment
Pruthveesh Ravi Shetti	Independent Director	31-07-2020	Appointment
Vijay Vishnu Dhudharkar	Independent Director	05-09-2020	Appointment
Gayatri Pramod Kulkarni	Company Secretary	29-03-2021	Appointment

Brief resume of the Directors proposed to be appointed/re-appointed, nature of their expertise in specific functional areas and names of the companies in which they hold directorship and membership/chairmanships of the Board or its Committees, as stipulated under SEBI (LODR) Regulations entered into by the Company with stock exchanges in India, is provided in the Report of Corporate Governance forming part of the Annual Report.

RELATED PARTY TRANSACTIONS:

The particulars of every contract or 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 are disclosed in Form No.AOC-2 as Annexure 3.

DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have given declarations that they meet the criteria of Independence and have complied with the Code for Independent Directors prescribed in Schedule IV to the Act as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. Further they also had confirm that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence and that they are independent of the management.

POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION:

Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed policy for selection and appointment of Directors, Senior Management and their remuneration in pursuant to Section 178 of Companies act 2013 and Regulation 19 SEBI (Listing Obligations

and Disclosure Requirements) Regulations 2015. The remuneration given is as per the remuneration policy framed.

Criteria for Determining the Qualifications for appointment of Directors (including Independent Directors)

- i. Persons of eminence, standing and knowledge with significant achievements in business, professions and/or public service;
- ii. Their technical, financial, HR, Legal, or business literacy/skills i.e. knowledge about textile business;
- iii. Their administrative experience;
- iv. Other appropriate qualification/experience to meet the objectives of the Company;
- v. As per the applicable provisions of Companies Act, 2013, Rules made thereunder and as per provisions of SEBI(LODR) Regulations.2015 .

The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.

Positive attributes of Directors (including Independent Directors):

- a. Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively and the willingness to address issues proactively;
- b. Actively update their knowledge and skills with the latest developments in the infrastructure industry, market conditions and applicable legal provisions;
- c. Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities.
- d. To assist in bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- e. Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company;
- f. To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees;
- g. Independent Directors to meet the requirements of the Companies Act, 2013 read with the Rules made there under and as per provisions of SEBI(LODR) Regulations 2015 as amended from time to time.

Independence Review Procedures

- Annual Review

The director's independence for the independent director will be determined by the Board on an annual basis upon the declaration made by such Director as per the provisions of the Companies Act, 2013 read with Rules thereon and as per provisions of SEBI(LODR) Regulations.2015

- Individual Director's Independence Determinations

If a director nominee is considered for appointment to the Board between Annual General Meetings, a determination of independence, upon the recommendation of the Committee, shall be made by the Board prior to such appointment.

All determinations of independence shall be made on a case-by-case basis for each director after consideration of all the relevant facts and circumstances and the standards set forth herein. The Board reserves the right to determine that any director is not independent even if he or she satisfies the criteria set forth by the provisions of the Companies Act, 2013 read with Rules thereon and as per provisions of SEBI(LODR) Regulations.2015

- Notice of Change of Independent Status

Each director has an affirmative obligation to inform the Board of any change in circumstances that may put his or her independence at issue.

a. Criteria for appointment of KMP/Senior Management –

- i. To possess the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities;
- ii. To practice and encourage professionalism and transparent working environment;
- iii. To build teams and carry the team members along for achieving the goals/objectives and corporate mission;
- iv. To adhere strictly to code of conduct

b. Term –

The Term of the Directors including Managing / Whole time Director / Independent Director shall be governed as per the provisions of the Act and Rules made thereunder and the Listing Regulations, as amended from time to time. Whereas the term of the KMP (other than the Managing / Whole time Director) and Senior Management shall be governed by the prevailing HR policies of the Company.

c. Evaluation –

The Committee shall carry out evaluation of performance of every Director. The Committee shall identify evaluation criteria which will evaluate Directors based on knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence. The appointment / re-appointment /continuation of Directors on the Board shall be subject to the outcome of the yearly evaluation process.

d. Removal –

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, Rules and Regulations thereunder and /or for any disciplinary reasons and subject to such applicable Acts, Rules and Regulations and the Company's prevailing HR policies, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management.

e. Remuneration of Managing / Whole-time Director, KMP and Senior Management

The remuneration / compensation / commission, etc., as the case may be, to the Managing / Wholetime Director will be governed by the relevant provisions of the Companies Act, 2013 and applicable Rules and Regulations and will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission, etc., as the case may be, shall be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required. Further, the Chairman & Managing Director of the Company is authorized to decide the remuneration of KMP (other than

Managing / Wholetime Director) and Senior Management based on the standard market practice and prevailing HR policies of the Company.

f. Remuneration to Non-executive Directors (Including independent Director)

The remuneration / compensation / commission, etc., as the case may be, to the Managing / Wholetime Director will be governed by the relevant provisions of the Companies Act, 2013 and applicable Rules and Regulations and will be determined by the Committee and recommended to the Board for approval.

PERFORMANCE EVALUATION OF THE BOARD:

Pursuant to the provisions of the Act and Listing Regulations, the Board has carried out an annual evaluation of its own performance, also performance of the Directors individually as well as the evaluation of the working of its Committees.

The Nomination and Remuneration Committee has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and individual Directors, including the Chairman of the Company.

For evaluating the Board as a whole, views were sought from the Directors on various aspects of the Board's functioning such as degree of fulfillment of key responsibilities, Board Structure and composition, establishment, delineation of responsibilities to various committees, effectiveness of Board processes, information and functioning, Board culture and dynamics, quality of relationship between the Board and the management.

Similarly, views from the Directors were also sought on performance of individual Directors covering various aspects such as attendance and contribution at the Board/Committee Meetings and guidance/support to the management outside Board/Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all Board members and promoting effective relationships and open communication, communicating effectively with all stakeholders and motivating and providing guidance to the Executive Director.

Areas on which the Committees of the Board were assessed included degree of fulfillment of key responsibilities, adequacy of Committee composition, effectiveness of meetings, Committee dynamics and quality of relationship of the Committee with the Board and the Management.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Board as a whole. The Nomination & Remuneration Committee also reviewed the performance of the Board, its Committees and of individual Directors.

The Chairman of the Board provided feedback to the Directors, as appropriate. Significant highlights, learning with respect to the evaluation, were discussed at the Board Meeting.

A MATRIX SETTING OUT THE SKILLS / EXPERTISE / COMPETENCE OF THE BOARD OF DIRECTORS IS AS UNDER

Name of the Director	Category	Skills, Expertise, Competence of the Director			
		Technical	Financial	Administrative / HR	Legal
Deepak Choudhari	Chairman, Promoter Executive Director	✓	✓	✓	
Jitendrakumar chopra	Promoter, Executive Director	✓	✓	✓	
Sharmiladevi Chopra	Promoter, Non Executive Director	✓			
Siddhant patil	Non Executive Independent Director		✓	✓	✓
Pruthveesh Shetti	Non Executive Independent Director	✓		✓	
Vijay Dudharkar	Non Executive Independent Director		✓	✓	✓

Number of Meetings of the Board

During the year under review, following board meetings were held

Sr. No8	Date of Original Board Meeting	Board Meeting adjourned on	Date of conclusion of Board Meeting
1.	03-07-2020		
2.	28-07-2020		
3.	31-07-2020	03-08-2020	07-08-2020
4.	05-09-2020		
5.	15-09-2020		
6.	12-11-2020		
7.	13-02-2020		
8.	29-03-2021		

Eight meetings of the Board were held during the year. The detailed information regarding meetings of the Board held during the year is mentioned in the Corporate Governance Report which forms part to this report.

EXTRACT OF ANNUAL RETURN:

In accordance with Section 134(3)(a) and as provided under sub-section (3) of Section 92 of the Companies Act, 2013 an extract of the annual return in prescribed form MGT – 9 has been posted on the website of the company i.e. www.girnarspintex.com.

MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis Report is attached to the Directors Report as **Annexure 1**.

CORPORATE GOVERNANCE:

Corporate Governance report is provided separately in this annual report.

AUDITORS AND AUDITORS REPORT

(a) Statutory Auditor & Audit Report

In accordance with the provisions of Section 139 of the Companies Act, 2013, at the Annual General Meeting held on September 27, 2018 M/s Sanjay Vhanbatte were appointed as Statutory Auditors of the Company for the period of 5 years commencing from the conclusion of 26th Annual General Meeting till the conclusion of 31st Annual General Meeting.

The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting was omitted vide notification dated May 07, 2018, issued by Ministry of Corporate Affairs. Accordingly, no resolution is proposed for ratification of appointment of Auditors in the ensuing AGM of the Company.

Statutory Auditors i.e, M/s Sanjay Vhanbatte, have submitted Auditors' Report on the accounts of the Company for the period ended 31st March 2021..

(b) Cost Auditor:

In accordance with the provisions of Section 148(1) of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, the Company has maintained cost records and its audit has been done by Mr. Nilesh Chalke, Cost Accountants, Nipani

(c) Secretarial Auditor & Audit Report:

Pursuant to provisions of Section 204 of the Companies Act, 2013, the Company has appointed M/s. PPS and Associates, Practicing Company Secretaries as Secretarial Auditor to carry out the secretarial audit for the financial year 2019-20..

The Secretarial Audit Report for the financial year ended March 31, 2020 is annexed herewith marked as **Annexure 2** to this Report.

Detailed reply to the remarks, observation by Statutory Auditor and Secretarial Auditors are given in as below

d) Reply to remarks, observation by Statutory Auditor

Remarks, observation by Statutory Auditor	Reply by Board of Directors
Impairment Loss not recognized	The company, having not carried out the required exercise of determination of impairment in the value of the assets, the exact quantification is not possible at this point of time.
Pending Corporate Actions about reductions of paid up capital, extinguishment of shares and further allotment of shares to Resolution Applicant	Company is in process of executing corporate actions with BSE, NSE, CDSL and NSDL about reductions of paid up capital, extinguishment of shares and further

	allotment of shares to Resolution Applicant
Deposit not valued fairly.	The deposits of the company mainly consists of security deposits with various services providers and majority of them are acknowledged in the bills. The company intends to carry out the exercise of fair valuing them by using appropriate discount rate on the basis of maturity period and type of deposit
No provision has been made for short term and long term benefits payable to employees.	After taking over the company by the new management the activities of the company started in March, 2019 wherefrom the present work force was mostly recruited and hence the work force being with the company only for a period of about two years the management does not consider the impact of the employee benefits to be significant. The company however intends to carry out the actuarial valuation and make necessary provisions in future.

All other remarks, qualifications are self-explanatory

e) Reply to remarks, observation by Secretarial Auditor

Qualification Number 1,2 and 4	Company has been recently taken over by the promoters. Since it was purchased under IBC Code there are huge post takeover formalities required to be complied with various government agencies, banks etc. Further due to COVID Pandemic there has been some delay in compliances as the factory was closed due to lockdown.
Qualification No 3	Company has already filed the application with BSE and NSE and it is under process.
Qualification No. 4	Companies paid up capital has been reduced from Rs. 20.58 Crores to 2.05 crores vide the order of Hon'ble NCLT dated 31/07/2018 however the application for reduction of capital is in process at BSE and NSE. Since company's paid up capital is below 10 Crores as per the order of Hon'ble NCLT and its networth is below Rs. 25 Crores, Company is exempted from the provisions related to corporate governance pursuant to regulation 15(2) of LODR.

(d) Internal Audit

Pursuant to provisions section 138 of Companies act 2013 read with Companies (Accounts) Rules 2014, the board on recommendation of Audit Committee appointed Thigale Utturkar and Associates Chartered Accountants as the Internal Auditor of the Company. The Management regularly reviews the findings of the Internal Auditor and takes effective steps to implement suggestions of the Internal Auditor.

CORPORATE SOCIAL RESPONSIBILITY STATEMENT (CSR):

The Company is not required to spend any amount for CSR activities at present.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134(3) (c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (a) in the preparation of the annual accounts for the financial year ended 31st March, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2021 and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) 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.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INTERNAL FINANCIAL CONTROL

The Board of Directors has laid down Internal Financial Controls within the meaning of the explanation to Section 134(5) (e) of the Companies Act, 2013. The Company has an internal financial control system commensurate with the size and scale of its operations and the same has been operating effectively.

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

The information as required under Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014 with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo is given below:

A. Conservation of energy:

The Company has been taking various steps and measures to improve efficiency in use of energy and optimize conservation of the energy by increasing the efficiency of raw material inputs in power generation and by reducing/eliminating wastages and reducing consumption of power and fuel.

LED tubes fitted to save the energy and also proper power banks introduced whenever necessary. In spite, Conservation of energy and improving the efficiency of existing resources is continuing processes and form an integral part of responsibilities of departmental heads of the Company.

B. Technology absorption:

During the year under review, the Company had purchased various new machineries. The Company has also replaced spares parts of old machineries to make it functional. The resulted and helped company to start commercial production of yarn.

C. Foreign exchange earnings and Outgo:

Particulars	Current Year		Previous Year	
	In `	In USD	In `	In USD
Foreign Exchange Earnings	Nil	Nil	Nil	Nil
Foreign Exchange Outgo	Nil	Nil	Nil	Nil

VIGIL MECHANISM

The Company has framed and implemented a vigil mechanism named as Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The details of the Whistle Blower Policy are provided in the Corporate Governance Report and also hosted on the website of the Company. No frauds reported by auditors under sub-section (12) of section 143

During the year under review, the Company has an Internal Complaint Committee as required under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and, there were no complaint received during the year. Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 [14 of 2013]

PERFORMANCE OF EMPLOYEES:

- 1) The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:**

Name of Director /KMP	Designation	Remuneration of Directors/KMP for the year ended 31st March 2021 (Rs)	Ratio to median Remuneration	% Increase in remuneration for the year ended 31st March 2021
Deepak Choudhari	Director	12,50,000	25.98	NIL
Jitendrakumar Chopra	Managing Director	17,50,000	25.98	NIL
Sharmiladevi Chopra	Non Executive Director	NIL		NIL
Siddhant Patil	Independent director	NIL		NIL
Pruthveesh Shetti	Independent director	NIL		NIL
Vijay Dudharkar	Independent Director	NIL		NIL
Shreyans Choudhari	CFO	5,00,000	6.23	NIL
*Gayatri Kulkarni	Company Secretary and Compliance Officer	NIL		NIL

*Appointed on 29.03.2021

1. Since the Directors didn't take any salary in previous year % increase in remuneration is not applicable

2) **Details of the top ten employees of the Company in terms of remuneration drawn as required pursuant to 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014 :**

Sr. No.	Name of employee	Designation	Remuneration	nature of employment, whether contractual or otherwise	qualifications and experience of the employee	date of commencement of employment	the age of such employee	the last employment held by such employee before joining the company
1	Shrikant Patil	Unit Head	65000	Permanent	Diploma in Textile 23 yrs	01.10.2018	44 Yrs	Abhishk Indu.Ltd
2	Sachin Shete	General Manager Production	85000	Permanent	Diploma in Textile 22 Yrs	01.10.2018	43 Yrs	Manibhadra Group
3	Suryakant Patil	Electrical Engineer	40,000	Permanent	Electrical and Telecommunication 22 Yrs	19.10.2018	43 Yrs	MCM Textile South Africa
4	Raviraj Patil	Maintenance Manager	40,000	Permanent	Diploma in Textile 16 Yrs	20.12.2018	38 Yrs	Nandan Denim Gujarat

5	Sanjay Patil	Production Manager	40,000	Permanent	Diploma in Textile 18 Yrs	01.07.2019	42 Yrs	Shetkari Mill Ichalkaranji
6	Ajay Patil	Production Manager	40,000	Permanent	Diploma in Textile 26 yrs	21.12.2018	54 Yrs	Eurotex Indu.Ltd.
7	Annasah eb Patil	HR Manager	31,000	Permanent	M.A MSW 26 yrs	11.03.2019	55 Yrs	Tozai safety pvt ltd.
8	Tatyaso Patil	Winding Supervisor	25000	Permanent	Mech. Electronics 30Yrs	10.12.2018	52 Yrs	Eurotex Indu.Ltd.
9	Satappa M Borwadkar	Accounts Incharge	20,000	Permanent	Commerce Graduate (With 7 Years of Experience)	18/10/2018	30 Years	Ved Textiles Pvt. Ltd.
10	Babasah eb Annappa Patil	Asst.Elect. Eng.	19000	Permanent	Diploma in Elect. 17 Yrs.Experience	12.12.2018	36 Yrs	Indira Mahila soot Ich.

Nobody holds any shares and none of the above is relative of any director or manager of the company

DETAILS OF SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES:

The Company does not have Subsidiary/Joint Ventures/Associate Companies.

RISK MANAGEMENT:

The Board of the Company has formed a Risk Management Committee in accordance with the provisions of the Act and Regulation 17(9) of the Listing Regulations. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. Policy to manage risk is also placed on the website of the Company. During the year, risk analysis and assessment was conducted and the details of the same are covered in the Management Discussion and Analysis Report of the Company.

FAMILIARIZATION PROGRAMME:

Pursuant to Regulation 25 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015, the Company has formulated a programme for familiarizing the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. through various initiatives. Details of the Familiarization Programme of the Independent Directors are available on the website of the Company.

COMPLIANCE WITH SECRETARIAL STANDARDS

During the year under review, your Company has complied with all the applicable secretarial standards. The same has also been confirmed by Secretarial Auditors of the Company.

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT

The Company does not have any equity shares lying in the demat suspense account/unclaimed suspense account of the Company as on 31 March 2020. Hence disclosures required under Part F of Schedule V of the Listing Regulations is not applicable

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

No significant orders were passed by any court.

ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, financial institutions business associates, consultants, customers, suppliers, contractors and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledge gratefully the shareholders for their support and confidence reposed on the Company.

For & on behalf of the Board

**Deepak Choudhari
Chairman**

Place : Kolhapur
Date : 04-09-2021

ANNEXURE 1 MANAGEMENT DISCUSSION AND ANALYSIS

The management of Girnar Spentex Industries Limited (formerly known as Amit Spinning Industries Limited) presents the analysis of business performance of the company for the year 2020-21 and its outlook for the future. This outlook is based on assessment of the current business environment. It may vary due to future economic and other developments.

1. Industry structure and developments.

a. Indian Economy

India's economy grew at a better-than-expected rate of 1.6% in the January-March quarter from a year ago, but the severe second Covid wave has created economic uncertainty and dampened sentiment. The economy, which was facing a slowdown even before the pandemic broke out last year, contracted by 7.3% during April 2020 to March 2021 fiscal (FY21), weighed down by nationwide lockdown that pummelled consumption and halted most economic activities.

This is the first full-year contraction in the Indian economy in the last four decades since 1979-80, when GDP had shrunk by 5.2%. The economy has grown by 4% in the previous 2019-20 fiscal. The Government does not expect the severe second wave to have a large economic impact. However, the outlook appears uncertain. The pandemic has resulted in a huge number of job losses. According to CMIE over 97% Indians have become poorer compared with the last year and unemployment levels are at 13.73%. This will take a toll on consumption and consumption led Companies. Given the strong recovery in other countries commodity prices may remain strong and there is a worry about inflation, global as well as local, and its impact on interest rates.

b) Industry Scenario

Textile Industry in India continues to be dominated by cotton, accounting for nearly 3/4th of the total fibre consumption in the country. Globally fibre consumption is dominated by manmade fibres having 70 per cent of share in total fibre consumption. Contrary to the global trend, fibre consumption in India is skewed towards natural fibres with around 65% share, especially cotton

2. OPPORTUNITIES, THREATS, RISKS AND CONCERNS

The COVID-19 pandemic is a global humanitarian and health crisis, which continues to impact the major part of the country and the other geographies also reporting second and third waves of infections. The actions taken by various governments to contain the pandemic, such as closing of borders and lockdown restrictions, have resulted in significant disruption to people and businesses.

The uncertainty in demand with prolonged economic impacts of the COVID-19 pandemic will result in impact to production and may cause us to implement major cost control measures and other initiatives. New and changing regulatory compliance, corporate governance and disclosure requirements may increase our costs of compliance. Change in the policies of the Government of India may adversely affect economic conditions in the country generally, which could impact our business and prospects.

Risks related to the market in which we operate, may affect our profitability negatively if shutdown is prolonged or if we are unable to eliminate fixed or committed costs in line with reduced demand. Unavailability of supply of electricity is another risk factor.

3. SEGMENTS WISE PERFORMANCE

The company operates in only one segment i.e. Spinning Mill Segment.

4. PRESENT SCENARIO AND OUTLOOK

Trial production commenced in the month of May 2019. Company commenced commercial production in the month of October 2019. Company could achieve turnover of Rs. 46.66 Crores for the year ended 31-03-2021. Sales are expected to be achieved with the same pace. However it is expected to be a tough year for the textile industry and major focus shall be on cost cutting measures, improving productivity, reduction in wastage and efforts on taking quality to next level and deriving efficiency to make products further cost competitive. Further, it is proposed to make the production processes and supply chains it lean and agile and focus will be on giving improved services to customers to retain market share.

5. RISK MANAGEMENT

The Company recognises that risk is inherent in every business activity. However, managing it with efficacy is vital in order to achieve strategic objectives and long-term sustainable growth. The major risk areas are periodically and systematically reviewed by the management and risk management committee. Some of the major risks have been entailed below:

STRATEGIC RISK	PROBABLE IMPACT	MITIGATION STRATEGY
Economic Risk	Global lockdowns and Slowdown could impact demand and revenue	Cost cutting measures being implemented rigorously
Cost Risk	Volatility in raw material costs could impact overall cost of production	Holding sufficient inventory to protect itself from short term spikes
Competition Risk	Losing market share	<ul style="list-style-type: none"> ➤ Continuous focus on quality ➤ Providing end to end services to customers.
Credit Risk	Failure to make timely payments, or the credit rating or risk profile otherwise deteriorates	<ul style="list-style-type: none"> ➤ Strengthening credit control ➤ Effective collection strategy
Labour Immigration Risk	Stoppage in production Impacts quality of production	<ul style="list-style-type: none"> ➤ Retaining labour with facilities for stay ➤ Strategies for maintaining cordial relations

6. HUMAN RESOURCE MANAGEMENT

The management has cordial and harmonious relations with its employees. It considers manpower as its assets and that the people had been the driving force for the growth of the company. The Company's HR policy aim to develop and train each individual to perform to his fullest capacity, achieving individual excellence and at the same time achieving the Company's Goals. The shortage of man power due to immigration in the COVID Pandemic has become a severe problem and efforts have been taken to mitigate the same.

7. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's well-articulated internal control systems ensure the achievement of its operational, compliance and reporting objectives. It has adequate policies and procedures in place, for its current size as well as the future growing needs. These policies and procedures play a pivotal role in the deployment of internal controls. They are regularly reviewed to ensure both, relevance and comprehensiveness, and compliance is ingrained into the management review process. The audit committee regularly reviews the adequacy of controls of the key processes. It makes note of the audit observations and takes corrective actions, if necessary. It maintains a constant dialogue with statutory and internal auditors to ensure that internal control systems are operating effectively.

8. KEY FINANCIAL PARAMETERS (Rs. Crores)

Ratio	Formula	2020-21 (Working)	2019-20 (Working)	2020-21 Ratio	2019-20 Ratio
Debtors Turnover Ratio*	Net Credit sales	4666.80	3946.45	13.71	28.31
	Average Accounts Receivable	340.31	139.42		
Inventory Turnover Ratio	Cost of goods sold	2732.55	2700.57	5.01	5.70
	Average Inventory	545.63	473.57		
Interest Coverage Ratio**	Earning Before Interest & Taxes (EBIT)	649.23	141.45	1.41	0.34
	Interest expenses	461.99	413.60		
Current Ratio	Current assets	1448.19	968.84	0.62	0.51
	Current Liabilities	2350.64	1898.49		
Debt Equity ratio	Total Debts	4,834.86	4,660.19	1.20	1.39
	Total shareholders' Equity	4020.35	3346.07		
Operating Profit margin (%)***	Operating Income	804.33	-317.68	17%	-8%

	Sales Revenue	4666.80	3.92%		
Net Profit Margin (%)****	Net profit	187.24	(983.27)	3.92%	-
	Revenue	4777.64	3946.45		24.92%
Return on Net Worth	Net Income	187.24	(983.27)	4.66%	-
	Shareholders' Equity	4020.35	3346.07		29.39%

*** COVID Pandemic and liquidity issues lead to variation in several ratios.

9. CAUTIONARY STATEMENT

Statements in this report on Management Discussion and Analysis relating to the Company's objectives, projections, estimates, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. These statements are based on certain assumptions and expectations of future events. Actual results might differ materially from those expressed or implied depending upon factors such as climatic conditions, global and domestic demand-supply conditions, raw materials cost, availability and prices of finished goods, foreign exchange market movements, changes in government regulations, tax structure, economic and political developments within India and the countries where the Company conducts its business and other factors such as litigation and industrial relations. The Company assumes no responsibility in respect of forward-looking statements herein which may undergo changes in future based on subsequent developments, information or events.

In view of the losses return on net worth is negative hence no reason for change in return on net worth is given.

ANNEXURE 2

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
GIRNAR SPINTEX INDUSTRIES LIMITED
(Formerly Known as Amit Spinning Industries Limited)
Gat No. 47 & 48, Sangwade, Hupari Kolhapur Road,
Karvir Kolhapur 416202

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by GIRNAR SPINTEX INDUSTRIES LIMITED (CIN L17100PN1991PLC190209)(hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2021 ("Audit Period") 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:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2021 according to the provisions of:
 - i. The Companies Act, 2013 and the Companies Act, 1956 ('the Act') and the rules made thereunder;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings-(**Not Applicable to the Company during the Audit period**)
2. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading Regulations)2015;
- c. The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014. **(Not Applicable to the Company during the Audit period)**
- d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. **(Not Applicable to the Company during the Audit period)**
- e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client **(Not Applicable to the Company during the Audit period)**
- f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable to the Company during the Audit period)**
- g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. **(Not Applicable to the Company during the Audit period)** and
- h. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015
- i. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

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

- a. Secretarial Standards issued by The Institute of Company Secretaries of India.
- b. The Listing Agreements entered into by the Company Stock Exchanges

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except below

1. In terms of Point VI (2) of Schedule IV - Company has not replaced new independent director within three months from the date of resignation or removal.
2. In terms of Regulation 40(10) of LODR the Company has not submitted Certificate under this regulation to BSE Limited for the half year ended on March 31, 2020
3. The Company has not implemented resolution passed at the Board Meeting for Reduction of capital, consolidation of capital and preferential allotment of shares pursuant to the order of Hon'ble NCLT
4. In terms of Reg 33 (3) (a) and (d) of LODR the Company has submitted audited Financial Results for the quarter ended on March 31, 2020 with delay.
5. the Companies Paid up capital has been reduced from Rs. 20.58 Cr. To Rs. 2.05 Cr. Vide NCLT order dated 31.07.2018 however its implementation is still in process with BSE, NSE, CDSL and NSDL.. Company is of the opinion that as per Regulation 15 of Listing Regulation the compliance with the corporate governance provisions as specified in regulations 17, 39[17A,] 18, 19, 20, 21,22, 23, 24, 40[24A,] 25, 26, 27 and clauses (b) to (i) 41[and (t)] of sub-regulation (2) of regulation 46 and para C , D and E of Schedule V shall not apply to the company hence we are unable to comment on following matters

- a. Pursuant to Regulation 18(1) (d) of Listing Regulation the Chairperson of Audit Committee didn't attend Annual General Meeting held on 07th October 2020
- b. Pursuant to Regulation 19(3) of Listing Regulation the Chairperson of Nomination and Remuneration Committee didn't attend Annual General Meeting held on 07th October 2020
- c. Pursuant to Regulation 27(2) (a) of Listing Regulation the Company has not submitted quarterly corporate governance report for the quarter ended on 30 June 2020.
- d. Pursuant to Regulation 25 (6) of Listing Regulation the Company has not submitted Certificate under this regulation to BSE Limited for the half year ended on March 31, 2020
- e. Pursuant to Regulation 25 (6) of Listing Regulation the Gap between Resignation of Independent Directors exceeds the period of immediate next meeting of the board of directors or three months from the date of such vacancy, whichever is later

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under following specific laws applicable to the Company:

- a. Textile Committee Act, 1963
- b. Textile (Development & Regulation) Order, 2001
- c. Textile (Consumer Protection) Regulations, 1988
- d. The Sick Industrial Companies (Special Provisions) Act, 1985
- e. The Insolvency and Bankruptcy Code, 2016 and related Rules and Regulations

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act except those mentioned above.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings and committee meetings were taken unanimously.

We 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.

We further reports that during the audit period there were following specific events / actions occurred which are having a major bearing on the company's affairs:

- a. Hon'ble NCLT, Principal Bench, New Delhi approved the resolution plan for Company on 31.07.2018 as submitted by Mr. Deepak Chaganlal Choudhari and Mr. Jitendra Kumar Chopra being the Resolution Applicants. After that various corporate actions like reduction face value of shares, consolidation of face value of shares,

extinguishment and allotment of shares that was required to be executed has been put on hold.

**For, PPS & Associates
Company Secretaries**

**Place: Kolhapur
Date: 04 September 2021**

**Shrenik Nagaonkar
Partner
FCS No.: 7067 C P No.: 11682
UDIN: F007067C000899387**

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

The Members,
GIRNAR SPINTEX INDUSTRIES LIMITED
Gat No. 47 & 48, Sangwade, Hupari Kolhapur Road,
Karvir Kolhapur 416202

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on my audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test-check basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, We have obtained 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, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test-check basis.

The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company

For, PPS & Associates
Company Secretaries

Place: Kolhapur
Date: 04 September 2021

Shrenik Nagaonkar
Partner
FCS No.: 7067 C P No.: 11682

CERTIFICATE ON DEBARRING AND DISQUALIFICATION OF DIRECTORS OF THE COMPANY

[Pursuant to Regulation 34(3) and Schedule V (C)(10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members,

GIRNAR SPINTEX INDUSTRIES LIMITED

Gat No. 47 & 48, Sangwade, Hupari Kolhapur Road,
Karvir Kolhapur 416202

We have examined the relevant books, papers, minutes books, forms and returns filed, Notices received from the Directors during the last financial year, and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives of GIRNAR SPINTEX INDUSTRIES LIMITED (CIN L17100PN1991PLC190209) (“the Company”) having its Registered office at Gat No. 47 & 48, Sangwade, Hupari Kolhapur Road, Karvir Kolhapur 416202 for the purpose of issue of a Certificate, in accordance with Regulation 34 (3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (LODR), as amended vide notification no SEBI/LAD/NRO/GN/2018/10 dated May 9, 2018 issued by SEBI.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 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 Director	DIN	Date of appointment
1	Deepak Chaganlal Choudhari	03175105	10/08/2018
2	Sharmiladevi Jitendrakumar Chopra	08196831	10/08/2018
3	Jitendrakumar Goutamchand Chopra	08196887	10/08/2018
4	Siddhant Sunil Patil	08817203	31/07/2020
5	Pruthveesh Ravi Shetti	08817217	31/07/2020
6	Vijay Vishnu Dudharkar	08863530	05/09/2020

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

**Shrenik Nagaonkar
Partner
FCS No. 7067 CP No. 11682
UDIN: F007067C000899365**

**Place: Kolhapur
Date: September 4, 2021**

Report on Corporate Governance

1. company's philosophy on corporate governance

The Company's philosophy on Corporate Governance encompasses to have a set of system and practices to ensure that the affairs of the Company are being managed in a manner which ensures accountability, transparency and fairness in all transaction in widest sense. This is ensured by carefully balancing the complex inter-relationship of Board of Directors and various departments such as Internal Audit, Finance, and Compliance and by conducting business with a firm commitment to values to enhance long term shareholders values.

2. Board of Directors

The Board of Directors of the Company comprises of 6 Directors. Out of the 6 Directors 2 are executive Directors and 3 independent Directors and remaining one is non-executive Director. The composition of the Board is in conformity with requirements as stipulated under Regulation 17 of SEBI (LODR) Regulations 2015.

During the year under review, eight meetings of the Board of Directors were held and the gap between two meetings did not exceed 120 days (as stipulated by law in force). The respective dates on which the Board Meetings were held are 03-07-2020, 28-07-2020, 31-07-2020, 05-09-2020, 15-09-2020, 12-11-2020, 13-02-2020 and 29-03-2021. The names and categories of the Directors on the Board, their attendance at the Board Meetings held during the year and the number of Directorships and Committee Chairmanships/Memberships held by them in other companies are given herein below:

Directors	Category	No. of Board Meeting Attended	No. of Directorships and Chairmanship(s)/ Membership(s) of Board/Committees of other companies			Attend ance at the last AGM
		Attended	Directorship #	Member ##	Chairperson	Yes/No
Deepak Choudhari	Executive Director	8	3	1	-	Yes
Jitendrakumar Chopra	Executive Director	8	-	-	-	Yes
Sharmiladevi Chopra	Non Executive Director	8	-	1	-	Yes
Siddhant Sunil Patil	Independent Director	6	-	2	-	Yes
Pruthveesh Ravi Shetti	Independent Director	6	-	2	-	Yes
Vijay Vishnu Dhudharkar	Independent Director	5	-	-	2	Yes

In accordance with Regulation 26 of SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015 Memberships / Chairmanships of only the Audit Committees and Stakeholders Relationship Committees of all Public Listed Companies (excluding Girnar Spintex Industries Limited) have been considered.

Further the Board Appointed Siddhant Patil, Pruthveesh Shetti on 31 July 2020 and Vijay Dudharkar on 5 September 2020 as an Additional Director (Non-Executive Independent).

Except Mr. Jitendrakumar Chopra and Sharmiladevi Chopra who are husband and wife none of other directors are related to each other.

None of non executive directors hold shares in the Company.

Familiarisation programme for independent directors is available on the website of Company .i.e www.girnarspintex.com.

Matrix setting out core skills expertise, competencies is given in director's report.

We the Board hereby confirm that Independent directors fulfil the conditions specified in SEBI (LODR) 2015.

3. Brief resume of Directors as on and nature of their expertise in specific functional areas:

Deepak Choudhari

Mr. Deepak Chaganlal Choudhari, aged 46 years, is a Commerce Graduate from Shivaji University, Kolhapur and has over 22 years of experience in Yarn Manufacturing and Fabric Processing Business.

Jitendrakumar Chopra

Mr. Jitendra Chopra, aged 39 years, has done Post Graduation in Commerce from Shivaji University, Kolhapur and has over 13 years of experience in Yarn Trading and Processing Business. He is the proprietor of M/s Universal Cottex and many small SSI firms which is into Weaving Business through Powered Looms.

Sharmiladevi Chopra

Mrs. Sharmiladevi Chopra has done graduation in commerce from pali rajasthan and has 9 years of experience in yarn trading and processing business.

Pruthveesh Shetti

Mr. Pruthveesh Shetti has completed his MBA in Marketing. He has experience of 5 years working as counselor. Currently he is working as an counselor at various educational institutions. Further he has an excellent academic and Professional record.

Siddhant Patil

Mr. Siddhant Patil is a commerce graduate and pursuing CA. Further he works in a CA Firm and has an experience in the field of taxation, Audit and corporate laws. Further he has experience in audit of several corporates including Manufacturing Companies, Textile, software etc.

Vijay Dudharkar

Mr. Vijay Dhudharkar is qualified chartered accountant, and a commerce graduate. He has an experience of Banking Audit, Information system Audit, GST- Goods and service tax audit, Income tax and project financing.

He is also working as Chairman of Ichalkaranji Branch of ICAI. He is also working as expert director as Rendal Sahakari Bank Ltd. Rendal.

4. Code of Conduct

The Board of Directors has adopted the Code of Conduct and ethics for Directors, Senior Management and designated employees. The Code has also been posted on its company's website www.girnarspintex.com. The declaration in compliance with Clause(D) of Schedule V of the SEBI (LODR) Regulations, 2015 is given below:

To The Shareholders of Ginar Spintex Industries Limited
Sub: Declaration on Compliance with Code of Conduct as required under Schedule V (Part D) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015

Dear Sirs,

I hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the code of conduct as adopted by the Board of Directors for the year ended 31st March, 2021 in terms of Schedule V (Part D) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

Place:Kolhapur

Deepak Choudhari
Chairman and Managing Director

Jitendrakumar Chopra
Managing Director

5. Prevention of Insider Trading

As per SEBI (Prohibition of Insider Trading) Regulations, 2015 the Company has adopted a Code of Conduct for Prohibition of Insider Trading. It also prohibits the purchase or sale of Company's shares by the Directors, designated employees and connected persons, while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary is responsible for implementation of the Code. All Directors, designated employees and connected persons have affirmed compliance with the code. The Code is available on the website of the Company at www.girnarspintex.com.

6. Maintenance of Website

In order to ensure / enhance public dissemination of all basic information about the Company, we have been maintaining functional website containing basic information about the Company. The Website of the Company is www.girnarspintex.com.

7. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/network entity of which the statutory auditor is a part, given below:

Nature of Payment	F.Y. 2020-21
Statutory Audit	2,50,000
Tax Audit	---
Other Services Includes reimbursement of expenses	---
Total	2,50,000

8. Board Committees

Audit Committee

The Audit Committee consisted of three Non-Executive Independent Directors and one Executive Director, namely Mr. Vijay Dudharkar (Non-Executive/Independent Chairman) and Mr. Siddhant Patil (Non-Executive Independent Member) and Mr. Pruthveesh Shetti (Non-Executive Independent Member) and Mr. Deepak Choudhari (Executive Director). The members have the requisite accounting and related financial management expertise. Statutory Auditors and Internal Auditors are invited to the meetings of Audit Committee for presenting their periodical reports.

The terms of reference / powers of the Audit Committee include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
6. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
7. Approval or any subsequent modification of transactions of the listed entity with related parties;
8. Scrutiny of inter-corporate loans and investments;
9. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
10. Evaluation of internal financial controls and risk management systems;
11. To review the function of the Whistle Blower Mechanism.
12. Reviewing, with the management, performance of statutory and internal auditors, 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. Discussion with internal auditors of any significant findings and follow up there on;

15. To look into the payment being made to the depositors, creditors and shareholders in case of dividend declared and reasons for substantial defaults/delay if due amount has not paid as per statutory due date.

During the year, Six meetings of the Audit Committee were held on 07 Aug 2020, 15-09-2020, 10 Oct 2020, 12 Nov 2020, 01 Jan 2021 and 13-02-2021. The details of attendance of the each member at the Audit Committee are given herein below:

Name of the Director	No. of Meetings Attended
Mr. Deepak Choudhari	6
Mr. Vijay Dudharkar	4
Mr. Siddhant Patil	5
Mr. Pruthveesh Shetti	5

Nomination and Remuneration Committee

Nomination and Remuneration Committee of the Board has been constituted to review/recommend the remuneration package of the Managing Director/Whole Time Director(s)/Managers based on performance and defined criteria. The Nomination & Remuneration Committee of the Board comprises of Independent/Non-Executive Directors namely Vijay Dudharkar (Chairman of Nomination and Remuneration Committee) , Pruthveesh Shetti, Siddhant Patil and Sharmiladevi Jitendrakumar Chopra. Ms. Gayatri Kulkarni, Company Secretary is secretary to the committee.

During the year under review, Five Meeting of Nomination and Remuneration committee were held on 31-07-2020, 05-09-2020, 12-11-2020, 13-02-2021 and 29-03-2021.

Details of remuneration paid to Directors for the financial year 2020-21 are as under:

Name of Director	Category	Sitting Fee for Board Meetings (Rs.)	Sitting Fee for Remuneration Committee Meetings (Rs.)	Sitting Fee for Audit Committee Meetings (Rs.)	Salaries and Perquisites p.a. (Rs.)	Total (Rs.)
Mr. Deepak Choudhari	Chairman	NIL	NIL	NIL	12,50,000	NIL
Mr. Jitendrakumar Chopra	Managing Director	NIL	NIL	NIL	17,50,000	NIL
Mrs.Sharmiladevi Chopra	Non executive Director	NIL	NIL	NIL	NIL	NIL
Mr. Vijay Dudharkar	Non Executive Director	NIL	NIL	NIL	NIL	NIL
Mr. Siddhant Patil	Non Executive Director	NIL	NIL	NIL	NIL	NIL
Mr. Pruthveesh Shetti	Non Executive Director	NIL	NIL	NIL	NIL	NIL

Performance evaluation criteria of Independent Director

Pursuant to provisions of Section 178 of Companies Act 2013 and Listing regulations, the Nomination & Remuneration Committee has formulated a policy on board evaluation of individual directors. The evaluation is based on various factors which are follows:

- Participation at Board/ Committee Meetings
- Contributions at Meetings
- Knowledge and skills
- Discharging Role, Functions and Duties
- Personal Attributes

Stakeholders Relationship Committee:

The Company has constituted stakeholders relationship committee comprising of three independent directors.

The purpose of formation of Committee is to, *inter alia*, to approve issue of duplicate share certificates and oversee and review all matters connected with the transfer of securities. The Committee also reviews the performance of the Registrar and Transfer Agent besides supervising the mechanism of investor grievance redressal to ensure cordial investor relationship.

The Committee Comprises of Vijay Dudharkar, Pruthveesh Shetti (Chairman of Stakeholders Relationship Committee) , Siddhant Patil and Sharmiladevi Jitendrakumar Chopra. Ms. Gayatri Kulkarni, Company Secretary and Compliance Officer is secretary to the committee.

During the year under review, two Meeting of Stakeholders Relationship Committee were held on 12 Nov 2020 and 13 Feb 2021.

During the year under review no complaints were received. No complaint was pending for resolve at the beginning of the year.

Meeting of Independent Director:-

As mandated by the Companies Act, 2013 and Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a separate meeting of Independent Directors was held on 07-10-2020 on annual evaluation of the following;

- the performance of non-independent directors and the Board of directors as a whole;
- the performance of the Chairperson of the Company, taking into account the views of non-executive directors;
- the quality, quantity and timeliness of flow of information between the company management and the Board of Directors that is necessary for the Board to effectively and reasonably perform their duties.

9. General Body Meetings

(A) Annual General Meetings:

Details of last three Annual General Meetings and the Special Resolutions passed thereat are as under:

AGM	LOCATION	DATE & TIME	Special Resolution passed
26 th AGM	Bipin Chandra Pal Memorial Trust Auditorium, A-81, Chittaranjan Park, New Delhi 110 019	27 th September 2018 11.30 AM	Appointment of Jitendrakumar Chopra as Managing Director and Deepak Choudhari as Joint Managing Director was made by passing Special Resolutions
27 th AGM	Bipin Chandra Pal Memorial Trust Auditorium, A-81, Chittaranjan Park, New Delhi 110 019	26 th September 2019 11.30 AM	1. Change in Name of the Company from Amit Spinning Industries Limited to Girnar Spintex Industries Limited. 2. Shifting of registered office from Delhi to Maharashtra.
28 th AGM	Gat No. 47 & 48, Sangwade, Hupari Kolhapur Road, Karvir, Kolhapur 416202	07 th October 2020 11.30 AM	None

(B) Special Resolution passed through Postal Ballot:

No special resolution was passed through postal Ballot during the year 2020-21. Further no resolution is proposed to be conducted in ensuing AGM.

(c) E-Voting

In term of Section 108 of Companies act 2013 relevant rules and in terms of Regulation 44 of SEBI (Listing Obligations and Disclosure Retirements) Regulations 2015 the necessary facility will be provided.

(d) Disclosure with respect to demat suspense account/ unclaimed suspense account

As on March 31, 2021 there are no shares lying in the demat suspense account or unclaimed suspense account.

(e) Reconciliation of share capital audit

In terms of the provisions of Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, Reconciliation of Share Capital Audit is carried out on a quarterly basis by M/s. PPS & Associates, Practicing Company Secretaries. The said report is also submitted to BSE Limited & National Stock Exchange of India Limited.

(f) Compliance with Indian Accounting Standards (Ind-AS)

In the preparation of the financial statements, the Company has followed the Indian Accounting Standards (Ind-AS) notified by Ministry of Corporate Affairs from time to time. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

- (g) Familiarization Programme Imparted For Independent Director and Performance & Evaluation Criteria of the Same

In terms of regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 the Company has also conducted familiarization programs to familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates etc. The details of such familiarization programs are also available on the website of the Company.

10. Means of Communication

- Information on quarterly/ half yearly/annual financial results and press releases on significant developments in the Company, are submitted to the Stock Exchanges immediately after Board approves the same to enable stock exchanges to put the results on their websites and communicate to their members and also available on website of the Company. Regular official news releases are also available on website of the Company. We have not made any presentation to institutional investors/analysts.
- The quarterly/half-yearly/annual financial results are published in The Pioneer (English& Hindi) newspaper and the same are also displayed on company's website. After shifting of registered office the advertisement are given in Sakal and Financial Express.

11. General Shareholder information:

a. Annual General Meeting:

Date	Thursday, September 30, 2021
Time	1.00 PM
Venue	NA (Virtual AGM)

b. Financial Calendar 2020-21 (tentative) :

The Financial Year of the Company is for a period of 12 months from 1st April to 31st March:
(Results for the quarter ending)

June 30, 2021	: On or before August 14, 2021
September 30, 2021	: On or before November 14, 2021
December 31, 2021	: On or before February 14, 2022
March 31, 2022	: On or before May 30, 2022
Annual General Meeting	: On or before September 30, 2022

c. **Financial Year:** April 1, 2021 – March 31, 2022

d. **Date of Book closure:** September 24th,2021 – September 30th ,2021 (Both days inclusive)

- e. **Dividend payment date:** Not Applicable
- f. **Credit Rating:** Not obtained
- g. **Listing of Stock Exchange:**

Sr. No.	Name	Address
1.	BSE Limited (Stock Code: 521076)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001
2.	National Stock Exchange of India Limited (ASIL)	Exchange Plaza, 5 th Floor, Pl No.C/1, G. Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051

The Company has paid the annual listing fees for the financial year 2020-21

12. Distribution Schedule as on 31.03.2021

No. of Shares	No. of Shareholders	Percentage	No. of Shares	Percentage
1 to 5000	16366	94.42	3334198	8.10%
5001 to 10000	417	2.41	671571	1.63%
10001 to 20000	227	1.31	664354	1.61%
20001 to 30000	130	0.75	650267	1.58%
30001 to 40000	38	0.22	266738	0.65%
40001 to 50000	39	0.23	373098	0.91%
50001 to 100000	54	0.31	770445	1.87%
100001 and above	62	0.36	34438996	83.65%
TOTAL	17333	100.00	41,169,667	100.00%

13. Category of Shareholders as on :31.03.2021

Category	Shares held	%age
Promoters	2,09,81,077	50.96
Financial Institutions/Insurance Companies/ Banks/Mutual Funds/Trust	100	00
NRIs/OCBs/Foreign Nationals	365301	0.89
Body Corporate(s)	887186	2.15
Public and Others	18936003	46.00
Total	4,11,69,667	100.00

14. Market Price data

The equity shares of the Company are traded at BSE Limited and at National Stock Exchange of India Ltd., Mumbai. But due to procedural reasons suspended due corporate action as per NCLT Order w.e.f 15 February 2019 and hence no market price data available. Therefore Comparison with indices is not given.

15. Details of Registrar and Share Transfer Agent

The Registrars and Transfer Agents of the Company: RCMC Share Registry Pvt. Ltd., B-25/1, First Floor, Near Rana Motors, Okhla Industrial Area Phase 2, New Delhi-110020. Tel. No. 011-26387320 / 011-26387321 and Fax No.011-26387322. E-mail ID investor.services@rcmcdelhi.com.

Contact person: Mr. Rakesh Kumar, Email: mdnair@rcmcdelhi.com Share Transfer System: The Company's shares are traded under compulsorily D-mat mode. Shares in physical mode lodged for transfer are processed and returned to the shareholders within the stipulated time.

16. Dematerialization of Shares and Liquidity

The equity shares of the Company are available for demat at NSDL and CDSL. As on 31.03.2020 39142447 equity shares are in dematerialised representing 95.07% total number of shares.

17. Outstanding GDR/ADR/ Warrants or any Convertible instruments, Conversion date and likely impact on equity

There are no outstanding GDR/ADR/Warrants or any Convertible instruments, Conversion date and likely impact on equity

18. Commodity Price Risk / Foreign Exchange Risk

For Company's business, cotton is the key raw material/ commodity and the company is exposed to price variation in cotton. The Company regularly monitors cotton prices and take appropriate decisions to minimize the risks. During the year under review, the Company has not done any commodity hedging on the exchanges. As regards foreign exchange risks, the Company evaluates foreign exchange rate exposure arising from these transactions and take appropriate steps to mitigate such exposure and to minimize the impact of volatility in foreign exchange fluctuations on the earnings.

19. Plant Location :

Gat No. 47 & 48, Sangwade, Kolhapur Hupari Road, Kolhapur 416202.

20. Address for Correspondence :

- | | |
|----------------------------------|--|
| 1. Registered & Corporate Office | Gat No. 47 & 48, Sangwade, Kolhapur Hupari Road, Kolhapur 416202.
Email: secretarial@girnarspintex.com |
| 2. Registrars & Transfer Agents | RCMC Share Registry Private Ltd.
B-25/1, Okhla Industrial Area, Phase-2, Near Rana Motors New Delhi- 110020. Ph. No. 011-26387320 /011-26387321 & Fax No. 011-26387322. |
| Contact person | Mr. Rakesh Kumar
Email:mdnair@rcmcdelhi.com
investor.services@rcmcdelhi.com |
| 3. Compliance Officer | Mr. Aniruddha Badkatte
Gat No. 47 & 48, Sangwade, Kolhapur Hupari Road, Kolhapur 416202. |

Ph. 7038094545

Email: secretarial@girnarspintex.com

21. Other Disclosures:

<p>Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large;</p>	<p>There are no materially significant related party transactions that may have potential conflict with the interests of listed entity at large</p>																														
<p>details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;</p>	<p>Following Penalties has been levied by NSE for non compliance of respective Regulation whose waiver application is in process at NSE</p> <table border="1" data-bbox="857 573 1370 1255"> <thead> <tr> <th>Quarter</th> <th>Regulation</th> <th>Pending fine</th> </tr> </thead> <tbody> <tr> <td>30-Jun-17</td> <td>Reg. 33</td> <td>45000</td> </tr> <tr> <td>30-Jun-20</td> <td>Reg. 27(2)</td> <td>688000</td> </tr> <tr> <td>30-Sep-18</td> <td>Reg. 33</td> <td>205000</td> </tr> <tr> <td>30-Sep-19</td> <td>Reg. 33</td> <td>10000</td> </tr> <tr> <td>31-Dec-18</td> <td>Reg. 31</td> <td>6000</td> </tr> <tr> <td>31-Mar-19</td> <td>Reg. 33</td> <td>5000</td> </tr> <tr> <td>31-Mar-20</td> <td>Reg. 33</td> <td>25000</td> </tr> <tr> <td>30-Sep-20</td> <td>Regulation 23(9)</td> <td>960000</td> </tr> <tr> <td></td> <td>Total</td> <td>1944000</td> </tr> </tbody> </table>	Quarter	Regulation	Pending fine	30-Jun-17	Reg. 33	45000	30-Jun-20	Reg. 27(2)	688000	30-Sep-18	Reg. 33	205000	30-Sep-19	Reg. 33	10000	31-Dec-18	Reg. 31	6000	31-Mar-19	Reg. 33	5000	31-Mar-20	Reg. 33	25000	30-Sep-20	Regulation 23(9)	960000		Total	1944000
Quarter	Regulation	Pending fine																													
30-Jun-17	Reg. 33	45000																													
30-Jun-20	Reg. 27(2)	688000																													
30-Sep-18	Reg. 33	205000																													
30-Sep-19	Reg. 33	10000																													
31-Dec-18	Reg. 31	6000																													
31-Mar-19	Reg. 33	5000																													
31-Mar-20	Reg. 33	25000																													
30-Sep-20	Regulation 23(9)	960000																													
	Total	1944000																													
<p>Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee;</p> <p>Details of compliance with mandatory requirements and adoption of the non-mandatory requirements;</p>	<p>Company has issued circular in connection with Visual Mechanism/Whistle Blower Policy and no employee was denied the access to the Audit Committee.</p> <p>The Company has complied with Mandatory requirements. Non Mandatory requirements has not been adopted.</p>																														
<p>web link where policy for determining 'material' subsidiaries is disclosed;</p>	<p>www.Girnarspintex.com</p>																														
<p>web link where policy on dealing with related party transactions;</p>	<p>www.Girnarspintex.com</p>																														
<p>disclosure of commodity price risks and commodity hedging activities.</p>	<p>Already discussed in this report.</p>																														
<p>where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof:</p>	<p>Board has accepted all the recommendations of the Audit Committee.</p>																														

Company has complied with the provisions of corporate governance report of sub paras (2) to (10) above for the Annual Report 2020-21.

22. ADOPTION OF DISCRETIONARY REQUIREMENT

No discretionary requirement has been adopted by the Company.

Girnar Spintex Industries Limited
(Formerly known as Amit Spinning Industries Limited)
CIN: L17100PN1991PLC190209

Regd Office: Gat No. 47 & 48, Sangwade, Hupari Kolhapur Road, Karvir, Kolhapur 416202

To,
The Board of Directors
Girnar Spintex Industries Limited

Sub: **CEO/CFO Certificate**

We, Jitendrakumar Chopra, Managing Director and Shreyans Choudhari, to the best of our knowledge and belief, certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2021 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 the existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditor and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee;
 - (i) Significant changes in internal controls over financial reporting, during the year.
 - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
 - (iii) Instances of significant fraud of which we have become aware, if any, and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Place: Kolhapur
Date: 04.09.2021

Jitendrakumar Chopra
Managing Director

Shreyans Choudhari
Chief Financial Officer

Certificate on Corporate Governance

(Pursuant to Clause E of Schedule V of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015

The Members,

GIRNAR SPINTEX INDUSTRIES LIMITED

(Formerly Amit Spinning Industries Limited)

Gat No. 47 & 48, Sangwade, Hupari Kolhapur Road,
Karvir Kolhapur 416202

We have examined the compliance of conditions of corporate governance by GIRNAR SPINTEX INDUSTRIES LIMITED (CIN L17100PN1991PLC190209) ("the Company") for the year ended on 31st March, 2021 as stipulated in regulations 17 to 27 and clause (b) to (i) of regulations 46(2) and para C and D of schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of 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.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance for the year ended 31st March, 2020 as stipulated in the above mentioned Listing Regulations, as applicable except the fact that **the Companies Paid up capital has been reduced from Rs. 20.58 Cr. To Rs. 2.05 Cr. Vide NCLT order dated 31.07.2018 however its implementation is still in process with BSE, NSE, CDSI and NSDL. Company is of the opinion that as per Regulation 15 of Listing Regulation the compliance with the corporate governance provisions as specified in regulations 17, 39[17A,] 18, 19, 20, 21,22, 23, 24, 40[24A,] 25, 26, 27 and clauses (b) to (i) 41[and (t)] of sub-regulation (2) of regulation 46 and para C , D and E of Schedule V shall not apply to the company hence we are unable to comment on following matters**

1. Pursuant to Regulation 18(1) (d) of Listing Regulation the Chairperson of Audit Committee didn't attend Annual General Meeting held on 07th October 2020
2. Pursuant to Regulation 19(3) of Listing Regulation the Chairperson of Nomination and Remuneration Committee didn't attend Annual General Meeting held on 07th October 2020
3. Pursuant to Regulation 27(2) (a) of Listing Regulation the Company has not submitted quarterly corporate governance report for the quarter ended on 30 June 2020.
4. Pursuant to Regulation 25 (6) of Listing Regulation the Company has not submitted Certificate under this regulation to BSE Limited for the half year ended on March 31, 2020
5. Pursuant to Regulation 25 (6) of Listing Regulation the Gap between Resignation of Independent Directors exceeds the period of immediate next meeting of the board of directors or three months from the date of such vacancy, whichever is later

We hereby state that our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance as stipulated in the said Regulations. This certificate 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, PPS & Associates
Company Secretaries**

**Place: Kolhapur
Date: September 04,2021**

**Shrenik Nagaonkar
Partner
FCS No.: 7067 C P No.: 11682
UDIN: F007067C000899398**

Annexure 3
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 arms length transaction under third proviso thereto.

A. Details of contracts or arrangements or transactions not at Arm's length basis.: NIL

B. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details	Details
1.	Name (s) of the related party & nature of relationship	Mr. Deepak Choudhari (Uncle of Mr. Shreyas Choudhari, CFO of the Company	Mr. Jitendrakumar Chopra (husband of Sharmiladevi Chopra, Director of the company)
2.	Nature of contracts/arrangements/transaction	Managing Director	Managing Director
3.	Duration of the contracts/arrangements/transaction	August 10, 2018 to August 09, 2021	August 10, 2018 to August 09, 2021
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Salary 2020-21- Rs.12,50,000/-	Salary 2020-21- Rs.17,50,000/-
5.	Date of approval by the Board	10th August 2018	10th August 2018
6.	Amount paid as advances, if any	Nil	Nil

	Details	Details	Details
1	Shreyas Choudhari (Nephew of Mr. Deepak Choudhari, Managing Director of the company	Manibhadra Polycot (Director is proprietor)	Universal Cotex(Director is proprietor)
2	CFO	Sale of Raw Material / Semi Finished Goods	Sale of Raw Material / Semi Finished Goods
3	Lifetime	Till 31-03-2025	Till 31-03-2025
4	Salary 2020-21- Rs.5,00,000/-	Sale of Rs. 12,58,34,498 during the year 2020-21	Sale of Rs. 8,95,39,075 during the year 2020-21
5	10th August 2018	15-09-2020	15-09-2020
6	Nil	Nil	Nil

C. Details of contracts or arrangements or transactions not in the ordinary course of business: NIL

Annexure I

Statement on Impact of Audit Qualification (for audit report with modified opinion) submitted along with Annual Audited Results-(Standalone)

Statement on Impact of Audit Qualification for the financial year ended March 31, 2021 (See regulations 33/52 of the SEBI (LODR) (Amendment) Regulations 2016)

I.

Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) in Lakhs	Audited Figures (as reported after adjusting for qualifications) in Lakhs
1	Turnover of Total Income	4777.64	4777.64
2	Total Expenditure	(4590.39)	(4590.40)
3	Net Profit/(Loss)	(187.24)	(187.24)
4	Earning Per Share	(6.82)	(6.82)
5	Total Assets	9459.33	9459.33
6	Total Liabilities	5438.98	5438.98
7	Net Worth	4020.35	4020.35
8	Any other financial item(s) (as felt appropriate by the management)	NIL	NIL

II. Audit Qualification (each audit qualification separately):

a) Details of Audit Qualification:

1. Impairment loss, if any, needs to be accounted for by the company by forecasting its cash flow to analyze whether the cost of the asset is recoverable or not.
2. Effect of reduction in and consolidation of share capital has been given during the year pending sanction from SEBI with corresponding effect to Insolvency and Bankruptcy Reserve the balance in which as on 31.03.2021 is Rs.1,48,59,84,299.
3. Various deposits given by the company need to be fair valued using appropriate discount rate on the basis of maturity period and type of deposit.
4. No provision has been made for short term and long-term benefits payable to employees. Qualification of the impact of the same is not possible in the absence of actuarial valuation of the same as on 31.3.2021

b) Types of Audit Qualification: Qualified Opinion

c) Frequency of Qualification:

The first two qualification are being reported since year 2018-19. The qualification at Sr No.3 and 4 above are appearing for this year for the first time.

d) For Audit Qualifications where the impact is quantified by the auditor, Management's view:

As regards qualification at Sr. No. a.2, the company has given effect to the NCLT order with regard to extinguishment of share capital, reduction and subsequent consolidation of share capital. The company is in process of getting sanctions from stock exchanges and SEBI for the said effects.

e) For audit qualifications where the impact is not quantified by the auditor

i. Managements estimation on impact of audit qualification:

N.A.

ii. If management is unable to estimate the impact reasons for the same:

Sr No. a-1- The company, having not carried out the required exercise of determination of impairment in the value of the assets, the exact qualification is not possible at this point of time.

Sr No. a-3- The deposits of company main consists of security deposits with various services providers and majority of them are acknowledged in the bills. The company intends to carry out the Exercise of fair valuing them by using appropriate discount rate on the basis of maturity period and type of deposit

Sr No. a-4- After taking over the company by the new management the activities of the company started in march 2019 wherefrom the present work force was mostly recruited and hence the work force being with the company only for a period of about two years the management does not consider the impact of the employee benefits to be significant. the company however intends to carry out of actuarial valuation and make necessary provisions in future.

III. Signatories

a) CEO/Managing Director

b) Chairman

c) Statutory Auditor

Place: Kolhapur

Date: 29th June 2021

Notes:

1. Pursuant to the corporate insolvency resolution process under the Insolvency and Bankruptcy Code, 2016 initiated on 1st August 2017, the National Company Law Tribunal (NCLT) on 31 July 2018 (Order date) approved, the Resolution Plan (the Plan) submitted by Mr. Deepak C. Choudhari and Mr. Jitendrakumar G. Chopra, which resulted in the following:
 - a. 2,90,49,678 Shares of the face value of Rs.5 each have been extinguished. In respect of the remaining 1,21,19,989 share face value is reduced from Rs.5 per share to Rs 0.50 per share. There after these shares have been consolidated in the share of face value of Rs.5 each totalling to 60,59,990 Shares. These effects have been given in the accounts pending sanction from SEBI.
 - b. Effect has already been given to the following aspects of the NCLT Order:
 - i. Settlement of debts of financial creditors amounting to Rs. 44.34 crores, settled through Bank payment at Rs. 21.27 crores.

- ii. Settlement of workmen dues- totalling Rs. 14.07 crores (dues for 24 months and PF Dues amounting to Rs. 12.39 crores and Rs. 1.68 crores respectively), to be settled through bank payment at Rs. 5.25 Crores and Rs. 1.68 Crores Respectively-Portion of which is still to be paid.
 - iii. Extinguishment of wages and any unpaid wages dues owned to employees other than workmen for the period of twelve month preceding the liquidation commencement date.
 - iv. Extinguishment of unsecured financial creditors (admitted claim) amounting to Rs. 41.61 Crores, liability towards Statutory Authorities amounting to Rs. 0.53 Crores and Operational Creditors amounting to Rs. 70.03 Crores.
2. The Company is in the business of manufacturing Cotton Yarn having similar characteristics and reviewed by the Chief Operating Decision Maker for assessment of Company's performance and resource allocation. Accordingly, the Company has only one reportable operating segment as per Ind AS 108 - Operating Segments.
3. The above results have been reviewed by the Audit committee and approved by the Board of Directors at their meetings held on 29th June 2021. The Statutory Auditors have carried out audit of the results for the year ended 31 March 2021.

INDEPENDENT AUDITOR'S REPORT

To,

**The Members of Girnar Spintex Industries Limited
(Formerly Known as Amit Spinning Industries Limited)**

Report on the Audit of Ind AS Financial Statements

We have audited the accompanying Ind AS Financial Statements of **GIRNAR SPINTEX INDUSTRIES LIMITED**, ("The Company"), which comprise the Balance sheet as at March 31, 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph below, the aforesaid Ind AS 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 31st March 2021, its PROFIT and its cash flows and changes in equity for the year ended on that date.

Basis for Qualified Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditors' Responsibilities for the Audit of the Standalone 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 Act 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 audit opinion on the Standalone Financial Statements.

The qualifications are as under:

1. Impairment loss, if any, needs to be accounted for by the company by forecasting its cash flow to analyze whether the cost of the asset is recoverable or not.
2. Effect of extinguishment, reduction in and consolidation of share capital has been given during the year in terms of approved resolution plan by NCLT with corresponding effect to Insolvency and Bankruptcy Reserve the balance in which as on 31.03.2021 is Rs.1,48,59,84,299, pending sanction from SEBI.
3. Various deposits given by the company need to be fair valued using appropriate discount rate on the basis of maturity period and type of deposit.
4. No provision has been made for short term and long term benefits payable to employees. Quantification of the impact of the same is not possible in the absence of actuarial valuation of the same as on 31.03.2021.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the Standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone Ind AS Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Ind AS Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Ind AS Financial Statements.

Key Audit Matters	How our audit addressed the key audit matter
No provision is made in respect of various statutory dues arising from the orders of the Government Authorities	Our audit procedures included and were not limited to the following: <ul style="list-style-type: none">• Verification of documentation in respect of the demands raised.• Perusal of the NCLT order whereby all Government Liabilities prior to the application to NCLT stand waived.• Discussion with the management in connection with approaching NCLT for waiver of specific dues and written management representation in respect thereof.• Verification and analysis of contingent liabilities in Notes to Accounts.
Debtors, Creditors and advances to suppliers Confirmations	Our audit procedures included and were not limited to the following: <ul style="list-style-type: none">• Verification of ledgers of such parties where confirmations not received.• Verification of subsequent payments to the creditors and settlement of their accounts• Verification of subsequent transactions with the suppliers to whom the advances are given and outstanding at the year end.• Verification of subsequent transactions with the customers.• Discussion with the management in this respect.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Ind AS Financial Statements and our auditors' 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 such other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 RESPONSIBILITIES 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 Ind AS Financial Statements.

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

- Identify and assess the risks of material misstatement of the Ind AS 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.

- 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 Act, 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 Ind AS 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.
- Evaluate the overall presentation, structure and content of the Ind AS Financial Statements, including the disclosures, and whether the Ind AS 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 for the financial year ended March 31, 2021 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

EMPHASIS OF MATTERS

We draw your attention to Note B(1) to the Standalone Financial Statements which explains the management's assessment of the financial impact due to the lock-down and other restrictions and conditions related to the COVID - 19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters Specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we further report that:

- a) we have sought and except for the matters described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c) the Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014;
- e) On the basis of written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, 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) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note B-2 to the financial statements;
 - (ii) The Company did not have any long-term contracts including derivative contracts which there were any material foreseeable losses.
 - (iii) The company is not liable for contribution to the Investor Education and Protection Fund.

SANJAY VHANBATTE AND COMPANY

Chartered Accountants
FRN NO.112996W

CA. S. M. VHANBATTE
PROPREITOR

M.No.44808

Date: 29th June 2021

UDIN: 21044808AAAHE7595

Annexure A of our report of even date to the members of Girnar Spintex Industries Limited(Formerly Known as Amit Spinning Industries Limited) on the accounts of the company for the year ended 31st March, 2021

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

1. In respect of its fixed assets:

- a. The Company's records of fixed assets need improvement inasmuch as the records now maintained need to have full particulars, including quantitative details and situation of fixed assets.
- b. As explained to us, the fixed assets are physically verified by the management during the year after the taking over by the new management, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets; as informed to us no material discrepancies were noticed on such verification.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

2. In respect of its inventories:

- a) As explained to us, inventories have been physically verified by the management at regular intervals during the year. In our opinion, the frequency of verification is reasonable.
- b) As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.

3. Loans Given by Company

The company has not granted any loans secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

4. Loans to Directors and Loans & Investments by Company.

In our opinion and according to the information and explanations given to us, the company has not granted any loans, made any investments, provided any guarantees or given any security attracting the provisions of section 185 and 186 of the Companies Act, 2013.

5. Acceptance of Deposits:

The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013

6. Maintenance of Cost Record:

We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 and are of the opinion that the records need improvement. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

7. In respect of statutory dues:

(a) According to the information and explanations given to us and based on the records of the company examined by us, the company is generally regular in depositing the undisputed statutory dues, including Income-tax, GST, and other material statutory dues, as applicable, with the appropriate authorities. However, arrears are outstanding in respect of Gram Panchayat Tax.

(b) The arrears of **undisputed outstanding statutory dues** as on the last day of the financial year concerned for a period of more than six months from the date they became payable: It is claimed by the company that, as per the order of NCLT approving Resolution Plan of the Company under IBC all statutory dues pertaining to the period prior to the date of NCLT order stand resolved and no dues remain payable.

(c) **Disputed Statutory Dues:** According to the records of the Company, there are following dues of Income-tax, Sales-tax, Gram panchayat Tax and water charges remaining un-deposited as on March 31, 2021. The company disputes the liability in view of the order of NCLT dated 31.07.2018 approving Insolvency Resolution Plan of the Company.

Name of Department	Section	Remarks	Year	Demand Amount
TDS	26Q	Quarter 1-2007-08	2007-08	113,120
	26Q	Quarter 4-2007-08	2007-08	79,630
	26Q	Quarter 4-2009-10	2009-10	11,200
	24Q	Quarter 4-2011-12	2011-12	30,270
	24Q	Quarter 4-2012-13	2012-13	35,240
	24Q	Quarter 4-2013-14	2013-14	225,560
Income Tax	Penalty u/s 271G	Appeal Before CIT(A)	2015-16	1,35,52,900
VAT		Rs.2,00,000 paid as Security deposit	2004-05	12,44,000
VAT		Rs.16,94,614 being amount adjusted against liability	2009-10	26,59,004
VAT	Section 23(2) of MVAT Act	Ex-party assessment order has been passed	F.Y. 2012-13	691,194
CST	Section 23(2) of MVAT Act	Ex-party assessment order has been passed	F.Y. 2012-13	1,305,089
VAT	Appeal	Demand on assessment	FY 2012-13	2,86,63,867
Gram Panchayat		Demands by gram panchayat	2014-15 TO 18-19	19,52,468

Irrigation		Dues	2014-15 To 17-18	6,85,039
------------	--	------	---------------------	----------

Note: All above dues have been waived off as per resolution plan approved by NCLT.

8. Default In Repayment Of Loan And Borrowings

In our opinion and according to the information and explanations provided by the management, the company is not defaults in repayment of loans or borrowing to banks which are borrowed after change in management consequent to implementation of Insolvency Resolution Plan approved by NCLT. The Company has no dues towards financial institutions or debenture holders.

9. Application of Funds Raised:

In our opinion and according to the information and explanations provided by the management, the term loans raised by the company during the year have been utilized for the purpose for which they were sanctioned. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year.

10. Fraud:

According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

11. Managerial Remuneration

According to the information and explanations give to us and based on our examination of the records of the Company, the managerial remuneration paid by the Company during the year under audit is in accordance with requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Companies Act, 2013.

12. Deposits of Nidhi Company:

In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable and hence not commented upon.

13. Related Party Transaction:

According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

14. Issue of Preferential Shares or Partly Convertible Debentures:

According to the information and explanations give to us and based on our examination of the records of the Company, except for the allotment of shares to the directors of the company in terms of NCLT order, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

15. Non-Cash Transactions with Directors:

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

16. Registration with Reserve Bank of India:

According to the information and explanations provided to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For SANJAY VHANBATTE & CO.,
Chartered Accountants
FRN NO.112996W

Place: Kolhapur
Date: 29th June, 2021
UDIN: 21044808AAAHE7595

CA. S. M. VHANBATTE
PROPRIETOR
M.No.44808

Annexure B

To the Independent Auditors' Report on the Ind AS Financial Statements of Girnar Spintex Industries Limited

(Formerly Known as Amit Spinning Industries Limited)

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements'
of our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of **AMIT SPINNING INDUSTRIES LIMITED** ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls 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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. 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 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 Companies Act, 2013.

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 and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with 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 and their operating effectiveness. Our audit of internal financial controls 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 the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 payments of the company are being made only in accordance with authorizations 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 on the Ind AS 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 controls 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.

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Company's internal financial controls over financial reporting as at March 31, 2021.

According to the information and explanations given to us, the company does not have documented framework of Internal financial control over financial reporting on criteria based on or 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.

The company did not have an appropriate internal control system for obtaining confirmation from parties included under the head trade payables, loans and advances and other current liabilities and its reconciliation/consequential adjustments, if any.

The company's internal financial controls were not operating effectively in respect of the above.

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, 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, 2021, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2021 Ind AS financial statements of the Company, and these material weaknesses have affected our opinion on the Ind AS financial statements of the Company and we have accordingly issued a qualified opinion on the Ind AS financial statements.

For SANJAY VHANBATTE & CO.,
Chartered Accountants
FRN NO.112996W

Place: Kolhapur
Date: 29th June, 2021
UDIN: 21044808AAAHE7595

CA. S. M. VHANBATTE
PROPRIETOR
M.No.44808

Girnar Spintex Industries Limited

Gat No. 47 & 48, Sangavade Village

Statement of Assets and Liabilities as at 31st March 2021

In ₹ (Rupees)

	Note No	Audited 31.03.2021	Audited 31.03.2020
ASSETS			
A. Non-current assets			
(a) Property, plant and equipment	B1	793,208,964.89	756,948,404.77
(b) Financial Assets			
(i) Investments	B2	22,700.00	22,700.00
(ii) Loans			
(iii) Others	B3	7,879,907.01	7,875,004.01
(c) Other non-current assets		1,786.00	-
Sub total-Non current assets (A)		801,113,357.90	764,846,108.78
B. Current assets			
(a) Inventories	B4	61,727,044.62	47,357,021.37
(b) Financial Assets			
(i) Trade receivables	B5	54,162,606.00	13,941,540.00
(ii) Cash and Bank Balances	B6	8,985,871.83	8,587,515.01
(iii) Bank balances other than (ii) above			
(iv) Loans			
(v) Others	B7	3,367,965.64	11,633,397.90
(c) Other current assets	B8	16,575,737.62	15,364,228.48
Sub total current assets (B)		144,819,225.71	96,883,702.76
C. Non-current assets classified as held for sale		-	-
Sub total current assets (C)		-	-
Total (A+B+C)		945,932,583.61	861,729,811.54
EQUITY AND LIABILITIES			
A. Equity			
(a) Equity Share capital	B9	20,584,835.00	205,848,335.00
(b) Other Equity	B10	341,434,948.74	128,758,974.79
(c) Amount Received for Equity Allotment		40,015,065.00	
Sub total-Equity (A)		402,034,848.74	334,607,309.79
B. Liabilities			
(a) Non-current liabilities		-	-
(b) Financial Liabilities			
(i) Borrowings	B11	308,833,541.29	337,273,876.11
(ii) Other financial liabilities		-	-
(c) Provisions		-	-
Sub total-Non current liabilities (B)		308,833,541.29	337,273,876.11
C. Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	B12	174,651,955.46	128,744,914.60
(ii) Trade Payables	B13	42,897,525.02	49,082,284.04
(iii) Other financial liabilities		-	-
(b) Other current liabilities	B14	1,259,551.10	911,990.00
(c) Provisions	B15	16,255,162.00	11,109,437.00
Sub total- Current liabilities (C)		235,064,193.58	189,848,625.64
Total (A+B+C)		945,932,583.61	861,729,811.54
NOTES TO THE FINANCIAL STATEMENTS	N1		

The Notes referred to above form an integral part of the Statement of Profit and Loss

As per our report of even date

For **SANJAY VHANBATTE & CO**

Chartered Accountants

Firm Reg. No : 112996W

For and On behalf of the Board

SANJAY MADHUKAR VHANBATTE

PROPRIETOR

Membership No. : 044808

Address : CTS.NO.245,C/1,FIRST FLOOR,MAHALAXMI BANK,KOLHAPUR

Place Kolhapur

Date: 29th June 2021

UDIN 21044808AAAAHE7595

Jitendrakumar G Chopra

Mangaging Director

Deepak C Choudhari

Chairman

Sharmiladevi J Chopra

Non Executive Non

Shreyansh R Choudhari

CFO

Gayatri P Kulkarni

Company Secretary

Girnar Spintex Industries Limited

(Formerly Known As Amit Spinning Industries Ltd.)

Gat No. 47 & 48, Sangavade Village

Kolhapur - Hupri Road

Tal- Karveer, Dist- Kolhapur

Maharashtra

Statement of Profit and Loss for the year ended 31-Mar-2021

In ₹ (Rupees)

Particulars	Note No.	1-Apr-2020 to 31-Mar-2021	1-Apr-2019 to 31-Mar-2020
I Revenue from Operations	P1	466,679,699.99	394,645,271.81
II Other Income	P2	11,083,894.00	741,951.96
III TOTAL REVENUE (I + II)		477,763,593.99	395,387,223.77
IV EXPENSES			
Cost of Materials Consumed	P3	290,210,435.50	270,057,364.54
Purchases of Stock-in-Trade	P4	4,285,409.04	8,267,526.72
Changes in Inventories	P5	-20,951,505.87	-16,916,090.38
Employee Benefit Expenses	P6	15,219,277.00	7,900,356.00
Finance Costs	P7	46,198,451.51	41,360,045.29
Depreciation and Amortization Expenses	P8	15,510,092.50	25,198,608.50
Other Expenses	P9	108,566,935.86	111,933,200.79
TOTAL EXPENSES		459,039,095.54	447,801,011.46
V Profit before Exceptional and Extraordinary Items and Tax (III-IV)		18,724,498.45	-52,413,787.69
VI Exceptional Items	P10	-	-45,913,314.00
VII Profit before Extraordinary Items and Tax		18,724,498.45	-98,327,101.69
VIII Extraordinary Items		-	-
IX Profit Before Tax		18,724,498.45	-98,327,101.69
X Tax Expense		-	-
Current Tax		-	-
Deferred Tax		-	-
XI Profit/(Loss) for the period from Continuing Operations (IX-X)		18,724,498.45	-98,327,101.69
XII Profit/(Loss) from Discontinuing Operations		-	-
XIII Tax Expense of Discontinuing Operations		-	-
XIV Profit/(Loss) from Discontinuing Operations (after tax) (XII-XIII)		-	-
XV Profit/(Loss) for the Period (XI+XIV)		18,724,498.45	-98,327,101.69
XVI Earnings per Equity Share	P11		
-Basic		4.55	-2.39
-Diluted		6.82	6.82
NOTES TO THE FINANCIAL STATEMENTS	N1		

The Notes referred to above form an integral part of the Statement of Profit and Loss

As per our report of even date

For and On behalf of the Board

For **SANJAY VHANBATTE & CO**

Chartered Accountants

Firm Reg. No : 112996W

SANJAY MADHUKAR VHANBATTE

PROPRIETOR

Membership No. : 044808

Address : CTS.NO.245,C/1,FIRST FLOOR,MAHALAXMI BANK,KOLHAPUR

Jitendrakumar G

Chopra
Mangaging Director

Deepak C Choudhari

Chairman

Sharmiladevi J Chopra Shreyansh R Choudhari

Non Executive Non
Independent Director

CFO

Place: Kolhapur

Date: 29th June 2021

UDIN 21044808AAAAHE7595

Gayatri P Kulkarni

Company Secretary

Girnar Spintex Industries Limited
(Formerly known as Amit Spinning Industries Limited)
Cash Flow Statement
for the year ended 31.03.2021

(In Rupees)

Particulars	31.03.2021	31.03.2020
(A) Cash From Operating Activities		
Net Loss as per Profit and Loss account	18,724,498	(98,327,102)
Add:		
Extraordinary Item	-	45,913,314
Loss on Sale of Fixed Asset		
Net Cash Before Tax and Extraordinary Items	18,724,498	(52,413,788)
Adjustment for non cash and non operating items:		
Add:		
Depreciation	15,510,093	25,198,609
Loss on Sale of Fixed Asset	1,414,066	45,913,314
Financial Cost	46,198,452	41,360,045
Interest Income	(503,694)	(741,952)
Operating Profit before Working Capital Changes	81,343,414	59,316,228
Increase / Decrease in Current Asset and Liabilities		
Inventories	(14,370,023)	(43,845,848)
Trade Receivable	(40,221,066)	(13,941,540)
Other Current Assets	7,053,923	(17,493,708)
Trade Payables	(6,184,759)	37,408,533
Other Current Liabilities	5,493,286	2,557,305
Cash Generated from Operations	33,114,775	24,000,971
Less: Income Tax paid (Less refund if any)		
Cash Flow before Extraordinary Items	33,114,775	24,000,971
Add: Extraordinary Items	-	(45,913,314)
Net Cash from/used in Operating activities (A)	33,114,775	(21,912,343)
(B) Cash Flow From Investing Activities		
Add:		
Proceed from Sale of Fixed Asset	5,853,703	12,452,864
Interest Received	503,694	741,952
Less :Purchase of Fixed Assets	(59,875,290)	(74,406,886)
Less :Increase in Non Current Assets	(6,689)	170,653
Net Cash From/used in Investing Activities (B)	(53,524,583)	(61,041,417)
(C) Cash Flow from Financing Activities		
Add:		
Interest Paid	(46,198,452)	(41,360,045)
Increase in Investments	-	(1,000)
Transfer to Reserves (Insolvency and Bankruptcy Reserve)	(5,000,000)	(1,521,285)
Transfer to Revaluation Reserve	-	-
Repayment of Short term Loans and Borrowings	-	-
Repayment of Long term Loans and Borrowings	-	-
Proceed of Short term Loans and Borrowings	45,907,041	128,744,915
Issue of Shares	14,524,845	-
Amount Received for Allotment of Shares	40,015,065	-
Proceed of Long term Borrowings	(28,440,335)	(4,734,656)
Net Cash from/used in Financing Activities (C)	20,808,165	81,127,928
Net Increase/Decrease in Cash and Cash Equivalents(A+B+C)	398,357	(1,825,832)
Add: Cash and cash equivalents in the beginning of the year	8,587,515	10,413,347
Cash and Cash Equivalents at the end of the Year	8,985,872	8,587,515

-0

The Notes referred to above form an integral part of the Balance Sheet.
As per our report of even date

For **SANJAY VHANBHATTE & CO**
Chartered Accountants
Firm Reg. No : 112996W

**Jitendrakumar G
Chopra**
Mangaging Director

Deepak C Choudhari
Chairman

SANJAY MADHUKAR VHANBATTE
PROPRIETOR

Sharmiladevi J Chopra
Non Executive Non
Independent Director

Shreyansh R Choudhari
CFO

Membership No. : 044808
Address : CTS.NO.245,C/1,FIRST FLOOR,MAHALAXMI BANK,KOLHAPUR
Place : Kolhapur
Date: 29th June 2021
UDIN:21044808AAAHE7595

Gayatri P Kulkarni
Company Secretary

Girnar Spintex Industries Limited

(Formerly Known As Amit Spinning Industries Ltd.)

Gat No. 47 & 48, Sangavade Village

Kolhapur - Hupri Road

Tal- Karveer, Dist- Kolhapur

Maharashtra

NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES AS ON 31.03.2021

NOTE - B2 Investments in Equity Instruments

In ₹ (Rupees)

Particulars	as at 31-Mar-2021	as at 31-Mar-2020
Unquoted, Long Term		
Shares Datta Nagari Patsanstha	5,000.00	5,000.00
Shares Rajarambapu Sahakari Bank Ltd.	1,000.00	1,000.00
Shares Sarswat Co-Op Bank	14,200.00	14,200.00
Shares Shamrao Vitthal Co-Op Bank	2,500.00	2,500.00
Grand Total	22,700.00	22,700.00
Aggregate Value of		
-Quoted Investments	-	-
-Unquoted Investments	22,700.00	22,700.00
Total	22,700.00	22,700.00
Market value of Quoted Investments	-	-

NOTE - B3 Security Deposits

In ₹ (Rupees)

Particulars	as at 31-Mar-2021	as at 31-Mar-2020
Unsecured, Long Term, Considered Good		
Excise / Sales Tax Depsoit Agst Demand	236,240.00	236,240.00
Security Deposit Paid Electricity & Wat	6,851,000.00	6,851,000.00
Central Depository Services Limited	361,418.01	362,140.01
National Security Depository Limited	431,249.00	425,624.00
Total	7,879,907.01	7,875,004.01

B4 . Inventories

In ₹ (Rupees)

Particulars	as at 31-Mar-2021	as at 31-Mar-2020
Raw Materials and Components	20,372,663.46	28,056,277.96
Finished Goods	25,822,246.25	9,607,840.38
Work In Progress	12,045,350.00	7,308,250.00
Stores and Spares Parts	3,486,784.91	2,384,653.03
Total	61,727,044.62	47,357,021.37

B5 . Trade Receivables

In ₹ (Rupees)

Particulars	as at 31-Mar-2021	as at 31-Mar-2020
Outstanding for more than six months		
a) Unsecured, Considered Good :	5,073,188.00	-
	5,073,188.00	
Others		
a) Unsecured, Considered Good :		
Mahesh Weaving Mills	-	2,734,251.00
Manan Yarn	-	997,902.00
Manibhadra Polycot	49,089,413.00	
Pushpdeep Impex	-	5,073,188.00
Raksha Enterprises	-2.00	-2.00
SSD Traders	7.00	
Sri Rushabh Textiles	-	2,000.00
Sumati Yarn Supplier	-	5,134,201.00
	49,089,418.00	13,941,540.00
Total	54,162,606.00	13,941,540.00

B6 . Cash and Bank Balances**B6.1 . Balances In Current Account**

In ₹ (Rupees)

Particulars	as at 31-Mar-2021	as at 31-Mar-2020
AXIS-AS-00710200056753 M	1,900,984.15	7,302,636.15
Bank of Maharashtra-558		
HDFC-AS-00030700000179 M	61,351.30	61,351.30
HDFC Current Account-042	50,000.00	55,071.00
Kallappanna Awade Ichalkranji Janta Sah. Bank	10,000.00	10,000.00
B6.2 Other Bank Balances		
Fixed Deposit with HDFC Bank-50300349139478	5,673,467.80	702,940.46
Total	7,695,803.25	8,131,998.91

B6.3 Cash and Cash Equivalents- Cash on hand

In ₹ (Rupees)

Particulars	as at 31-Mar-2021	as at 31-Mar-2020
Cash on hand	1,290,068.58	455,516.10
Total	1,290,068.58	455,516.10

B7 . Short-Term Loans and Advances-Unsecured, considered good

In ₹ (Rupees)

Particulars	as at 31-Mar-2021	as at 31-Mar-2020
Advance Recoverable in cash or in kind or for value to be considered good	3,367,965.64	11,633,397.90
Aditya Transport Agency		250.00
Ashok and Company		4,807.00
ASR and Associates		118,800.00
Baltan Engineering Industries		79,246.00
Deposit for Loan Processing-Nkgsb Bank		-
EXPOTEX ENGINEERS		12,178.00
Lakshmi Machine Works Limited		951,698.02
Mahesh Engineering Services		4,690.00
National Stock Exchange Ltd.		88,500.00
Prepaid Insurance		23,744.17
RIETER INDIA PRAVATE LTD(MH)		98.00
SAURER TEXTILE SOLUTIONS PRIVATE LIMITED		1,002,588.03
SCINDIA TEX TRADERS		9,204,000.00
Thigale Utturkar and Associates		20,000.00
Truetzschler India Private Limited		113,143.68
Unique Solutions		1,786.00
Vinra Engineerings		7,869.00
Total	3,367,965.64	11,633,397.90

B8 . Other Current Assets

In ₹ (Rupees)

Particulars	as at 31-Mar-2021	as at 31-Mar-2020
TDS and TCS Receivable	584,015.26	
C GST	7,160,130.45	495,006.63
I GST	4,011,275.09	13,685,689.72
Interest Receivable MSEB	432,384.00	688,525.50
Prepaid Insurance	91,761.24	
S GST	4,296,171.58	495,006.63
Total	16,575,737.62	15,364,228.48

B11 . Long-Term Borrowings

In ₹ (Rupees)

Particulars	as at 31-Mar-2021	as at 31-Mar-2020
A. From Banks		
Term Loan : Secured		
HDFC Loan 83911774	74,851,366.12	85,332,297.36
HDFC Loan 84329868	60,736,328.17	46,941,578.75
HDFC Loan-GECL-WCTL- 6126287	28,613,000.00	
a. Security for the Secured loans		
Term Loans of HDFC Bank Ltd., are secured by charge on factory land of the company at Gat No.47 and its Part A at Village Sangawade, Dist:Kolhapur , its plant and machinery as well stock and receivables. The loans are guaranteed by the directors in their personal capacity. HDFC Bank GECL-WTCL of Rs.3.6789 Crore is further gauranteed by NCGTC.		

b. Rate of Interest HDFC Loan 83911774 HDFC Loan 84329868 HDFC Loan-GECL-WCTL- 6126287	7.70% 7.70% 8.25%	8.85% 8.85% NA
c. Terms of Repayment a. Term Loan from HDFC Bank No. 83911774 is repayable in 84 monthly instalments of Rs.8,58,153 each except for three. b. Term Loan from HDFC Bank No. 84329868 is repayable in 84 monthly instalments of Rs 64,02,961 each except for five. c. Term Loan from HDFC Bank No. 6126287 is repayable in 36 monthly instalments of Rs 10,22,000 each effective August 2021	-	-
B. From Others Deposit From Directors (Unsecured) a. Interest Free Deepak Chaganlal Choudhari Jitendrakumar G Chopra Sharmiladevi J Chopra Interest Bearing Deepak Chaganlal Choudhari Jitendrakumar G Chopra-Universal Cottex Sharmiladevi J Chopra-Universal Weaving Mills b. Rate of Interest c. Terms of Repayment Not to be repaid till the repayment of bank loans	- - - 75,000,000.00 35,000,000.00 34,632,847.00 12%	27,500,000.00 17,500,000.00 10,000,000.00 75,000,000.00 35,000,000.00 40,000,000.00 12%
Total	308,833,541.29	337,273,876.11

B12 . Short-Term Borrowings

In ₹ (Rupees)

Particulars	as at 31-Mar-2021	as at 31-Mar-2020
Loan Repayable on Demand - From HDFC Bank: Secured: Cash Credit	38,247,344.53	48,141,520.25
a. Security for the Secured loans Cash Credit from HDFC Bank Ltd., is secured by charge on factory land of the company at Gat No.47 and its Part A at Village Sangawade, Dist:Kolhapur , its plant and machinery as well stock and receivables. The loans are guaranteed by the directors in their personal capacity.		
b. Rate of Interest	8.60%	8.85%
Secured- From banks Current Maturities of Long Term Debt-HDFC-TL-8.00 CR Current Maturities of Long Term Debts-HDFC TL-10 CR Current Maturities of Long Term Debts-HDFC-GECL-WTCL Interest Accrued-HDFC-8 Cr TL Interest Accrued -HDFC-TL-10 Cr Interest Accrued -GECL-WCTL-HDFC	15,074,520.00 20,679,324.00 8,176,000.00 485,675.75 614,560.18 252,924.00	6,033,820.00 12,498,522.00 - 263,662.77 723,308.58 -
Loan from Directors- Unsecured- Payable on demand Bearing Interest @ 12% Deepak Chaganlal Choudhari Jitendrakumar G Chopra Sharmiladevi J Chopra	78,801,958.00 12,319,649.00 -	37,668,578.00 18,086,397.00 5,329,106.00
Total	174,651,955.46	128,744,914.60

B13 . Trade Payables

In ₹ (Rupees)

Particulars	as at 31-Mar-2021	as at 31-Mar-2020
Micro, Small and Medium Enterprise	928,273.12	254,192.04
Others	41,969,251.90	48,828,092.00
Total	42,897,525.02	49,082,284.04

B14 . Other Current Liabilities

In ₹ (Rupees)

Particulars	as at 31-Mar-2021	as at 31-Mar-2020
Aniruddha Badkatte		12,353.00
EPF Payable	30,895.00	30,895.00
ESIC Payable-Employer	13,324.00	
ESIC Payable-Employee	3,075.00	
PF Contribution-Employer	35,683.00	
PF Contribution-Employee	31,580.00	
Professional Tax Staff Payable	9,298.00	27,975.00
TCS Payable	132,954.10	-
TDS Payable	1,002,742.00	840,767.00
Total	1,259,551.10	911,990.00

B15 . Short-Term Provisions

In ₹ (Rupees)

Particulars	as at 31-Mar-2021	as at 31-Mar-2020
Expenses Payable	10,147,450.00	5,530,789.00
Sachin Jagdish Shete		4,696.00
Salary Payable	1,081,493.00	550,178.00
Wages Payable RP Calculation	4,623,774.00	5,023,774.00
Wages Payable- Workers	402,445.00	
Grand Total	16,255,162.00	11,109,437.00

Girnar Spintex Industries Limited

Notes to and forming part of Statement of Assets and Liabilities as at 31-Mar-2021

B9 . Share Capital

B9 . 1 Authorized, Issued, Subscribed and Paidup share capital

In ₹ (Rupees)

Particulars	as at 31-Mar-2021		as at 31-Mar-2020	
	Number	Amount	Number	Amount
Authorised Share Capital				
Equity Shares of ₹ 5.00 each	50,000,000	250,000,000.00	50,000,000	250,000,000.00
Total	50,000,000.00	250,000,000.00	50,000,000.00	250,000,000.00
Issued Share Capital				
Equity Shares of ₹ 5.00 each	4,116,967	20,584,835.00	41,169,667	205,848,335.00
Total	4,116,967	20,584,835.00	41,169,667.00	205,848,335.00
Subscribed and fully paid				
Equity Shares of ₹ 5.00 each	4,116,967	20,584,835.00	41,169,667	205,848,335.00
Total	4,116,967	20,584,835.00	41,169,667.00	205,848,335.00
Total	4,116,967	20,584,835.00	41,169,667.00	205,848,335.00

Note No : B9 - 2 Reconciliation of share capital

Particulars	as at 31-Mar-2021		as at 31-Mar-2020	
	Number of Shares	Amount	Number of Shares	Amount
Equity Shares (Face Value ₹ 5.00)				
Shares outstanding at the beginning of the year	41,169,667	205,848,335.00	41,169,667	205,848,335.00
Shares Extinguished During the Year	29,049,678	145,248,390.00	-	-
Reduction in Face value from Rs.5 to Rs.0.50 Each		54,539,955.00	-	-
Balance Shares of Rs.0.50 Each	12,119,989			
Consolidation of Rs.0.50 Shares to Rs.5 Shares	1,211,998	6,059,990.00		
Shares Issued during the year of Rs.5 Each	2,904,969	14,524,845.00	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year of Rs.5 Each	4,116,967	20,584,835.00	41,169,667	205,848,335.00

Rights, perferences and restrictions attached to Equity Shares

1. The Company has one class of equity shares having a per value of Rs. 5 per share (Previous Year Rs.5.00 per share). Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets if the company after distributed of all preferential amounts, in proportion to their shareholding.

2. Shares of the company are ordinarily transferable provided :

- a) Instrument of transfer is in form prescribed under the act & duly stamped and executed by / on behalf of transferor and transferee.
- b) Transferee consenting or replying affirmatively within specified period of his receipt of notice under Section 56 (1) of Companies Act, 2013 issued by the Company in respect of application of transfer of registration of shares made by the transferor.
- c) Transferee is not of unsound mind.
- d) Company does not have any lien in shares under application of transfer.

3. In terms of NCLT Order, the company extinguished 2,90,49,678 shares, further reduced the face value from Rs. 5 per share to Rs. 0.50 per share and there after consolidated the shares to face value of Rs.5 each as shown above resulting in reduction of share capital 18,52,63,501/- . Effect of this is given in the accounts during the year audit.

Note No : B9 - 3 Shareholders holding more than 5% of Share

Particulars	as at 31-Mar-2021		as at 31-Mar-2020	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Spentex Industries Limited	-	-	20,981,077.00	50.96 %
Smita Bharat Shah	-	-	3,547,185.00	8.62 %
Aparna Bharat Shah	-	-	2,215,500.00	5.38 %
Jitendra G Chopra	1,452,485	35.28 %	-	-
Deepak C Choudhari	1,452,484	35.28 %	-	-

Note : B10 Reserve & Surplus

0	as at 31-Mar-2021		as at 31-Mar-2020	
1. State Capital Incentive				
As per Last Balance Sheet	3,000,000.00		3,000,000.00	
Add :- Additions during the year	-		-	
Less :- Deductions during the year	-		-	
Closing Balance		3,000,000.00		3,000,000.00
2. Share Premium				
As per Last Balance Sheet	44,601,665.00		44,601,665.00	
Add :- Additions during the year	-		-	
Less :- Transfer to Insolvency and Bankruptcy Reserve consequent to extinguishment of shares	43,288,632.00		-	
Closing Balance		1,313,033.00		44,601,665.00
3. Insolvency and Bankruptcy Reserve				
As per Last Balance Sheet	1,247,907,321.88		1,249,428,606.88	
Add :- Additions during the year	243,076,977.00		-	
Less :- Deductions during the year	-5,000,000.00		1,521,285.00	
Closing Balance		1,485,984,298.88		1,247,907,321.88
4. Revaluation Reserve				
As per Last Balance Sheet	473,194,105.50		-	
Add :- Additions during the year	-		474,030,975.00	
Less :- Deductions during the year	836,869.50		836,869.50	
Closing Balance		472,357,236.00		473,194,105.50
5. Surplus (Deficit) in Profit & Loss Account				
Opening Balance	-1,639,944,117.59		-1,541,617,015.90	
Add :- Profit (Loss) for the Year	18,724,498.45		-98,327,101.69	
Add :- Transfer from Revaluation Reserve	-		-	
Less :- Transfer to General Reserve	-		-	
Closing Balance		-1,621,219,619.14		-1,639,944,117.59
Total in `		341,434,948.74		128,758,974.79

Girnar Spintex Industries Limited
(Formerly Known As Amit Spinning Industries Ltd.)
Gat No. 47 & 48, Sangavade Village
Kolhapur - Hupri Road
Tal- Karveer, Dist- Kolhapur
Maharashtra

Notes to and forming part of Statement of Profit and Loss for the year ended 31-Mar-2021

P1 . Revenue from Operations		In ₹ (Rupees)	
Particulars	1-Apr-2020 to 31-Mar-2021	1-Apr-2019 to 31-Mar-2020	
Cotton Sales	6,480,521.74	18,301,431.39	
Stores and Spares Sales	-	249,436.66	
Waste Sale	11,543,977.70	11,412,175.69	
Yarn Sales	471,989,280.93	384,441,972.61	
	490,013,780.37	414,405,016.35	
Less: GST	23,334,080.38	19,759,744.54	
Total	466,679,699.99	394,645,271.81	

P2 . Other income		In ₹ (Rupees)	
Particulars	1-Apr-2020 to 31-Mar-2021	1-Apr-2019 to 31-Mar-2020	
Brokerage Received	10,580,200.00	-	
Dividend Received	-	3,465.00	
Interest on Fixed Deposit	185,122.50	42,940.46	
Interest on IT Refund	-	7,021.00	
Interest from others	318,571.50	688,525.50	
Total	11,083,894.00	741,951.96	

P3 . Cost of Materials Consumed		In ₹ (Rupees)	
Particulars	1-Apr-2020 to 31-Mar-2021	1-Apr-2019 to 31-Mar-2020	
Purchase of Raw Materials	282,526,821.00	296,084,953.52	
Opening Balance of Raw Materials	28,056,277.96	2,028,688.98	
Less : Closing Balance of Raw Materials	-20,372,663.46	-28,056,277.96	
Total	290,210,435.50	270,057,364.54	

P4 . Purchases of Stock-in-Trade		In ₹ (Rupees)	
Particulars	1-Apr-2020 to 31-Mar-2021	1-Apr-2019 to 31-Mar-2020	
Hank Yarn	84,528.72	-	
Yarn Purchase	4,200,880.32	8,267,526.72	
Total	4,285,409.04	8,267,526.72	

P5 . Changes in Inventories		In ₹ (Rupees)	
Particulars	1-Apr-2020 to 31-Mar-2021	1-Apr-2019 to 31-Mar-2020	
Opening Inventories			
Finished Goods	9,607,840.38	-	
Work in Progress	7,308,250.00	-	
	16,916,090.38	-	
Closing Inventories			
Finished Goods	25,822,246.25	9,607,840.38	
Work in Progress	12,045,350.00	7,308,250.00	
	37,867,596.25	16,916,090.38	
Total	-20,951,505.87	-16,916,090.38	

P6 . Employee Benefit Expenses		In ₹ (Rupees)	
Particulars	1-Apr-2020 to 31-Mar-2021	1-Apr-2019 to 31-Mar-2020	
Salaries and Wages	7,125,892.00	7,171,941.00	
Wages to Workers	2,669,009.00	-	
Ex-Gratia	724,133.00	-	
Salary- Key Management Personnel	3,500,000.00	-	
Staff Welfare Expenses	1,200,243.00	728,415.00	
Total	15,219,277.00	7,900,356.00	

P7 . Finance Costs

In ₹ (Rupees)

Particulars	1-Apr-2020 to 31-Mar-2021	1-Apr-2019 to 31-Mar-2020
Interest on Bank Term Loan	14,660,964.51	7,738,923.29
Interest on TDS	35,700.00	28,793.00
Interest to Bank CC	3,652,830.00	2,899,867.00
Interest to Others	27,848,957.00	30,692,462.00
Total	46,198,451.51	41,360,045.29

P8 . Depreciation and Amortization Expenses

In ₹ (Rupees)

Particulars	1-Apr-2020 to 31-Mar-2021	1-Apr-2019 to 31-Mar-2020
Depreciation and Amortization	15,510,092.50	25,198,608.50
Total	15,510,092.50	25,198,608.50

P9 . Other Expenses

In ₹ (Rupees)

Particulars	1-Apr-2020 to 31-Mar-2021	1-Apr-2019 to 31-Mar-2020
Payment to Auditors		
Statutory Audit Fees	250,000.00	500,000.00
Internal Audit Fees	250,000.00	-
Legal & Professional Expenses	1,348,500.00	4,672,375.59
Legal & Professional - Other Expenses	12,500.00	49,500.00
Consumption of stores and spare parts		
Purchases of Stores and Spare parts	8,534,873.94	15,889,968.47
Opening Balance of Stores and Spare parts	2,384,653.03	1,482,484.78
Less : Closing Balance of Stores and spare parts	-3,486,784.91	-2,384,653.03
Power and fuel		
Fuel Expenses	170,435.00	43,301.00
Power Charges	61,293,504.70	62,088,040.00
Rent Others	11,000.00	57,525.82
Repairs to Buildings	1,000.00	65,500.00
Repairs to Machinery		
Repairs & Machinery @ 12%	56,560.00	21,392.00
Repairs Service- Machinery @18%	958,564.00	2,930,228.25
Insurance Expenses (Corporate)	693,186.17	577,761.83
Rates and taxes (excluding taxes on income)		
Grampanchayat Tax	1,098,800.00	440,270.00
Miscellaneous expenses		
Advertisement Expenses	64,000.00	292,900.00
Bank Charges	63,096.22	115,489.75
CGST Input- Indirect Expenses	21,840.00	76,897.33
Commission Paid	7,044.06	-
Consultancy Charges	412,500.00	325,000.00
Conveyance Local Employee	150,081.00	-
Courier Charges	14,118.76	72,151.30
Freight Charges	40,868.00	-
Fees for Appeal-ROC- E Filing	52,000.00	44,855.00
Food & Beverages in Office for Staff	1,037,622.00	941,754.00
Garden Development	-	97,294.00
Garden Maintenance	112,032.28	225,617.25
Godown Rent	4,500.00	-
IGST Input- Indirect Expenses	34,630.00	13,500.00
Labour Charges	-	297,101.00
Late Fees	150.00	2,920.00
Loading Unloading Expenses	25,362,118.46	17,503,036.84
Lodging for Guest	-	48,900.00
Loss on Sale of Assets	1,414,065.52	-
MPCB Application Fees	-	75,000.00
Office Expenses	41,730.60	94,265.00
Packing & Forwarding	95,970.66	75,547.32
POSTAGE AND TELEGRAPH	-	97,980.00
Printing & Stationery	38,022.93	55,061.68
Registration Fees	-	215,063.10
Reimbursement of Expenses	-	643,787.00
Repair & Maint - Others	87,535.86	298,710.00
Rounding Off	-287.46	-8.40
Security Service Charges	3,263,786.00	3,313,355.02
SGST Input- Indirect Expenses	21,840.00	76,897.33
Telephone Charges	7,739.00	8,722.56
Transport Charges	1,962,363.70	-
Travel - Others	256,476.34	102,709.00
Weigh Bridge License Renewal fees	4,300.00	-
Water Expenses	420,000.00	385,000.00
Total	108,566,935.86	111,933,200.79

P10 . Exceptional items

In ₹ (Rupees)

Particulars	1-Apr-2020 to 31-Mar-2021	1-Apr-2019 to 31-Mar-2020
Assets written off	-	-
Duties and Taxes not claimed	-	-
Insolvency Process Expenses	-	-
Plant Start Up Expenses	-	-
Closing Stock of Spares	-	-
Loss on Sale of Asset	-	-47,873,465.00
Profit on Sales of Asset	-	1,960,151.00
Total	-	-45,913,314.00

P11 . Earnings per equity share

In ₹ (Rupees)

	Earning Per Share	Earning Per Share
Net Profit After Tax	18,724,498.45	-98,327,101.69
Weighted average number of Equity Shares outstanding	2,744,645	41,169,667
Basic Earning Per Share (Face Value of Rs. 5 each)	6.82	-2.39
Add: Weighted number of potential equity shares on account of Employee Stock Options	-	-
Weighted average number of Equity Shares outstanding (inclusive dilutive ESOP shares outstanding)	-	-
Diluted Earning Per Shares (Face Value of Rs. 5 each)	6.82	-2.39

N-1 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

1. A. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis for preparation of accounts

The accounts have been prepared in accordance with IND AS and Disclosures thereon comply with requirements of IND AS, stipulations contained in Schedule- III (revised) as applicable under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, other pronouncements of ICAI, provisions of the Companies Act and Rules and guidelines issued by SEBI as applicable. Assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in revised Schedule - III to the Companies Act, 2013.

1.2 Use of Estimates

IND AS enjoins management to make estimates and assumptions related to financial statements that affect reported amount of assets, liabilities, revenue, expenses and contingent liabilities pertaining to the year. Actual result may differ from such estimates. Any revision in accounting estimates is recognized prospectively in the period of change and material revision, including its impact on financial statements, is reported in the notes to accounts in the year of incorporation of revision.

1.3 Recognition of Income and Expenses

- i. Revenue from sale contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. The Company typically controls the goods or services before transferring them to the customer. Generally, control is transferred upon shipment of goods to the customer or when the goods are made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods transported.
- ii. Interest Income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.
- iii. Other incomes have been recognized on accrual basis in financial statements except for cash flow information.

1.4 Property, Plants and Equipment

These tangible assets are held for use in production, supply of goods or services or for administrative purposes. These are recognized and carried under cost model i.e. cost less accumulated depreciation and impairment loss, if any which is akin to recognition criteria under erstwhile GAAP.

- i. Cost includes freight, duties, taxes and other expenses directly incidental to acquisition, bringing the asset to the location and installation including site restoration up to the time when the asset is ready for intended use. Such Costs also include Borrowing Cost if the recognition criteria are met.
- ii. When a major inspection/repair occurs, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of previous inspection/repair is derecognized.
- iii. Depreciation has been provided on straight line method in terms of expected life span of assets as referred to in Schedule II of the Companies Act, 2013.
- iv. Components relevant to fixed assets, where significant are separately depreciated on straight line basis in terms of their life span assessed by technical evaluation in specific context.

- v. On sales of fixed assets any profit earned/loss sustained towards excess/shortfall of sale value Vis-a- vis carrying cost of assets is accounted for in statement of profit and loss.
- vi. The company has revalued its assets the effect of which has been given in F Y 2019-20. In addition, in respect of plant and equipment, the company has re-estimated the remaining useful life of each of the asset in this category as at the year end and depreciation for the whole year has been computed taking into account the revalued figures and such re-estimated useful life.

1.5 Impairment of Non-Financial Assets

- i. The Company assesses at each reporting date as to whether there is any indication that any Property Plant and Equipment and Intangible Assets or group of Assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.
- ii. An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.
- iii. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

1.6 Financial Instruments

i. Financial Assets

Initial Recognition and Measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

Subsequent Measurement

For purpose of subsequent measurement, financial assets are classified in two broad categories:

- Financial Assets at fair value
- Financial Assets at amortized cost

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss, or recognized in other comprehensive income.

A financial asset that meets the following two conditions is measured at amortized cost.

- Business Model Test: The objective of company's business model is to hold the financial asset to collect the contractual cash flows.
- Cash Flow Characteristics Test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through OCI:-

- Business Model Test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Cash Flow Characteristics Test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit and loss.

All equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss, except for those equity investments for which the entity has elected irrevocable option to present value changes in OCI.

Impairment of Financial Assets

The company assesses impairment based on expected credit losses (ECL) model at an amount equal to:

- 12 months expected credit losses, or
- Lifetime expected credit losses

Depending upon whether there has been a significant increase in credit risk since initial recognition.

However, for trade receivables, the company does not track the changes in credit risk. Rather, it recognizes impairment loss allowances based on lifetime ECLs at each reporting date, right from its initial recognition.

ii. Financial Liabilities

All financial liabilities are initially recognized at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities are classified as measured at amortized cost or Fair Value Through Profit and Loss (FVTPL). A financial liability is classified as FVTPL if it is classified as held for trading, or it is a derivative or is designated as such on initial recognition. Financial Liabilities at FVTPL are measured at fair value and net gains or losses, including any interest expense, are recognized in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit and loss. Any gain or loss on de-recognition is also recognized in statement of profit and loss.

1.7 Fair Value Measurement

The company measures financial instruments at fair value at each balance sheet date.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identified assets or liabilities
- Level 2 - Valuation techniques for which the lowest level of input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosure, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1.8 Inventories

Inventories are valued at the lower of cost or net realizable value. Cost includes purchase price, duties, transport & handling costs and other costs directly attributable to the acquisition and bringing the inventories to their present location and condition.

The cost in respect of raw materials, store and spares and packing material is determined under the weighted average cost method.

Inventories of work in process and finished goods have been valued at weighted average cost for the year. Such weighted average cost has been arrived taking the operation of the plant at normal capacity.

Waste is valued at estimated net realizable value.

1.9 Employee Benefits

i. Short term employee benefits

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

ii. Long term/Post Separation employee benefit plan

➤ Defined Contribution Plan:

The company's contributions to recognized Provident Fund and Labour Welfare Fund are charged to profit and loss account on accrual basis.

➤ Defined Benefit Plan:

The Company accounts for expenditure on defined benefits plans on an actual payment basis. It is the view of the management that, due to heavy labor turnover ratio and as the entire labour force as at 31.03.2021 is not older than 30 months, the liability of the company under defined benefit plans (i.e. gratuity and leave encashment) is not material considering the present composition of the labor and its volume of business. There is no liability towards retirement benefits as on 31.03.2021 as determined by the company.

1.10 Income Tax and Deferred Tax

The liability of company on account of Income Tax is computed considering the provisions of the Income Tax Act, 1961.

Deferred tax is provided using balance sheet approach on temporary differences at the reporting date as difference between the tax base and the carrying amount of assets and liabilities. Deferred tax is recognized subject to the probability that taxable profit will be available against which the temporary differences can be reversed.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.11 Provisions, Contingent Liability and Contingent Assets

Disputed liabilities and claims against the company including claims raised by fiscal authorities (e.g. Sales Tax, Income Tax, Excise etc.) pending in appeal or court for which no reliable estimate can be made and or involves uncertainty of the outcome of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to accounts.

However, present obligation as a result of past event with possibility of outflow of resources, when reliable estimation can be made of the amount of obligation, is recognized

in accounts in terms of discounted value, if the time value of money is material using a current pre-tax rate that reflects the risk specific to the liability. No contingent asset is recognized but disclosed by way of notes to accounts.

1.12 Foreign Currency Translation

The company's financial statements are presented in INR, which is also the company's functional currency.

- i. Transactions in foreign currencies are recognized at rate of overseas currency ruling on the date of transactions. Gain/Loss arising on account of rise or fall in overseas currencies vis-à-vis functional currency between the date and that of payment is charged to Statement of Profit and Loss.
- ii. Monetary Assets in foreign currencies are translated into functional currency at the exchange rate ruling at the Reporting Date and the resultant gain or loss is accounted for in the Statement of Profit and Loss.
- iii. Non-Monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction.
- iv. Impact of exchange fluctuation is separately disclosed in the notes to accounts.

1.13 Earnings Per Share

Basic Earnings per share is calculated by dividing:

- the net profit for the period attributable to equity shareholders
- by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share:

- the net profit for the period attributed to equity shareholders
- and the weighted average number of shares outstanding during the period
- is adjusted for the effects of all dilutive potential equity shares.

1.14 Borrowing Costs

Borrowing cost that are directly attributable to the acquisition, construction, or production of a *qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale.

Borrowing cost consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. All other borrowing costs are recognized as expense in the period in which they are incurred.

* A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

1.15 Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short- term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(B) NOTES FORMING PART OF THE ACCOUNTS

1. The continuing pandemic due to outbreak of Coronavirus Disease (COVID-19) has impacted the business activities of the Company. On account of this, the Company has prepared cash flow projections and also, assessed the recoverability of receivables, contract assets, factored assumptions used in annual impairment using the various internal and external information up to the date of approval of these financial statements. On the basis of evaluation and current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets and does not anticipate any impairment to these financial and non-financial assets. The Company will continue to closely monitor any material changes to future economic conditions.
2. In the opinion of the Board, the current assets, loans and advances are approximately of the value stated if realized in the ordinary course of the business, the provision for all known liabilities is adequate and no in excess of the amount considered reasonably necessary.

3. Contingent Liabilities not provided for :

Contingent Liabilities not provided for in respect of -

a. Guarantee provided by/on behalf of the company: NIL

b. Claims against company not acknowledged as debts:

S. No	Descriptions	As at March 31,2021	As at March 31.2020
1	Demands From Maharashtra Sales Tax Authorities under appeal for FY 2004-05 not provided for.	1,244,000.00	1,244,000.00
2	Demands From Maharashtra Sales Tax Authorities under appeal for FY 2009-10 not provided for.	2,659,004.00	2,659,004.00
3	Demands From Maharashtra Sales Tax Authorities under appeal for FY 2012-13 not provided for.	19,96,283.00	19,96,283.00
4	Disputed Demands of Grampanchayat Tax 2014-15 to 2017-18	1,952,468.00	1,952,468.00
5	Disputed Demand of Irrigation Department 2014-15 to 2017-18	685,039.00	685,039.00
6	Disputed TDS demands for late filing of returns	7,06,660.00	7,06,660.00
7	Demands From Maharashtra Sales Tax Authorities under appeal for FY 2012-13 not provided for.	2,86,63,867.00	-
	Total	3,79,07,321.00	92,43,454.00

The company has undergone the process of IBC, consequently the above demand/default shall not be liable to pay as per resolution plan approved by NCLT.

4. Disclosure required by Ind AS 19 - Employee Benefits

Particulars	Current Year		Previous Year	
	Gratuity (Funded)	Compensated Absences (Unfunded)	Gratuity (Funded)	Compensated Absences (Unfunded)
Components of Employer Expense	-	-	-	-
Current service cost	-	-	-	-
Expected return on Plan assets	-	-	-	-
Total expense recognized in the Statement of Profit & Loss	-	-	-	-
Account Change in Defined Benefit Obligation (DBO) during the year				
Obligation at period beginning	-	-	-	-
Current service cost	-	-	-	-
Interest Cost	-	-	-	-
Actuarial (gain)/ Loss	-	-	-	-
Obligation at the Year end	-	-	-	-
Change in Plan Assets	-	-	-	-

Plan assets at period beginning, at fair value Expected return on Plan assets	-	-	-	-
Actuarial (gain)/ Loss	-	-	-	-
Contributions	-	-	-	-
Benefits paid	-	-	-	-
Plan assets at the year end, at fair value Reconciliation of Present Value of the Obligation and Fair value of plan assets	-	-	-	-
Fair value of Plan assets at the end of the year	-	-	-	-
Present value of the defined benefit	-	-	-	-
Obligation at the end of the year	-	-	-	-
Liability/ (Asset) Recognized in the Balance Sheet	-	-	-	-
Comprising of :	-	-	-	-
Current Liabilities	-	-	-	-
Assumptions used to determine the benefit obligation	-	-	-	-
Discount Rate	-	-	-	-
Estimate rate of return on Plan Assets	-	-	-	-
Expected rate of Increase in salary	-	-	-	-
Withdrawal rate (18 to 58 Years)	-	-	-	-
<p>Due to recently implemented Corporate Insolvency Resolution Plan u/s 10 of the Insolvency and Bankruptcy Code, 2016 in the company, the company has not carried out any actuarial valuation since almost all the staff is recently appointed and there are is no liability towards retirement benefits accruing as on 31.03.2020 For the year FY 2019-20, wages and salaries of Rs.71.71 Lakhs are charged to profit and loss statement and Rs.26.44 Lakhs have been paid as per Resolution Plan approved by NCLT towards the full and final settlement.</p>				

5. Disclosure in accordance with section 22 of Micro, Small and Medium Enterprise Development Act, 2006 :

Sr. No	Particulars	As at March 31, 2021	As at March 31, 2020
1	Principal amount remaining and paid and interest due thereon	9,28,273.12	2,54,192.04
2	Interest paid in terms of section 16	Nil	Nil
3	Interest due and payable for the period of delay in payment	Nil	Nil
4	Interest accrued and remaining unpaid	Nil	Nil
5	Interest due and payable even in succeeding years	Nil	Nil
* As certified by the management based on the available information.			

6. There is no liability in respect of retirement benefits as on 31.03.2021/31.03.2020.

7. Auditor's Remuneration

SR NO.	Particulars	31.03.2021	31.03.2020
1	Statutory Audit Fees	2,50,000	2,50,000
2	Tax Audit Fees	-	-
3	Income Tax Matters	-	-
4	IND AS Compliance Fees	-	90,860
4	Internal Audit Fees	2,50,000	2,50,000
	Total (Excluding Tax)	5,00,000	5,90,860

(Excluding GST Payable there on)

8. DEFERRED TAX

In view of the uncertainty attached with the future profitability of the Company and lack of any convincing evidence that sufficient future taxable income would be available, company has decided not to recognize any Deferred Tax Asset in respect of the timing differences outstanding at the beginning of the year as well as those arisen during the year.

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax liability recognized due to timing difference due to :		
Depreciation and other differences in block of fixed assets	4,41,40,315	5,15,08,041
<i>Total Deferred Tax liabilities</i>	<i>4,41,40,315</i>	<i>5,15,08,041</i>
Deferred tax assets recognized due to timing difference due to :		
Tax impact of provision for doubtful debts and other provisions	-	-
Tax impact of disallowances under section 43B of the Income Tax Act, 1961	-	-
Realization of tax impact of unabsorbed depreciation	-	-
Realization of tax impact of carried forward business losses	16,51,52,069	17,96,97,384
<i>Total Deferred Tax Assets :</i>	<i>16,51,52,069</i>	<i>17,96,97,384</i>
Net Deferred Tax Assets / (Deferred Tax Liability)	12,10,11,754	12,81,89,343
(Credit)/ Charge to profit and loss account	-	-

9. Figures of the previous year have been regrouped rearranged and recast wherever necessary, to make them comparable with the figures or the current year.
10. Expenditure in Foreign Currency – NIL
(Previous year Rs. NIL/-)
11. Disclosure in accordance with AS 18” Related Party Disclosures”

FOR THE YEAR ENDING 31.03.2021

	Associates	Key Management Personnel	Relative of Key Management Personnel	TOTAL
FINANCE				
Equity Contribution Outstanding as at the year end.	NIL	NIL	NIL	NIL
Expenditure on Services	NIL	35,00,000	NIL	35,00,000
Interest paid	NIL	2,78,48,957.00	NIL	2,78,48,957.00
RENT PAID	NIL	4,500.00	NIL	4,500.00
Purchase of Stores Spares & Plant & Machinery	NIL	NIL	NIL	NIL
Sale of Raw Material/Semi Finish Products	NIL	21,53,73,572.53	NIL	21,53,73,572.53
Job Work Charges	NIL	NIL	NIL	NIL
Deposits/Loan Received from Directors	NIL	10,54,50,000.00	NIL	10,54,50,000.00
Refund During the Year (NET)	NIL	10,76,57,370.00	NIL	10,76,57,370.00
Outstanding Balance	NIL	23,57,54,454.00	NIL	23,57,54,454.00
Amount Received for Equity Allotment	NIL	5,45,39,910.00	NIL	5,45,39,910.00

FOR THE YEAR ENDING 31.03.2020

	Associates	Key Management Personnel	Relative of Key Management Personnel	TOTAL
FINANCE				
Equity Contribution Outstanding as at the year end.	NIL	NIL	NIL	NIL
Expenditure on Services	NIL	NIL	NIL	NIL
Interest paid	NIL	3,06,67,562.00	NIL	3,06,67,562.00
RENT PAID	NIL	NIL	NIL	NIL
Purchase of Stores Spares &	NIL	NIL	NIL	NIL

Plant & Machinery				
Sale of Raw Material/Semi Finish Products	NIL	NIL	NIL	NIL
Job Work Charges	NIL	NIL	NIL	NIL
Deposits/Loan Received from Directors	NIL	10,59,14,780.00	NIL	10,59,14,780.00
Refund During the Year (NET)	NIL	20,94,40,036.00	NIL	20,94,40,036.00
Outstanding Balance	NIL	26,60,84,081.00	NIL	26,60,84,081.00

- ii. Other related parties in transaction with the company: F Y 2019-20 & 2020-21
- | | |
|--------------------------|--|
| Key Management Personnel | Mr. Deepak Chaganlal Choudhari
(Manibhadra Polycot) |
| | Mr. Jitendrakumar Goutamchand Chopra
(Universal Cottex) |
| | Mrs. Sharmiladevi Jitendrakumar Chopra
(Universal Weaving Mill) |
| | Mr. Shreyansh Rajendra Choudhari. |

12. Segment Information

The company has identified only one reportable segment viz. spinning mill. Segment has been identified and reported taking into account nature of products and services, the differing risks and returns and the internal business reporting system.