



AKSHAR SPINTEX LIMITED

Date: 3rd September, 2020

To,
The Department of Corporate Services,
BSE Limited
P.J. Tower, Dalal Street,
Mumbai – 400 001.

Ref: BSE Script Code: 541303

Dear Sir/ Madam,

Sub: Annual Report for the Financial Year 2019-20 along with Notice of 7th Annual General Meeting

In terms of requirements of Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015, please find enclosed herewith Annual Report of the Company for the financial year 2019-20 along with Notice of 7th Annual General Meeting. The Company has sent the same through electronic mode to the members who have registered their E-Mail IDs with the Company's R & TA/Depository Participants.


The Annual Report is also available on the Company's Website: www.aksharspintex.in. Further, the AGM Notice is also be available on the Website of National Securities Depositories Limited ("NSDL") at www.evoting.nsdl.com.

Kindly take the same on your record.

Thanking You

Yours Faithfully

For, Akshar Spintex Limited
Akshar Spintex Limited


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

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

T : +91 2894 291114 / 5 / 6, +91 94260 84066, E : Aksharspintex@gmail.com, W: Aksharspintex.in

Administrative Office: C-704, The Imperial Heights, 150 feet Ring Road, Opp. Big Bazaar, Rajkot, Gujarat 360005. T : +91 8000 777 671,

CIN : L17291GJ2013PLC075677



AKSHAR SPINTEX LIMITED

CIN:L17291GJ2013PLC075677

7th ANNUAL REPORT

FOR THE YEAR OF

2019-20

**“Effectiveness is our Goal
Efficiency is our Strength”**



www.aksharspintex.in





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ABOUT COMPANY

Akshar Spintex Limited takes immense pride in perceiving its role as the comprehensive architect of every single yarn that produces. It is this demand for perfection that has spurred the growth of an organization and its corporate philosophy.

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

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

We firmly believe that those who can furnish clients with the best quality, competitive price and excellent customer services and prompt delivery can only survive in the market.

The manufacturing facility of the Company is located at Kalavad, Jamnagar District of Gujarat. The manufacturing facility is located at distance of 250 km from kandla port and is in a Shankar – 6 cotton rich belt. It leads to easily availability of Quality Raw Material at a least cost. Further, skilled Labour are easily available in the locality were the plant of the Company situated this will help in producing Quality product and maximize the output in production and reduce the wastage.

The Board of Directors along with core management team of the company always strives to maximize the value of the Company with the available resources with the Company.

During these difficult times, Akshar Spintex Limited is staying close to customers keeping in mind the safety and health of the employee worked and helping them in all possible ways which shows the loyalty of the Company towards its business. For more information, visit us at aksharspintex.in.



Message from the Chairman...

Dear Shareholders,

I am pleased to present Akshar's Financial Year 2019-20 performance. On the face of it, the Company's performance was not in line with our expectations. However, looking at the bigger picture I would like to communicate that in a cyclical business like ours, our manner of sustaining such crests and responding to troughs distinguishes us. Our distinctive response to the tough industry scenario resulted into passing the tough time with minimal decline in the profits rather minimum loss and is expected to translate into enhanced revenues, margins and surpluses across the foreseeable future.

We too bore the brunt of these adverse macroeconomic trends but thanks to our experience we exhibited a sense of determined responsiveness in the face of these unfolding realities. In view of the continued uncertainty, one thing that remained constant was our constant focus on our future growth strategy. This I believe would help the Company emerge a stronger player, well-placed to capitalise with speed on a sectoral rebound. Although challenging, FY2019-20 also saw good progress in a lot of other areas, which positioned Akshar well for the future.

We continued to modernise facilities with the objective to enhance operating efficiencies, moderate costs and achieve qualitative consistency. With the confidence that there would be an increased need for technologies in the days ahead, we have latest German and Japanese technology machineries. When it comes to quality yarns, we are the industry leader for satisfying customers. Wherever it is impacting the quality of production, we will continue to execute our modernisation strategy.

In the present challenging environment, where a number of challenges were beyond our control, at Akshar we focused on taking adequate measures over factors that were within our reach and control. We focused on sweating assets with the objective to cover fixed costs more efficiently. We looked into every cost incurred and practice undertaken with the objective to eliminate wasteful expenditure.

Year at a glance – Company Performance:

Despite of various macro and micro uncertainties and challenging business environment, the Company witnessed a stable performance. During the year, our revenues stood at Rs. 109.09 crore, increased against that of previous year i.e. Rs. 100.63 Crore. Due to Unexpected fluctuations in the prices of raw materials, Company has reported net loss of Rs. 5.73 Crore as against profit of Rs. 2.24 Crore of previous year. The Earning per Share (EPS) of the Company is negative. Debt to Equity Ratio corrected and increased from 0.66 to 0.81.

Path ahead

No doubt Financial Year 2019-20 was a year with challenges across many of our markets including CoVID-19 a worldwide pandemic in the last Quarter which had a negative impact on our financial performance. We have come this far by building on the experiences of these difficult year and utilising these experiences we would continue to build our future. We expect that the complement of the initiatives taken during the year will enable the Company to enhance its revenue momentum, margins and create attractive value in the hands of all our stakeholders. A year like this reinforces our belief in the strength of our proposition and enhances our ability to adapt our business for the future. On behalf of the Board and the entire leadership team, I thank all our stakeholders, business partners and customers for their continued support and guidance. I would like to thank our team for its hard work and support. I am also grateful to our shareholders who have put their trust and faith on us. We aim to continuously create value for all our stakeholders while registering satisfactory performance.

Warm Regards,

Ashok S. Bhalala

Chairman & Managing Director

“**Effectiveness is our Goal**
Efficiency is our Strength”



Corporate Information

- BOARD OF DIRECTORS -

Mr. Ashok Shukanbhai Bhalala

Chairman & Managing Director

Mr. Amit Vallabhbhai Gadhiya

Whole time Director

Mr. Harikrushna Shamjibhai Chauhan

Whole time Director

Mrs. Ilaben Dineshbhai Paghdar

Executive Director

Mr. Nirala Indubhai Joshi

Non-executive & independent director

Mr. Vipul Vallabhbhai Patel

Non-executive & independent director

Mr. Rohit Bhanjibhai Dobariya

Non-executive & independent director

Chief Financial Officer

Mr. Pratik Rameshbhai Raiyani

E-Mail Id cfo@aksharspintex.in
(Resigned w.e.f. 24.07.2020)

Company Secretary

Mr. Ashwin N. Chavda

E-Mail Id: cs@aksharspintex.in
(Resigned w.e.f. 26.08.2020)

REGD. OFFICE:

Revenue Survey No.102/2 Paiki, Plot No. - 2, Village: Haripar, Ranuja Road,
Tal: Kalavad, Jamnagar – 361013, (Gujarat) India
Tel. No.: +91 98252 13622 | E-mail id: Info@aksharspintex.in
Website: www.aksharspintex.in

CORPORATE OFFICE:

C-704, The Imperial Heights, Opp. Big Bazaar, 150, Feet Ring Road,
Rajkot-360005. Gujarat, India.
Contact: **+91 94260 84066** | Email: admin@aksharspintex.in

Committees

AUDIT COMMITTEE

Mr. Nirala Joshi	- <i>Chairman</i>
Mr. Vipul Patel	- <i>Member</i>
Mrs. Ilaben Paghdar	- <i>Member</i>

NOMINATION AND REMUNERATION COMMITTEE

Mr. Rohit Dobariya	- <i>Chairman</i>
Mr. Nirala Joshi	- <i>Member</i>
Mr. Vipul Patel	- <i>Member</i>

STAKEHOLDER 'S RELATIONSHIP COMMITTEE

Mr. Vipul Patel	<i>Chairman</i>
Mr. Harikrushna Chauhan	<i>Member</i>
Mr. Amit Gadhiya	<i>Member</i>

RISK MANAGEMENT COMMITTEE

Mr. Ashok Bhalala	<i>Chairman</i>
Mr. Harikrushna Chauhan	<i>Member</i>
Mr. Amit Gadhiya	<i>Member</i>

INTERNAL COMPLAINTS COMMITTEE FOR SEXUAL HARASSMENT COMPLAINTS REDRESSAL

Mrs. Ilaben Paghdar	<i>Chairman</i>
Mr. Ashok Bhalala	<i>Member</i>
Mr. Harikrushna Chauhan	<i>Member</i>

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mrs. Nirala Joshi	<i>Chairman</i>
Mr. Amit Gadhiya	<i>Member</i>
Mr. Harikrushna Chauhan	<i>Member</i>

STATUTORY AUDITORS**M/s. H. B. KALARIA & ASSOCIATES, Chartered Accountants**

A 601/602, The Imperial Heights, Opp. Big Bazar, 150 ft. Ring Road, Rajkot-360005, (Gujarat) India
Tel. No.: 0821-2581501, E-Mail Id:hbkalaria@gmail.com
Firm Registration Number: 104571W
Membership No.:042002

SECRETARIAL AUDITOR**M/s. Varsha & Associates, Company Secretaries**

B-5, Hussaini Bldg Sittladevi Temple, Mahim West, Mumbai – 400 016 . (MH)
E-mail: varshashah0409@gmail.com
ICSI Membership No.: A47469
COP No.: 22584

INTERNAL AUDITOR**Mr. Ankit Makwana, Master of Commerce**

Plot No.27, Makwana Nivas, 2/3 Hasan Vadi Close Street Gayatri Nagar Main Road Bhaktinagar, Rajkot-360002, (Gujarat) India

STOCK EXCHANGE**SME Platform of BSE Limited**

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

REGISTRAR & SHARE TRANSFER AGENTS**BIGSHARE SERVICES PRIVATE LIMITED**

A/802, Samudra Complex, Near Klassic Gold Hotel, Girish Cold Drinks, Off: C. G. Road, Ahmedabad- 380009, (Gujarat) India
Contact : +91- 79 – 4039 2571
Email : bssahd@bigshareonline.com
Website: www.bigshareonline.com

BANKERS TO THE COMPANY**THE SOUTH INDIAN BANK LIMITED**

G4/A, Solitaire Building, 150 ft Ring Road, Rajkot-360005, (Gujarat) India
E-Mail Id: br0466@sib.co.in



MANAGEMENT TEAM



Mr. Ashok Bhalala
Chairman & Managing Director



Mr. Amit Gadhiya
Whole-time Director



Mr. Harikrushna Chauhan
Whole-time Director



Mrs. Ilaben Paghdar
Executive Director



Mr. Nirala Joshi
Independent Director

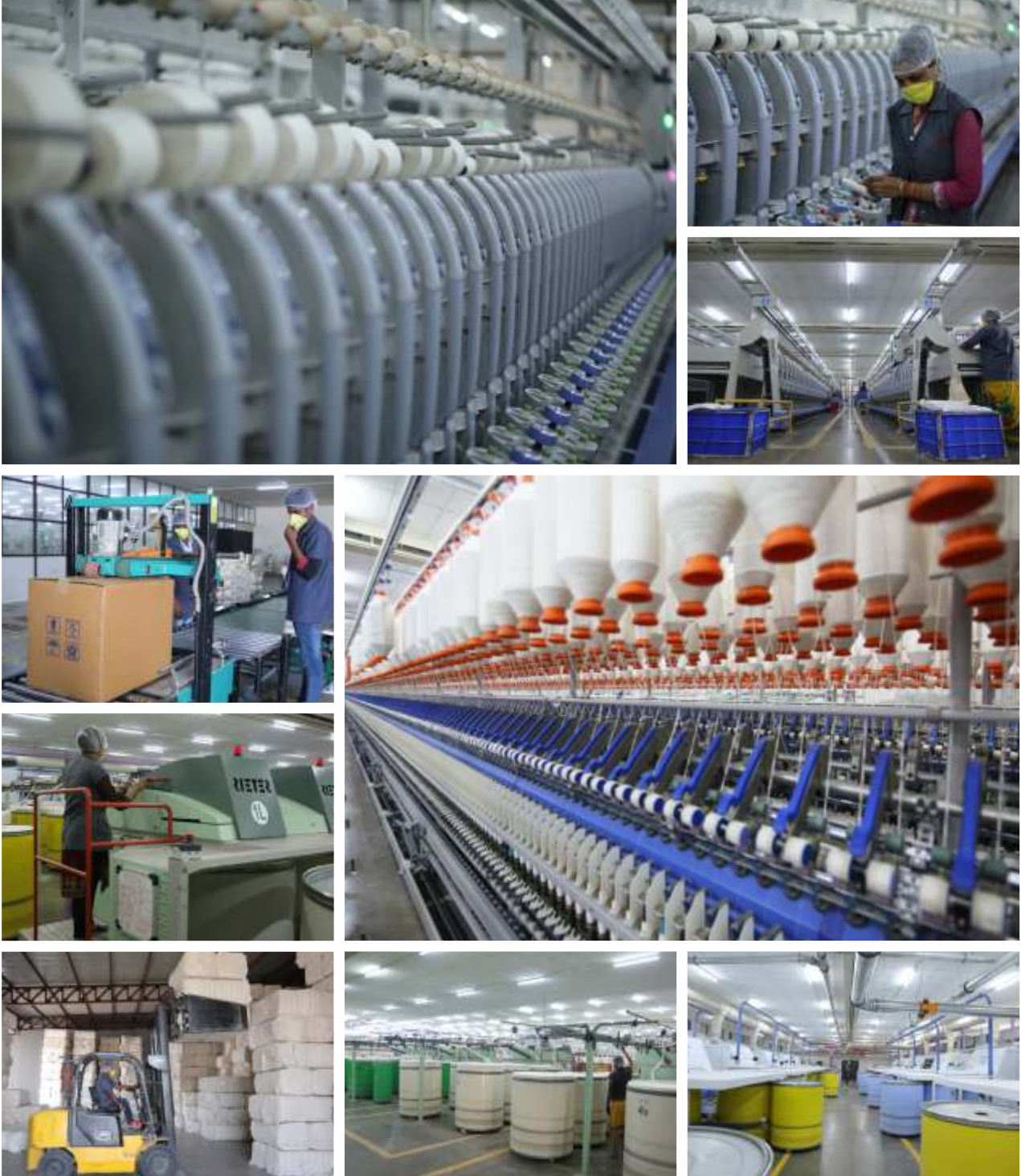


Mr. Vipul Patel
Independent Director



Mr. Rohit Dobariya
Independent Director

GLIMPSE OF FACTORY IMAGES





PRODUCTS

PRODUCTS OF FIBER	PRODUCTS OF YARN
100% Natural Cotton (Sankar -6)	100% Carded Cotton Yarn(16's to 44's Ne)
100% Natural Cotton (MCU-5)	100% Semi Combed Cotton Yarn(16's to44's Ne)
100% Natural Cotton (DCH-32)	100% Combed Cotton Yarn(16's to 44's Ne)
100% Natural Cotton (MECH-1)	Slub Yarn
100% Natural Cotton (J-34)	Core Spun Yarn
100% BCI Certified Cotton	TFO Yarn
100% Organic Certified Cotton	Eli Twist Yarn
100% Viscose	Fancy Yarn
100% Modal	Melange Yarn
100% Excel	Blended Yarn BCI Certified Yarn Organic Yarn



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

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the Seventh Annual General Meeting of the members of AKSHAR SPINTEX LIMITED will be held on Tuesday - 29th September, 2020 at 4.00 p.m. IST through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”) to transact the following business:

ORDINARY BUSINESS:

1. To Consider and adopt the financial Statement of the Company for the financial year ended March 31, 2020 and reports of Board of Directors and Auditor thereon, to consider and if thought fit, to pass, with or without modification(s), the following resolution as **Ordinary Resolution**:

“**RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted.”

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

“**RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Smt. Ilaben Dineshbhai Paghdar (DIN: 07591339), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company.”

3. To ratify appointment of M/s. H.B. Kalaria & Associates, Statutory Auditors of the Company, to consider and if thought fit, to pass, with or without modification(s), the following resolution as **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and the Companies (Audit and Auditors) Rules, 2014 (“Rules”) (including any statutory modification or re-enactment thereof, for the time being in force), appointment of M/s. H.B. KALARIA & ASSOCIATES., Statutory Auditor of the Company be ratified to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM of the Company.”

SPECIAL BUSINESS:

4. Payment of Remuneration to Cost Auditors for Financial Year 2020-2021.

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

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and such other permissions as



may be necessary, the payment of the total remuneration of Rs. 30,000/- plus reimbursement of out of pocket expenses at actuals plus applicable taxes payable to M/s. Mitesh Suvagiya & Co., Cost Accountants, who were appointed as “Cost Auditor” to conduct the audit of Cost Records maintained by the Company for the Financial Year ending March 31, 2021, be and is hereby ratified and approved.”

By order of the Board of Directors,
AKSHAR SPINTEX LIMITED

ASHOK SHUKAN BHALALA
Chairman & Managing Director
Place: Haripar (Jamnagar)
Date: 26/08/2020

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

Notes:

1. Considering the present Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read together with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) permitted convening the Annual General Meeting (“AGM” / “Meeting”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without the physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 (‘the Act’) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. The Explanatory Statement pursuant to Section 102 of the Act setting out material facts concerning the business under Item No. 4 of the Notice, is annexed hereto. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this AGM are also annexed.
3. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.
4. Since the AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto.
5. The Members can join the Annual General Meeting in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the Annual General Meeting through VC/OAVM will be made available on first come first served basis.
6. **DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:**
In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company’s website <http://www.aksharspintex.in/annual-report.html>, websites of the Stock Exchanges, i.e., BSE Limited at www.bseindia.com, and on the website of NSDL, at <https://www.evoting.nsdl.com/>.



7. For receiving all communication (including Annual Report) from the Company electronically Members are requested to register / update their email addresses with the relevant Depository Participant.
8. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before September 15, 2020 through email on cs@aksharspintex.in. The same will be replied by the Company suitably. Queries that remain unanswered at the AGM will be appropriately responded by the Company at the earliest post the conclusion of the AGM.
9. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered Email Id mentioning their name, DP ID and Client ID / Folio No., PAN, Mobile No. to the Company at cs@aksharspintex.in between 15th September, 2020 to 19th September, 2020. Those Members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers and Questions depending on the availability of time for the AGM.
10. All the work related to share registry in terms of both physical and electronic are being conducted by Company's Registrar and Share Transfer Agent, Bigshare Services Private Limited (RTA), A-802, Samudra Complex, Near Klassic Gold Hotel, Off C.G Road, Navrangpura, Ahmedabad – 380009 (Gujarat). The Shareholders are requested to send their communication to the aforesaid address.
11. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the AGM, i.e., Tuesday, September 29, 2020.
12. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to cs@aksharspintex.in.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts.
14. This notice along with Annual Report for 2019-20 is being sent to all members of the Company whose name appears in the Register of Members/ list of beneficiaries received from the depositories as on 28th August 2020.

15. The person whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories as on closing of Tuesday, September 22, 2020 i.e. cut-off date only shall be entitled to vote at the meeting.
16. The Register of Members and Share Transfer Books shall remain closed from Wednesday, September 23, 2020 to Tuesday, September 29, 2020 (both days inclusive).
17. Members may pursuant to section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 file nomination in prescribed form SH- 13 with the respective depository participant.
18. **Instructions For Remote E-Voting Before / During The AGM:**

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 EGM/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 EGM/AGM will be provided by NSDL.

- i. The remote e-voting period begins on 26th September, 2020 (9:00 a.m. IST) and ends on 28th September, 2020 (5:00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as at the cut-off date of 22nd September, 2020 may cast their vote electronically. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of this Notice and holding shares as on 22nd September, 2020, may obtain the login Id and password by sending request at evoting@nsdl.co.in.
- ii. The Members who have cast their vote by remote e-voting prior to the AGM may also attend / participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- iii. Those Members, who will be present in the AGM through VC / OAVM and have not casted their vote through remote e-voting and are otherwise not barred from doing this, shall be eligible to vote through e-voting system during the AGM.
- iv. The details of process and manner for remote e-voting and e-voting during the AGM are as under



Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 are mentioned below:

How to Log-into 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 ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password 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. Your password details 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 Notice.
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.
 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.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. 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.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.



General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to piyushrjethva@gmail.com with a copy marked to evoting@nsdl.co.in.
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.: 1800-222-990 or send a request at evoting@nsdl.co.in

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the 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 AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the 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 AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members 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. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

Place: Haripar (Jamnagar)
Date: 26/08/2020

By order of the Board of Directors,
AKSHAR SPINTEX LIMITED

ASHOK SHUKAN BHALALA
Chairman & Managing Director



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

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

4. Payment of Remuneration to Cost Auditors for Financial Year 2020-2021:

The Board, on the recommendations of the Audit Committee, has approved the appointment and remuneration of M/s. Mitesh Suvagiya & Co., Cost Accountants as Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending March 31, 2021 at a Remuneration of Rs. 30,000/- plus reimbursement of out of pocket expenses at actuals plus applicable taxes.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor needs to be ratified by the Members of the Company. Accordingly, approval of the members is requested for passing an Ordinary Resolution as set out at item no. 4 of the Notice for ratification of the remuneration payable to the Cost Auditor to conduct audit of the Cost Records of the Company for the Financial Year ending March 31, 2021. Relevant documents in respect of the said item are available in Electronic Form for inspection by the Members of the Company upto the date of the Meeting.

None of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested in the resolution set out at item No. 4 of the Notice. The Board recommends the Ordinary Resolution as set out at item no. 4 for approval by the Members.

20. Information on Director recommended for appointment / reappointment as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Re-appointment of Smt. Ilaben Dineshbhai Paghdar (DIN: -07591339), whose is retire by rotation

In terms of Section 152(6) of the Companies Act, 2013, Smt. Ilaben Dineshbhai Paghdar(DIN: -07591339), shall retire by rotation at the forthcoming Annual General Meeting (AGM) and being eligible offers herself for re-appointment.

In the opinion of the Board, Smt. Ilaben Dineshbhai Paghdar, fulfills the conditions specified in the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Further Details of Director is given as under:

Sr. No.	Particulars	Information
01	Name of Director	Ilaben Dineshbhai Paghdar
02	Director Identification Number	07591339
03	Date of Birth/ Age	23/07/1976/ 44 Years
04	Brief Resume of Director	Mrs. Ilaben Dineshbhai Paghdar, aged 44 years, she has completed Secondary Education from Gujarat Board. She is working with Company since October, 2016. Company has changed her designation from Non Executive Director to Executive Director.
05	Nature of his expertise in specific functional areas	She is having wide experience and competent to handle corporate administrative work. She is looking into administrative work at Corporate Office of the Company
06	Disclosure of relationships between Directors inter-se	Nil
07	Names of listed entities in which the person also holds the Directorship and	Nil
08	The membership of Committees of the board	2 (Two) Committees
09.	Disclosure of Disqualification	She is not disqualified from being appointed as a Director
04	No. of Shares held in the Company	1602000

By order of the Board of Directors,
AKSHAR SPINTEX LIMITED

Place: Haripar (Jamnagar)
Date: 26/08/2020

ASHOK SHUKAN BHALALA
Chairman & Managing Director



DIRECTOR'S REPORT

Dear Members,

The Directors of your Company have pleasure in presenting their 7th Annual Report of the business and operations of the Company along with the Audited Financial Statements for the financial year ended 31st March, 2020.

1. Financial Results

The financial performance of your Company for the financial year ended on 31st March, 2020 is as under: -

Particulars	(Rs. In Lakhs)	
	2019-20	2018-19
Revenue from Operations	10909.65	10063.17
Other Income	199.21	429.95
Total Revenue	11108.86	10493.13
Cost of Materials Consumed	9248.77	7893.60
Purchase of Stock in trade	-	-
Change in Inventories	(54.38)	(35.70)
Employee Benefit Expense	561.03	566.15
Finance Costs	305.91	246.98
Depreciation and Amortization Expenses	410.24	382.09
Other Expenses	1097.70	1055.33
Total Expenditures	11569.28	10108.46
Profit/loss Before Tax	(460.41)	384.66
Tax Expenses		
Current Tax	82.71	1.26
Deferred Tax	30.04	159.13
Profit After Tax	(573.16)	224.27
Earnings per Share		
Basic	(2.29)	0.93
Diluted	(2.29)	0.93

2. Financial Analysis and Review of Operations

Sales & Profitability Review

During the year under review the Company has generated revenue from its operation of Rs. 10909.65 Lacs, higher by 8.41 percent over the previous year's revenue of Rs. 10063.17 Lacs. The Company has booked profit before depreciation, interest and tax of Rs. 255.74 Lacs as against Rs. 1013.75 Lacs in the previous year. After providing for depreciation of Rs. 410.24 Lacs (previous year Rs. 382.49 crore), interest of Rs. 305.90 Lacs (previous year Rs. 246.98 Lacs), provision for current tax of Rs. 82.70 Lacs (previous year Rs. 1.26 Lacs), deferred tax (net of adjustments) of Rs. 30.04 Lacs (previous year Rs. 159.13 Lacs), the Net loss after comprehensive income worked out to Rs. 573.16 Lacs as compared to profit of Rs. 224.27 Lacs in the previous year.

Resources Utilization

1. Fixed Assets

The Net Block as at 31st March, 2020 was Rs 4970.39Lakhs as compared to Rs4911.70 Lakhs in the previous year.

2. Current Assets

The current assets as on 31st March, 2020 were Rs. 2278.11Lacs as against Rs.2909.54Lacs in the previous year. Inventory level was at Rs.996.66Lacs as compared to the previous year level of Rs.1315.75Lacs.

3. CoVID-19

In the last month of FY 2019-2020, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lock-downs of all economic activity. For the Company, the focus immediately shifted to ensuring the health and well-being of all employees. The Company switch to work from home foremployees of the Office Staff.Akshar Spintex Limited has started limited operations at its manufacturing unit situated at Haripar, Kalawad, Dist: Jamnagar (Gujarat) on release of Partial lifting of lockdown by Central Government and State Government from 10th April 2020 and Administrative Office resume its function from 1st May 2020 with a limited Staff as per the guidelines issued by State Government.

4. Extract of Annual Return

An Extract of Annual Return as required under Section 92(3) of the Companies Act, 2013 in form of MGT-9 is annexed hereto and form part of this report as “**Annexure I**”.

Pursuant to the provisions of Section 134(3)(a) of Companies Act, 2013, the web address of the Annual Return of the Company is <http://aksharspintex.in/annual-return.html>

5. Dividend

As Company has reported Loss in the current financial year, no dividend is recommended by the Board for the Financial Year 2019-20.

6. Transfer to Reserves

The Board of Directors of your Company does not propose to transfer any amount to any reserve.

7. Directors

Liabie to retire by rotation:

In accordance with the provisions of the Articles of Association of the Company, Mrs. Ilaben Dineshbhai Paghdar, Director of the Company, retires by rotation at the conclusion of the forthcoming Annual General Meeting and being eligible, offers herself for reappointment. The Board recommended her appointment for the consideration of the members of the Company at the ensuing Annual General Meeting.



Independent Directors:

Mr. Nirala Indubhai Joshi was appointed as Independent Director of the Company by the Members of the Company in the 5th Annual General Meeting to hold office w.e.f. 17th January, 2018 for a term of consecutive five years.

Mr. Vipul Vallabhbhai Patel was appointed as Independent Director of the Company by the Members of the Company in the 5th Annual General Meeting to hold office w.e.f. 8th March, 2018 for a term of consecutive five years.

Mr. Rohit Bhanjibhai Dobariya was appointed as Independent Director of the Company by the Members of the Company in the 5th Annual General Meeting to hold office w.e.f. 14th March, 2018 for a term of consecutive five years.

Declaration under Section 149(6):

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 read with Schedule IV thereof and code of Conduct for Independent Directors and for Senior Management formulated by Company.

Annual Evaluation of the Board Performance:

In accordance with the manner specified by the Nomination and Remuneration Committee, the Board carried out annual performance evaluation of the Board, its Committees and Individual Directors.

8. Key Managerial Personnel:

In compliance with provisions of Section 203 of the Companies Act, 2013, following are the KMPs of the Company as on 31st March, 2020:

Sr. No.	Name	Designation
1	Mr. Ashok Shukanbhai Bhalala	Chairman & Managing Director
2	Mr. Harikrushna Shamjibhai Chauhan	Whole Time Director
3	Mr. Amit Vallabhbhai Gadhiya	Whole Time Director
4	Mr. Pratik Rameshbhai Raiyani [Resigned w.e.f. 24 th July 2020]	Chief Financial Officer
5	Mr. Ashwin Najabhai Chavda (Resigned w.e.f. 26 th August, 2020)	Company Secretary

During the year under review Ms. Chandani Chhabariya, Company Secretary and Compliance Officer of the Company have been resigned from the said post with effect from 11th June, 2019. Further, Mr. Ashwin N. Chavda has been appointed as Company Secretary and Compliance Officer of the Company to fill the vacancy with effect from 26th December, 2019 in the duly held Board Meeting on that date.

9. Number of Board Meetings:

During the year under review, the Board met 12 times and the intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013 on following dates;

02.04.2019	25.05.2019	30.05.2019	01.06.2019
11.06.2019	28.06.2019	06.07.2019	12.07.2019
30.08.2019	14.11.2019	26.12.2019	07.02.2020

Attendance of Director are as follows;

Sr. No.	Name of Director	Designation	No. of Meetings entitled to attend	No. of Meeting Attended
1	Ashok Shukanbhai Bhalala	CMD	12	12
2	Harikrushna Shamjibhai Chauhan	WTD	12	12
3	Amit Vallabhbhai Gadhiya	WTD	12	12
4	Ilaben Dineshbhai Paghdar	Exe. Director	12	12
5	NiralaIndubhai Joshi	Ind. Director	12	05
6	Vipul Vallabhbhai Patel	Ind. Director	12	05
7	Rohit Bhanjibhai Dobariya	Ind. Director	12	05

10. Vigil Mechanism:

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013, the Company has established a "Vigil Mechanism" incorporating whistle blower policy in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for employees and Directors of the Company, for expressing the genuine concerns of unethical behavior, actual or suspected fraud or violation of the codes of conduct by way of direct access to the Chairman/ Chairman of the Audit Committee. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Policy on Vigil Mechanism and whistle blower policy as approved by the Board may be accessed on the Company's website at the link:<http://aksharspintex.in/corporate-governance.html>.



11. Constitution of Various Committees & Its Meeting;

Audit Committee;

Sr. No.	Name of the Person	Designation	Particulars of Meetings	
			No. of Meetings entitled to attend	No. of Meetings Attended
1	Mr. Nirala Joshi	Chairman	05	05
2	Mr. Vipul Patel	Member	05	05
3	Mrs. Ilaben Paghdar	Member	05	05

Nomination and Remuneration Committee;

Sr. No.	Name of the Person	Designation	Particulars of Meetings	
			No. of Meetings entitled to attend	No. of Meetings attended
1	Mr. Rohit Dobariya	Chairman	03	03
2	Mr. Nirala Joshi	Member	03	03
3	Mr. Vipul Patel	Member	03	03

Stakeholder Relation Committee;

Sr. No.	Name of the Person	Designation	Particulars of Meetings	
			No. of Meetings entitled to attend	No. of Meetings attended
1	Mr. Vipul Patel	Chairman	03	03
2	Mr. Harikrushna Chauhan	Member	03	03
3	Mr. Amit Gadhiya	Member	03	03

Risk Management Committee

Sr. No.	Name of the Person	Designation	Particulars of Meetings	
			No. of Meetings entitled to attend	No. of Meetings attended
1	Mr. Ashok Bhalala	Chairman	01	01
2	Mr. Harikrushna Chauhan	Member	01	01
3	Mr. Amit Gadhiya	Member	01	01

Internal Complaints Committee

Sr. No.	Name of the Person	Designation	Date of Meetings	
			No. of Meetings entitled to attend	No. of Meetings attended
1	Mrs. Ilaben Paghdar	Chairman	01	01
2	Mr. Ashok Bhalala	Member	01	01
3	Mr. Harikrushna Chauhan	Member	01	01

Corporate Social Responsibility Committee

Sr. No.	Name of the Person	Designation	Date of Meetings	
			No. of Meetings entitled to attend	No. of Meetings attended
1	Mr. Nirala Joshi	Chairman	01	01
2	Mr. Amit Gadhiya	Member	01	01
3	Mr. Harikrushna Chauhan	Member	01	01

12. Corporate Social Responsibility

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

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

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

13. Internal Financial Controls:

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed. A report on the Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 as given by the Statutory Auditors of the Company forms part of Independent Auditor's Report on Financial Statements.



14. Particulars of Contracts or Arrangements made with Related Parties;

All contracts/arrangements/transactions entered into by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable. The Policy on dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link <http://aksharspintex.in/corporate-governance.html>.

Your Directors draw attention of the members to Note 32 to the financial statement which sets out related party transaction disclosures.

15. Particulars of Loans, Guarantees or Investments made under section 186 of the Companies Act, 2013:

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the financial statement (Please refer to Note No. 12 to the financial statement).

16. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:

Energy conservation continues to be an area of major emphasis in our Company. Efforts are made to optimize the energy cost while carrying out the manufacturing operations. Particulars with respect to conservation of energy and other areas as per Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, are annexed hereto and form part of this report as "Annexure III".

17. Management Discussion and Analysis Report

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

18. Human Resources /Industrial Relations:

Human resource is considered as the most valuable of all resources available to the Company. The Company continues to lay emphasis on building and sustaining an excellent organization climate based on human performance. The Management has been continuously endeavoring to build high performance culture on one hand and amiable work environment on the other hand.

The remuneration paid to the Directors is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations (including any statutory modification(s) or reenactment(s) for the time being in force).

Details of employee as per Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are available at the Registered Office of the Company during working hours, 21 days before the Annual General Meeting and shall be made available to any Shareholder on request. Such details are also available on your Company's website <http://www.aksharspintex.in/annual-report.html>. Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report as “**Annexure V**”.

19. Material Changes and Commitment, if any, Affecting the Financial Position of the Company occurred between the end of the Financial Year to which this Financial Statements relate and the date of the report

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report except the Business operation of the Company affected in the Last Quarter of 2019-20 and First Quarter of 2020-21 due to CoVID-19, a Worldwide Pandemic and for that Company has already disclosed material impact wide Letter filed with Stock Exchange on 22nd June, 2020.

20. Auditors & Auditors Report:

Statutory Auditor;

Pursuant to provisions of Section 139 of the Companies Act, 2013, M/s. H. B. Kalaria & Associates, Chartered Accountants (FRN: 104571W), were appointed as a Statutory Auditors of the Company to hold office from Conclusion of 3rd Annual General Meeting till the conclusion of the Annual General Meeting to be held for the Financial Year ended on 31st March, 2021, Subject to ratification of their appointment at every Annual General Meeting. The Statutory Auditor has confirmed their eligibility to the effect that their re-appointment, if made would be within the prescribed limits under the Companies Act, 2013.

Further, the Statutory Auditor of the Company have submitted Auditors' Report on the accounts of the Company for the accounting year ended 31st March, 2020.

This Auditors' Report is self-explanatory and no comments requires.

Secretarial Auditor;

M/s. Varsha & Associates, Company Secretaries in Practice, were appointed as a Secretarial Auditors of the Company by the Board of Directors in the Meeting held on 29th June, 2020 to conduct the Secretarial Audit of the Company for records for the Financial Year 2019-20.

The Secretarial Auditors of the Company have submitted their Report in Form No. MR-3 as required under Section 204 of the Companies Act, 2013 for the financial year ended 31st March, 2020. The Report forms part of this report as **Annexure VI**.

Further, the Board of Directors of the Company would like to make following clarifications regarding comment made by Secretarial Auditor in her Secretarial Audit Report:



Sr. No.	Objections of Secretarial Auditor	Explanation/Clarification
1	The Company has received email from BSE under Regulation of SEBI(LODR) Regulations, 2015 regarding late appointment of Company Secretary in the company and imposed a fine of Rs 17700/- which was paid by the company on 21/03/2020	The Board would like to clarify that as the Ms. Chandani Chhabariya, Company Secretary & Compliance Officer of the Company was resigned on 11.06.2020, the Company is in search of right candidate for the said post. The Company has taken adequate step to appoint Qualified Company Secretary including advertisement in News Paper having wide circulation in the area of Saurashtra. After considering the applications received and knowledge and experience of Mr. Ashwin N. Chavda, Company has offered him for the said post and requested him to join immediately. However, due to pre-occupancy and commitment elsewhere, he requested Company to appoint him on or after 25th December, 2019. Board of Directors considered the same and appointed him as a Company Secretary and Compliance Officer of the Company with effect from 26th December, 2019. Therefore, there is delay of only 15 days. The Company has received letter from BSE imposing Fine for the same, which was paid by the Company.
2	The company has not filed/filed some forms late in time with additional fees to the Registrar of Companies under the Companies Act, 2013	The Board would like to explain that there may be some delay in Filing forms/not filed within due dates. However, the Forms filled with Additional Fees as prescribed under Companies Act, 2013 and rules made thereunder.

Cost Records and Audit;

M/s. Mitesh Suvagiya & Co., Cost Accountant, were appointed as a Cost of the Company by the Board of Directors in the Meeting held on 29th June, 2020 to conduct the Cost Audit of the Company for records for the Financial Year 2020-21.

The Company is maintaining the Cost Records, as specified by the Central Government under section 148(1) of Companies Act, 2013.

Internal Auditor;

In terms of Section 138 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, the Company has appointed Mr. Ankit Makwana as an Internal Auditor of the Company in the Meeting of Board of Directors held on 12th June, 2018.

21. Directors Responsibility Statement

Pursuant to provisions of Section 134 (5) of the Companies Act, 2013 the Board hereby confirmed that:—

- a. In the preparation of the annual accounts, the applicable accounting standards have been followed along with the proper explanation relating to material departures;
- b. Appropriate accounting policies have been selected and applied consistently, and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020 and of the profit of the Company for the year ended on 31st March,2020;
- c. Proper and sufficient care has been taken 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 annual accounts have been prepared on a going concern basis;
- e. The Internal financial controls has been laid down to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f. A proper system has been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

22.Capital Structure

During the period under review, there has been no change in the authorised share capital and paid up capital of the Company.

23. General Disclosures

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
4. Change in nature of Business of Company.
5. No fraud has been reported by the Auditors to the Audit Committee or the Board.
6. There is no Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016.
7. There has been no instance of any revision in the Board's Report or the financial statement under Section 131(1) of the Act.



Further, your Directors state that the Company has complied with the provisions relating to constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and there was no complaint filed under the said Act.

24. Details of Holding/Subsidiaries/Associates Company

The clause is not applicable as there is no associate/subsidiary or Joint Venture Company is there with the company.

25. Corporate Governance

Pursuant to Regulation 15(2)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the compliance with the corporate governance provisions shall not apply to the listed entity which has listed its specified securities on the SME Exchange. As the Equity Shares of the Company are listed on SME Platform of BSE Limited, provisions regarding Corporate Governance not applicable to Company.

26. Risk & Mitigating Steps

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

27. Acknowledgement:

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

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

For and on Behalf of Board of Directors
AKSHAR SPINTEX LIMITED

Date: 26/08/2020

Place: Haripar (Jamnagar)

Ashok S. Bhalala
Chairman & Managing Director
[DIN : 02003197]

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



Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2020
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the

I. REGISTRATION AND OTHER DETAILS:

Sr. No.	PARTICULARS	INFORMATION
I	Corporate Identification Number	L17291GJ2013PLC075677
II	Registration Date	19.06.2013
III	Name of the Company	AKSHAR SPINTEX LIMITED
IV	Category / Sub-Category of the Company	Company Limited by Shares Indian Non-Government Company
V	Address of the Registered office and contact details	Revenue Survey No.102/2 Paiki, Plot No.2, Village: Haripar, Ranuja Road, Tal: Kalawad, Jamnagar-361013, Gujarat (India) Phone: +91 7574887001, E-mail: aksharspintex@gmail.com Web: www.aksharspintex.in
VI	Whether listed company	YES (BSE SME as on 11th May,2018)
VII	Name, Address and Contact details of Registrar and Transfer Agent, if any	BIGSHARE SERVICES PRIVATE LIMITED A/802,Samudra Complex, Near Klassic Gold Hotel,Girish Cold Drink,Off.C.G.Road, Ahmedabad-380009, Gujarat.India

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the totalturnover of the company shall be stated:-

Sr. No.	Name and Description of main products /services	NIC / HSN Code of the Product/service	% to total turnover of the company
1	Spinning of Cottorn Yarn	5205	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sr.No.	Name and Address of the Company	CIN/GLN	Holding/Su bsidiary/ Associates	% of the Shares Held	Applicable Section.
1	N.A.	N.A.	N.A.	N.A.	N.A.

(P.T.O.)

AKSHAR SPINTEX LIMITED

Statement Showing Shareholding Pattern

SR NO	Category of Shareholder	No. of Shares held at the beginning of the year: 2019/03/31				No. of Shares held at the end of the year :2020/03/31				% Change
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
(A) Shareholding of Promoter and Promoter Group2										
1	Indian									
a)	INDIVIDUAL / HUF	6110100	0	6110100	24.44	6110100	0	6110100	24.44	0.00
b)	Central / State government(s)	0	0	0	0.00	0	0	0	0.00	0.00
c)	BODIES CORPORATE	0	0	0	0.00	0	0	0	0.00	0.00
d)	FINANCIAL INSTITUTIONS / BANKS	0	0	0	0.00	0	0	0	0.00	0.00
e)	ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
1	GROUP COMPANIES	0	0	0	0.00	0	0	0	0.00	0.00
2	TRUSTS	0	0	0	0.00	0	0	0	0.00	0.00
3	DIRECTORS RELATIVES	5404900	0	5404900	21.62	5404900	0	5404900	21.62	0.00
	SUB TOTAL :	11515000	0	11515000	46.06	11515000	0	11515000	46.06	0.00
(A) Shareholding of Promoter and Promoter Group2										
2	Foreign									
a)	BODIES CORPORATE	0	0	0	0.00	0	0	0	0.00	0.00
b)	INDIVIDUAL	0	0	0	0.00	0	0	0	0.00	0.00
c)	INSTITUTIONS	0	0	0	0.00	0	0	0	0.00	0.00
d)	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
e)	ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL :	0	0	0	0.00	0	0	0	0.00	0.00
	Total Public Shareholding	11515000	0	11515000	46.06	11515000	0	11515000	46.06	0.00
(B) Public shareholding										
3	Institutions									
a)	Central / State government(s)	0	0	0	0.00	0	0	0	0.00	0.00
b)	FINANCIAL INSTITUTIONS / BANKS	0	0	0	0.00	0	0	0	0.00	0.00
c)	MUTUAL FUNDS / UTI	0	0	0	0.00	0	0	0	0.00	0.00
d)	VENTURE CAPITAL FUNDS	0	0	0	0.00	0	0	0	0.00	0.00
e)	INSURANCE COMPANIES	0	0	0	0.00	0	0	0	0.00	0.00
f)	FII'S	0	0	0	0.00	0	0	0	0.00	0.00
g)	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.00	0	0	0	0.00	0.00
h)	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
i)	ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
j)	FOREIGN PORTFOLIO INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
k)	ALTERNATE INVESTMENT FUND	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL :	0	0	0	0.00	0	0	0	0.00	0.00

AKSHAR SPINTEX LIMITED

Statement Showing Shareholding Pattern

SR NO	Category of Shareholder	No. of Shares held at the beginning of the year: 2019/03/31				No. of Shares held at the end of the year :2020/03/31				% Change
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
(B) Public shareholding										
4	Non-institutions									
a)	BODIES CORPORATE	321000	0	321000	1.28	630000	0	630000	2.52	1.24
b)	INDIVIDUAL	0	0	0	0.00	0	0	0	0.00	0.00
1	INDIVIDUALS - i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	2457664	0	2457664	9.83	2001000	0	2001000	8.00	(1.83)
2	INDIVIDUAL - ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	9266000	0	9266000	37.07	9890000	0	9890000	39.56	2.50
c)	ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
1	TRUSTS	0	0	0	0.00	0	0	0	0.00	0.00
2	CLEARING MEMBER	1433336	0	1433336	5.73	537000	0	537000	2.15	(3.21)
3	NON RESIDENT INDIANS (NRI)	6000	0	6000	0.02	9000	0	9000	0.04	0.01
4	DIRECTORS RELATIVES	0	0	0	0.00	0	0	0	0.00	0.00
5	EMPLOYEE	0	0	0	0.00	0	0	0	0.00	0.00
6	OVERSEAS BODIES CORPORATES	0	0	0	0.00	0	0	0	0.00	0.00
7	UNCLAIMED SUSPENSE ACCOUNT	0	0	0	0.00	0	0	0	0.00	0.00
8	IEPF	0	0	0	0.00	0	0	0	0.00	0.00
9	HUF	0	0	0	0.00	417000	0	417000	1.67	1.67
d)	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL :	13484000	0	13484000	53.94	13484000	0	13484000	53.94	0.00
	Total Public Shareholding	13484000	0	13484000	53.94	13484000	0	13484000	53.94	0.00
(C) Shares held by Custodians and against which Depository Receipts have been issued										
5										
e)	SHARES HELD BY CUSTODIANS	0	0	0	0.00	0	0	0	0.00	0.00
9	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
10	Public	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL :	0	0	0	0.00	0	0	0	0.00	0.00
	Total Public Shareholding	0	0	0	0.00	0	0	0	0.00	0.00
	GRAND TOTAL	24999000	0	24999000	100.00	24999000	0	24999000	100.00	0.00

NOTES :

1) NAME, NUMBER OF SHARES HELD & PERCENTAGE OF ENTITIES / PERSONS HOLDING MORE THAN 1% OF THE TOTAL SHARES OF THE COMPANY IS AS PER ANNEXURE



AKSHAR SPINTEX LIMITED						
Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDR's and ADR's)						
Sr. No.	Name	Shareholding at the beginning of the year		Increase/Decrease in Shareholding	Shareholding at the beginning of the year	
		No. of Shares	% total Shares of the Compnay		No of Shares	% total Shares of the Compnay
1	NIPABEN VIKASBHAI SORATHIYA	1938500	7.75		1938500	7.75
2	SONAL PRAKASHKUMAR SORATHIA	1936500	7.75		1936500	7.75
3	ILABEN DINESHBHAI PAGHDAR	1602000	6.41		1602000	6.41
4	DHAVAL ASHOK VAGHASIYA	441000	1.76	222000	663000	2.65
5	MANUBHAI JIVRAJBHAI GAJERA	365000	1.46		365000	1.46
6	AMISHABEN MANISHBHAI MEHTA	0	0.00	339000	339000	1.36
7	JALPABEN PARESHBHAI BHALALA	330000	1.32		330,000	1.32
8	SAROJ PRAVIN BHALALA	290000	1.16		290,000	1.16
9	CHARMEE NAYAN GADHIYA	275000	1.10		275000	1.10
10	INDRAVADAN MEHTA	0	0.00	162000	162000	0.65
TOTAL		7178000.00	28.70	723000	7281000	31.61

AKSHAR SPINTEX LIMITED

Shareholding of Promoters & Promoter Group

Sr. No.	Shareholder's Name	Shareholding at beginning of the year 31/03/2019			Shareholding at the end of the year 31/03/2020			
		No of Shares	% of total Shares of the Company	% of Shares pledged/encumbered to total Shares	No of Shares	% of total Shares of the Company	% of Shares pledged/encumbered to total Shares	% Change
1	ASHOK SUKANBHAI BHALALA (HUF)	50000	0.2000	0.0000	50000	0.2000	0.0000	0
2	PARESH SUKANBHAI BHALALA (HUF)	110000	0.4400	0.0000	110000	0.4400	0.0000	0
3	PRAVIN SUKANBHAI BHALALA (HUF)	60000	0.2400	0.0000	60000	0.2400	0.0000	0
4	SUKANBHAI VELJIBHAI BHALALA (HUF)	70000	0.2800	0.0000	70000	0.2800	0.0000	0
5	CHETANABEN ASHOKBHAI BHALALA	100000	0.4000	0.0000	100000	0.4000	0.0000	0
6	NARMADABEN SHAMJIBHAI CHAUHAN	290000	1.1600	0.0000	290000	1.1600	0.0000	0
7	POOJA AMIT GADHIYA	285000	1.1400	0.0000	285000	1.1400	0.0000	0
8	KANTABEN VALLABHBHAI GADHIYA	400000	1.6001	0.0000	400000	1.6001	0.0000	0
9	HARIKRISHNA SHAMJIBHAI CHAUHAN (HUF)	600000	2.4001	0.0000	600000	2.4001	0.0000	0
10	HARIKRISHNA SHAMJIBHAI CHAUHAN	600000	2.4001	0.0000	600000	2.4001	0.0000	0
11	NAYAN VALLABHBHAI GADHIYA	869900	3.4797	0.0000	869900	3.4797	0.0000	0
12	PARESH SHUKAN BHALALA	1240000	4.9602	0.0000	1240000	4.9602	0.0000	0
13	PRAVIN SUKANBHAI BHALALA	1330000	5.3202	0.0000	1330000	5.3202	0.0000	0
14	ASHOK SHUKAN BHALALA	1530000	6.1202	0.0000	1530000	6.1202	0.0000	0
15	AMIT VALLABHBHAI GADHIYA	1820100	7.2807	0.0000	1820100	7.2807	0.0000	0
16	REKHABEN HARIKRUSHNABHAI CHAUHAN	2160000	8.6403	0.0000	2160000	8.6403	0.0000	0
TOTAL		11515000	46.0616	0.0000	11515000	46.0616	0.0000	0

AKSHAR SPINTEX LIMITED							
Movement of Promoters & Promoter Movement							
Sr. No.	NAME	Shareholding at the beginning of the Year		Increase/Decrease in Shareholding	Reason	Shareholding at the end of the year	
		No. of Shares At the Beginning	% total Shares of the Company			No of Shares	% total Shares of the Company
1	There is no change in Promoters Shareholding during the year						

Shareholding of Directors and Key Managerial Personnel							
Sr. No.	NAME	Shareholding at the beginning of the Year		Increase/Decrease in Shareholding	Reason	Shareholding at the end of the year	
		No. of Shares	% total Shares of the Company			No of Shares	% total Shares of the Company
1	ASHOK SHUKAN BHALALA	1530000	6.12			1530000	6.12
2	AMIT VALLABHBHAI GADHIYA	1820100	7.28			1820100	7.28
3	ILABEN DINESHBHAI PAGHDAR	1602000	6.41			1602000	6.41
4	HARIKRUSHNA SHAMJIBHAI CHAUHAN	600000	2.40			600000	2.40
5	NIRALA INDUBHAI JOSHI	NIL	0.00			NIL	0.00
6	VIPUL VALLABHBHAI PATEL	NIL	0.00			NIL	0.00
7	ROHIT BHANJIBHAI DOBARIYA	NIL	0.00			NIL	0.00
8	PRATIK RAMESHBHAI RAIYANI (resigned w.e.f 24th July, 2020)	NIL	0.00	9000	Shares Bought	9000	0.04
9	ASHWIN NAJABHAI CHAVDA (resigned w.e.f. 26th August, 2020)	NIL	0.00			NIL	0.00
TOTAL		5552100	22.21			5561100	22.25

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	191292627	61777005	0	253069632
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	191292627	61777005	0	253069632
Change in the Indebtedness during the financial year				
Addition	395403	0	0	395403
Reduction	24177643	15120910	0	39298553
Net Change	-23782240	-15120910	0	-38903150
Indebtedness at the end of the financial year				
i) Principal Amount	167510387	46656095	0	214166482
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	167510387	46656095	0	214166482

Note: The Figures above are excluding current maturities of long term debt of Rs. 6,85,16,290/-



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors Manager and/or Directors:

Sr. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager/Director			Total Amount
		Ashokbhai Bhalala Managing Director	Amit Gadhiya Whole-Time Director	Harikrishna Chauhan Whole-Time Director	
1	Gross Salary				
	(a) Salary as per Provisions contained in section 17(1) of the Income-Tax Act, 1961.	970000	900000	950000	2820000
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary u/s 17(3) of the Income-tax Act, 1961	NIL	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL
4	Commission - As % of Profit - Others, Specify.	NIL	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL	NIL
	Total of A.	970000	900000	950000	2820000
	Ceiling as per the Act	NA	NA	NA	

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Nirala Indubhai Joshi (ID)	Vipul Vallabhbai Patel (ID)	Rohit Bhanjibhai Dobariya (ID)	Ilaben Paghdar (ED)	
1	Independent Directors	NIL	NIL	NIL	NIL	NIL
	(a) Fee for attending board / committee meetings	NIL	NIL	NIL	NIL	NIL
	(b) Commission					
	(c) Others, please specify					
	Total (1)					
2	Other Directors					
	(a) Fee for attending Board /committee meetings	NIL	NIL	NIL	NIL	NIL
	(b) Commission	NIL	NIL	NIL	NIL	NIL
	(c) Others, please specify. -Salary	NIL	NIL	NIL	480000	480000
	Total of B. = (1)+(2)	NIL	NIL	NIL	480000	480000
	Total Managerial Remuneration	NIL	NIL	NIL	480000	480000
	Overall Cieling as per the Act.	N.A.	N.A.	N.A.	N.A.	N.A.


C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ MANAGER/ WTD:

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount	
		CEO	CS			CFO
			Chandni Chhabariya*	Ashwin Chavda*	Pratik Raiyani	
1	Gross salary					
	(a) Salary as per Provisions contained in section 17(1) of the Income-Tax Act, 1961.	NIL	50000	84250	335000	469250
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	NIL	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary u/s 17(3) of the Income-tax Act, 1961	NIL	NIL	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL	NIL
4	Commission - As % of Profit - Others, Specify.	NIL	NIL	NIL	NIL	NIL
5	Others, please specify	N.A.	N.A.	N.A.	N.A.	N.A.
Total of C.		NIL	50000	84250	335000	469250

Note: Ms. Chandani Chhabariya, Company Secretary and Compliance Officer of the Company has been resigned from the said post w.e.f. 11th June, 2020 and Mr. Ashwin Chavda has been appointed to fill casual vacancy with effect from 26th December, 2020.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Authority RD / NCLT / COURT	Appeal made, if any
A. COMPANY				
Penalty	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL
B. DIRECTORS				
Penalty	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT				
Penalty	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL

For and on Behalf of the Board
AKSHAR SPINTEX LIMITED

DATE: 26/08/2020
PLACE: HARIPAR

ASHOK S. BHALALA
Chairman & Managing Director
[DIN: 02003197]

HARIKRUSHNA S. CHAUHAN
Whole Time Director
[DIN: 07710106]

ANNEXURE-II

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2019-20:

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

1. Brief outline of CSR Policy

The focus areas of the Company under its CSR programme are promotion of education, preventive health care, rural development, skill enhancement, environment protection and any other project as defined in Schedule VII of the Companies Act, 2013. The Company has formulated the Corporate Social Responsibility Policy which is placed on the website <http://www.aksharspintex.in/pdf/16.%20CSR%20POLICY.pdf>

2. The Composition of the CSR Committee:

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

Name of The Director	Designation
Mr. Nirala Joshi	<i>Chairman</i>
Mr. Amit Gadhiya	<i>Member</i>
Mr. Harikrishna Chauhan	<i>Member</i>

3. Average net profit of the company for last three financial years: Rs. 4,33,00,882/-
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): Rs. 8,66,007/-
5. Details of CSR spent during the financial year: -
 - a. Total amount to be spent for the financial year: Rs. 4,00,000/-
 - b. Amount unspent: 4,66,007/-
 - c. Manner in which the amount spent during the financial year: The Company has spent Rs. 4,00,000/- for Primary and Higher Secondary Education of girls of poor class of local area of Kalawad where the registered office and factory of the Company is situated by way of Donation to the Boarding School worked in that area.
6. In case the Company has failed to spend two percent, reason thereof: The Company has identified and evaluated proper project of Corporate Social Responsibility and Company has also spent half of the CSR amount. However, the last month of FY 2020, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lockdowns of all economic activity. Company also faces a liquidity crisis as the operation of company is affected. Therefore, considering the Financial Position of the Company affected due to CoVID-19 Company has not able spent the full amount of CSR.



7. Corporate Social Responsibility Committee shall identify, implement and undertake Corporate Social Responsibility Program and activities. Committee shall further monitor the progress and report the utilization of funds. Further the committee assures that when there is an identification of project for CSR, the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

For and on Behalf of Board of Directors
AKSHAR SPINTEX LIMITED

Date: 26/08/2020

Place: Haripar (Jamnagar)

Ashok S. Bhalala
Chairman & Managing Director
[DIN : 02003197]

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

ANNEXURE-III

Conservation of energy, research and development, technology, absorption, foreign exchange earnings and outgo

A. Conservation of Energy:

- I. The steps taken or impact on conservation of energy; No Specific steps has been taken by company for conservation of Energy
- II. The steps taken by the company for utilizing alternate sources of energy: - Energy conservation is an ongoing process and new areas are continuously identified and suitable investments are made, wherever necessary.
- III. The capital investment on energy conservation equipment: -The Company has not made any capital investment on energy conservation equipment.

B. Power and Fuel Consumption:

• Power Consumption:

Particulars	Units	Rate per unit	Amount
Total Units	14122320	7.21	101820268.00/-

• Fuel Consumption:

Diesel Consumed (Factory)	96717.00/-
Diesel& Petrol Consumed (Vehicle)	170160.00/-

C. Technology Absorption:

- I. The efforts made towards technology absorption; N.A.
- II. The benefits derived like product improvement, cost reduction, product development or import substitution; N.A.
- III. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - Company has not imported any technologies during the year.

D. Foreign Exchange earnings and Outgo:

There were no Foreign Exchange earnings for the Current Year as well as for the Previous Year. Company has imported store & spares of Rs. 65,418 during the financial year 2018-19.

For and on Behalf of Board of Directors
AKSHAR SPINTEX LIMITED

Date: 26/08/2020

Place: Haripar (Jamnagar)

Ashok S. Bhalala
Chairman & Managing Director
[DIN : 02003197]

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



ANNEXURE-IV

MANAGEMENT DISCUSSION AND ANALYSIS

Global Economy

The global economy is showing early signs of a turnaround owing to estimated economic performance improvements across South East Asia, the Middle East and Latin America and receding trade tensions between the U.S. and China. The global GDP growth which dipped to 2.9 per cent in 2019 from 3.6 percent in 2018 is expected to improve to 3.3 per cent in 2020 and further grow by 3.4 per cent in 2021.

Indian Economy

The Indian economy registered a slowdown in 2019-20 with GDP growth falling from 6.8 per cent in 2018-19 to 5 per cent in the first quarter of 2019-20 and to 4.5 per cent in the second quarter of 2019-20. A weak rural demand and the stress on the financial sector are being cited as key contributing factors for the sluggish growth. The government has taken a slew of measures to revamp the financial sector, address the Non-Banking Financial Companies (NBFCs) crisis, reduce the stress in the real estate sector and speed up the resolution process under Insolvency and Bankruptcy Code (IBC). The measures taken by the government are supported by an accommodative monetary policy. The Reserve Bank of India (RBI) cut the repo-rate by 110 basis points since April 2019 to ease the credit flow in the economy. These initiatives have had a positive impact on the economy as the real consumption growth recovered in second quarter of 2019-20. An uptick in investment under the National Infrastructure Pipeline is expected to improve India's GDP growth rate to 5 per cent in 2019-20 and to 6-6.5 per cent in 2020-21.

Indian Textile & Market Growth in India

India's textiles sector is one of the oldest industries in the Indian economy, dating back to several centuries.

The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital-intensive sophisticated mills sector on the other end. The decentralized power looms/ hosiery and knitting sector forms the largest component in the textiles sector. The close linkage of textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles makes it unique in comparison to other industries in the count. India's textiles industry has a capacity to produce wide variety of products suitable for different market segments, both within India and across the world.

India's textiles industry contributed seven percent of the industry output (in value terms) in FY19. It contributed two per cent to the GDP of India and employed more than 45 million people in FY19. The sector contributed 15 per cent to India's export earnings in FY19. Textiles industry has around 4.5 crore employed workers including 35.22 lakh handloom workers across the country.

Domestic Cotton Scenario

Highlighting India's growing agriculture productivity, the United States Department of Agriculture (USDA) has projected India's cotton crop at 305 lakh US bales (each of 217.7 kg) for the marketing year 2019-20, which works out to 390 lakh India bales (each of 170 kg). As per the report, India's cotton crop was reported decade-low at 312 lakh bales by the apex cotton trade body in 2018-19.

Production in India, the leading cotton producer is forecast at 30.5 million bales, 15 percent above 2018-19, and the second-highest on record, as both area and yield in 2019-20 are expected higher. Harvested area in India is projected at a record 12.9 million hectares in 2019-20, as domestic prices and internal support price prospects favor cotton over competing crops.

Moreover, the report also mentioned that the recent above-average monsoon rainfall will likely provide an extended picking season, which is expected to increase the yield to a 3-year high.

While the first advance estimate by the Government of India has projected cotton crops in the country at 322.7 lakh bales, still the cotton trade bodies in India are yet to come out with their own crop estimate.

As per the report, India grew cotton on a larger area at 127.67 lakh hectares in this Kharif season, about 6 lakh hectares more than last year.

India's increased stock expectations to 134 lakh US bales (or 171.6 lakh India bales) associated with the higher production forecast — contribute significantly to this season's global stock gain. For India, this season's projected larger crop is expected to provide an additional 500,000 bales (or 6.4 lakh Indian bales) of exports, with cotton exports rebounding to 4.0 million bales in 2019-20.

(Disclaimer: All Information were taken from secondary source, there might be some mistake were there)

COMPANY OVERVIEW

The Company has reached a turnover of Rs.109 Crores even under the conditions of uncertain cotton prices and heavy competition and Market situation worldwide due to CoVID-19 in the last Quarter of Financial Year. The major factors contributing to losses are the unexpected fluctuation in price of raw material. Both the factors have dropped down drastically resulting in reduced margins of the Company. Necessary measures are being initiated to improve the situation by rationalizing operations and cutting down the cost during the current financial year. During the period of country wide lockdown due to lack of transportation and logistics it is experiencing difficulties in supply chain and Domestic Market remains closed throughout the lockdown leading drastically decrease in revenue during the period. However, the Company is gearing up to adapt to the changing business environment and respond suitably to fulfill the needs of its stakeholders.



RISK AND CONCERNS

The nature and the magnitude of the risks associated with the Company are reviewed and placed before the Board periodically. Various measures for modernization have been introduced to reduce the dependency of labor, which also ensures optimum capacity utilization & quality outputs

FINANCIAL REVIEW

(Amount in Rs.)

Particular	2019-20	2018-19
Total Revenue	1,09,09,65,467	1,00,63,17,872
Profit/loss before finance cost, depreciation	2,55,73,815	10,13,74,517
Less: Financial Costs	3,05,90,630	2,46,98,528
Less: Depreciation and amortization	4,10,24,431	3,82,09,388
Profit before tax	(4,60,41,247)	3,84,66,601
Less: Tax Expenses	1,12,75,113	1,60,39,580
Profit after tax for the year	(5,73,16,360)	2,24,27,021
Earnings Per Share	(2.29)	0.93
Cash EPS	(0.65)	2.24
Operating Profit Margin %	(0.46)	7.62
Net Profit Margin %	(5.26)	2.23
Interest Service Coverage Ratio	(0.58)	2.72
Debt Service Coverage Ratio	(0.16)	0.52
Debt Equity Ratio	0.81	0.66

INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY

The Company has implemented proper system for safeguarding the operations/ business of the Company, through which the assets are verified and frauds, errors are reduced and accounts, information connected to it are maintained such, so as to timely completion of the statements. The Company has adequate systems of Internal Controls commensurate with its size and operations to ensure orderly and efficient conduct of business. These controls ensure safeguarding of assets, reduction and detection of fraud and error, adequacy and completeness of the accounting records and timely preparation of reliable financial information.

The Company gets internal audit and verification done at regular intervals. The requirement of having internal auditor compulsory by statute in case of listed and other classes of companies as prescribed shall further strengthen the internal control measures of Company.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT

The Company believes that employee plays a pivotal role in achieving a competitive advantage .The Company provides them an environment, where each employee is motivated to contribute his best to achieve the Companies objective. The focus of all aspects of Human Resource Development is on developing a superior workforce so that the organization and individual employee can achieve their work goals. The Company has a progressive HR policy for helping employees to develop their organization skills, knowledge and abilities to achieve greater efficiency. The Industrial Relations of the Company with its personnel has continued to be cordial and friendly during the year.

To ensure the safety and well-being of the employees, all recommended precautions against COVID-19 have been taken, which includes work from home policy for eligible employees, restrictions on travel, minimizing contacts in public, health advisory to employees following State and Central government directives issued in this regard from time to time. Company is taking necessary preventive measure like social distancing, temperature testing, providing masks and sanitization facility to all workers and other preventive measures to avoid any infection due to CoVID-19.

CAUTIONARY STATEMENT

Statement in the “Management Discussion and Analysis” describing the Company’s objectives, estimates, expectations or projections may be “forward looking statements” within the meaning of applicable laws and regulations. These statements are based on certain assumptions and expectation of future events. Actual results could, however, differ materially from those expressed or implied. Important factors that could make a difference to the Company’s operations include demand/supply conditions, finished goods, prices, raw material costs, changes in government regulations, tax laws and other statues and other incidental factors. The Company assumes no responsibility in respect of the forward-looking statements herein, which may undergo changes in future on the basis of subsequent developments, information or events.

For and on Behalf of Board of Directors
AKSHAR SPINTEX LIMITED

Date: 26/08/2020

Place: Haripar (Jamnagar)

Ashok S. Bhalala
Chairman & Managing Director
[DIN : 02003197]

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



ANNEXURE-V

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

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

NAME OF DIRECTORS	DESIGNATION	RATIO
Ashokbhai S. Bhalala	Managing Director	7.09:1
Amit V Gadhiya	Whole-Time Director	6.57:1
Harikrishna S Chauhan	Whole-Time Director	6.94:1
Illaben D Pagdhar	Executive Director	3.51:1
Chandni Chhabariya	Company Secretary	1.75:1
Pratik Raiyani	Chief Financial Officer	2.45:1
Ashwin Chavda	Company Secretary	2.11:1

- Calculation of Median employee was based on actual salary paid to all employees during the year under review. The Employees who left company in between financial year and the employees joined company in between financial year is actually considered.
- Ratio of Ms. Chandni Chhabariya – Company Secretary (Who was resigned in month of June, 2019) is taken on base of actually payment to her and in proportion of median remuneration of employee for the relevant period of her employment.
- Ratio of Mr. Ashwin Chavda- Company Secretary (Who is appointed as on 26.12.2020) is taken on the base of actually payment to him and in proportions of median remuneration of employee for relevant period his employment.
- The Independent Directors of the Company are entitled to sitting fees and commission as per the statutory provisions however no sitting fees is paid to them for the financial year 2019-20

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

NAME OF DIRECTORS	DESIGNATION	% INCREASE
Ashok Bhalala	Managing Director	No Increase
Amit Gadhiya	Whole-Time Director	5.55%
Harikrushna Chauhan	Whole-Time Director	No Increase
Illaben Pagdhar	Non-Executive Director	No Increase
Nirala Indubhai Joshi	Independent Director	Not Applicable
Vipul Vallabhbhai Patel	Independent Director	Not Applicable
Rohit Bhanjibhai Dobariya	Independent Director	Not Applicable
Chandni Chhabariya	Company Secretary	Not Applicable
Ashwin Chavda	Company Secretary	Not Applicable
Pratik Raiyani	Chief Financial Officer	No Increase

III) The Percentage increase in the Median Remuneration of the employees of the Company during the financial year: No Increase in remuneration

IV) The Number of Permanent employees on the rolls of the Company: 217

V) Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration; Not Applicable

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

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

For and on Behalf of Board of Directors
AKSHAR SPINTEX LIMITED

Date: 26/08/2020

Place: Haripar (Jamnagar)

Ashok S. Bhalala
Chairman & Managing Director
[DIN : 02003197]

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



VARSHA & ASSOCIATES

COMPANY SECRETARIES

Address: B-5, Hussaini Bldg Sitladevi Temple Road, Mahim West, Mumbai - 400016
Email: varshashah0409@gmail.com Mobile: 9167207811

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

Form No. MR-3

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

To,
The Members,
AKSHAR SPINTEX LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **AKSHAR SPINTEX LIMITED (L17291GJ2013PLC075677)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended March 31, 2020 complied with the statutory provisions listed hereunder. The Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended March 31, 2020 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations 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;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

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- a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR');
- b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not applicable to the company during the audit period)**;
- f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the company during the audit period)**;
- g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 **(Not applicable to the company during the audit period)**;
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the company during the audit period)** and
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the company during the audit period)**

As confirmed and identified by the company the following other laws applicable to the Company;

- a) Labour Laws and other incidental laws related to labour and employees appointed by the company either on its payroll or on contractual basis as related to wages, provident fund, ESIC, compensation etc .

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to following observations:

- a) The Company has received email from BSE under Regulation of SEBI(LODR) Regulations, 2015 regarding late appointment of Company Secretary in the company and imposed a fine of Rs 17700/- which was paid by the company on 21/03/2020.



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- b) The company has not filed/filed some forms late in time with additional fees to the Registrar of Companies under the Companies Act, 2013.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 2013 and the rules made thereunder.

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 for Meetings other than those held by a shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meetings and for meaningful participation at the meetings.

All the decision in the board meetings are carried through by majority while there are no dissenting members 'views and hence not captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, no specific event has taken place which has major bearing on the Company's affairs.

For **VARSHA & ASSOCIATES**
Practicing Company Secretaries

Date: 06th August, 2020
Place: Mumbai

VARSHA SHAH
Proprietor
C.P. No. **22584**
ACS No. **47469**
UDIN: **A047469B000554624**

VARSHA & ASSOCIATES

COMPANY SECRETARIES

Address: B-5, Hussaini Bldg Sitladevi Temple Road, Mahim West, Mumbai - 400016
Email: varshashah0409@gmail.com Mobile: 9167207811

To,
The Members,
AKSHAR SPINTEX LIMITED

I Our report of even date is to be read along with this letter.

- (1) Maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our 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 basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- (3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- (4) Where ever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
- (5) The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- (6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the company.

For **VARSHA & ASSOCIATES**
Practicing Company Secretaries

Date: 06th August, 2020
Place: Mumbai

VARSHA SHAH
Proprietor
C.P. No. **22584**
ACS No. **47469**
UDIN: **A047469B000554624**



Independent Auditor's Report

To the Members of
Akshar Spintex Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Akshar Spintex Limited** (“**the Company**”) which comprises the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and loss, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Key audit matter	How our audit addressed the key audit matter
<p>Inventory existence and valuation of inventory: (Refer Note 15 of the financial statements)</p> <p>The Company has recognized inventory of Rs. 9,96,66,740 as at March 31, 2020. Inventory is held at its factory location in Gujarat, India. This was a key audit matter for because of the:</p> <ol style="list-style-type: none"> Significance of the inventory balance to the Statement of Profit and Loss Complexity involved in determining inventory quantities on hand and its valuation due to the nature of inventory. 	<p>Due to lockdown imposed by the State Government due to Covid-19 pandemic, we were unable to carry out the physical counting of inventory at the factory location of the Company. We have however, analysed the inventory based on the records maintained by the Company and the statistical procedures carried out by us.</p>
<p>Fair value assessment of trade receivables: (Refer Note 16 of the financial statements)</p> <p>Trade receivables comprise a significant portion of the liquid assets of the Company and serve as security for the Company's short-term borrowings. As indicated in the financial statements, 1.42% of the trade receivables are past six months due but not impaired.</p> <p>Accordingly, the estimation of the allowance for trade receivables is a significant judgement area and is therefore considered a key audit matter.</p>	<p>We assessed the validity of material long outstanding receivables by obtaining third-party confirmations of amounts owed. We also considered payments received, if any, subsequent to year-end.</p> <p>Where there were indicators that trade receivables were unlikely to be collected within contracted payment terms, we assessed the adequacy of the allowance for impairment of trade receivables. To do this:</p> <ol style="list-style-type: none"> We assessed the ageing of the trade receivables, contract performance, disputes with customers and the past payment and credit history of the customer; We assessed the profile of trade receivables and the economic environment applicable to these customers; and We considered the historical accuracy of forecasting the allowance for impairment of trade receivables. <p>To address the risk of management bias, we evaluated the results of our procedures against audit procedures on other key balances to assess whether or not there was an indication of bias.</p> <p>We were satisfied that the Company's trade receivables are fairly valued and adequately provided against where doubt exists. We further considered whether the provisions were misstated and concluded that they were appropriate in all material respects, and disclosures related to trade receivables in the standalone financial statements are appropriate.</p>



Emphasis of Matter

We draw your attention to Note 2.6 of the section Summary of Significant Accounting Policies where the Company has not complied with the provisions of AS 15 – Employee Benefits with respect to creating a provision for leave encashment expense payable to its employees. The Company determines the liability for defined benefit plans on actual payment basis only.

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement deal with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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. The Company has paid managerial remuneration in accordance with the provisions of Sec. 197 of the Companies Act, 2013 as amended from time to time during the reporting period.
- h. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

Place: Rajkot
Date: 29/06/2020

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

(Hasmukh Kalaria)
Partner
Mem. No. 042002
UDIN:
20042002AAAAIY5063

Annexure A

Referred to in the section Report on Other Legal and Regulatory Requirements on of the Independent Auditors' Report of even date to the members of Akshar Spintex Limited on the standalone financial statements as of and for the year ended March 31, 2020

- a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of 1 year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanation given to us, no material discrepancies were noticed on physical verification of fixed assets.
- c) The title deeds of immovable properties, as disclosed in the notes on fixed assets to the financial statements, are held in the name of the Company.
- ii. The physical verification of inventory excluding stocks with third parties have been conducted as reasonable intervals by the Management during the year. In respect of inventory lying with third parties, if any, have been substantially confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material. We have relied mostly on the management representations in this matter.
- iii. The Company has not granted any loans to any parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act").
- iv. The Company has not granted any loans or made any investments or provided any guarantee or security to the parties covered under Sections 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the Rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products.
- vii.
 - a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income-tax, profession tax, sales tax, VAT and service tax, and including provident fund, employees' state insurance, duty of customs, duty of excise, cess and any other material statutory dues, as applicable, with the appropriate authorities except as stated below:



Name of Statute	Nature of dues	Amount (in Rs.)	Period to which the amount relates	Due date of payment	Date of payment	Remarks, if any
Gujarat Professional Tax Act	Professional Tax	4,76,950	F.Y. 2019-20	Monthly	Not paid till date of report	-
Gujarat Professional Tax Act	Professional Tax	11,34,280	Before F.Y. 2018-19	Monthly	Not paid till date of report	-

- b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales tax, wealth tax, VAT and any other material dues which have been disputed.
- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date. The Company has sought to take the benefit of COVID-19 regulatory package announced by the Reserve Bank of India vide its notification dated 27th March 2020 and is consequently has received moratorium on its loan obligations.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.
- xi. The Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The details of related party transactions, if any, have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.

- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

Place: Rajkot
Date: 29/06/2020

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

(Hasmukh Kalaria)
Partner
Mem. No. 042002
UDIN:
20042002AAAAIY5063



Annexure B

Referred to in point f. of the section Report on Other Legal and Regulatory Requirements of the Independent Auditors' Report of even date to the members of Akshar Spintex Limited on the standalone financial statements for the year ended March 31, 2020

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

1. In conjunction with our audit of the standalone financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over the financial reporting of Akshar Spintex Limited ("the Company") as of that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect of financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial control over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

Place: Rajkot
Date: 29/06/2020

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

(Hasmukh Kalaria)
Partner
Mem. No. 042002
UDIN:
20042002AAAAIY5063





Standalone Balance Sheet as at March 31, 2020

(in Rs.)

Particulars	Note	As at March 31, 2020		As at March 31, 2019	
I. Equity and Liabilities					
Shareholders' funds					
Share capital	3	249,990,000		249,990,000	
Reserves and surplus	4	100,151,999		157,468,359	
Money received against share warrants		-	350,141,999	-	407,458,359
Non-current liabilities					
Long-term borrowings	5	124,678,057		193,649,012	
Deferred tax liabilities (net)	6	41,106,692		38,102,269	
Other long-term liabilities		-		-	
Long-term provisions	7	2,597,489	168,382,237	1,644,324	233,395,605
Current liabilities					
Short-term borrowings	8	89,488,425		59,420,620	
Trade payables					
Total outstanding dues of MSMEs		-		-	
Total outstanding dues of creditors other than MSMEs		53,202,913		58,260,528	
		53,202,913		58,260,528	
Other current liabilities	9	81,128,910		86,648,962	
Short-term provisions	10	230,245	224,050,491	116,034	204,446,144
Total			742,574,727		845,300,108
II. Assets					
Non-current assets					
Property, plant and equipment					
Tangible assets	11	497,039,416		491,170,011	
Intangible assets		-		-	
Capital work-in-progress		-		46,295,707	
Intangible assets under development		-		-	
		497,039,416		537,465,718	

Non-current investments	12	3,100,000		-	
Long-term loans and advances	13	74,937		94,937	
Other non-current assets	14	14,575,398	514,789,751	16,785,425	554,346,080
Current assets					
Current investments		-		-	
Inventories	15	99,666,740		131,575,272	
Trade receivables	16	45,470,967		50,157,648	
Cash and bank balances	17	1,118,585		1,280,268	
Short-term loans and advances	18	46,316,763		53,879,603	
Other current assets	19	35,211,921	227,784,976	54,061,237	290,954,028
Total			742,574,727		845,300,108

Summary of significant accounting policies 2

Contingent liabilities and commitments 20

The accompanying notes are an integral part of the financial statements

This is the balance sheet referred to in our report of even date

For and on behalf of the Board of Directors,

For, H. B. Kalaria & Associates

Chartered Accountants

Firm Registration No. 104571W

Ashokbhai Bhalala

Managing Director

DIN: 02003197

Harikrishna Chauhan

Whole Time Director

DIN: 07710106

Hasmukh B. Kalaria

Partner

Mem. No. 042002

Pratik Raiyani

CFO

PAN: ANOPR1585L

Ashwin Chavda

CS

Rajkot, June 29, 2020

Haripar, June 29, 2020



Standalone Statement of Profit and Loss for the period ended March 31, 2020

(in Rs.)

Particulars	Note	Period ended March 31, 2020	Period ended March 31, 2019
1 Income			
Revenue from operations	21	1,090,965,467	1,006,317,872
Other income	22	19,920,932	42,995,375
Total revenue		1,110,886,399	1,049,313,247
2 Expenses			
Cost of materials consumed	23	924,877,317	789,359,965
Purchase of stock-in-trade		-	-
Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	(5,438,278)	(3,570,013)
Employee benefit expense	25	56,103,865	56,615,006
Finance costs	26	30,590,630	24,698,528
Depreciation and amortisation expense	11	41,024,431	38,209,388
Other expenses	27	109,769,680	105,533,772
Total expenses		1,156,927,646	1,010,846,646
3 Profit/(Loss) before tax		(46,041,247)	38,466,601
4 Less: Tax expense			
Current tax		8,270,691	126,409
Deferred tax		3,004,422	15,913,171
5 Profit/(loss) for continuing operations		(57,316,360)	22,427,021
6 Profit/(loss) from discontinuing operations (after tax)		-	-
7 Profit/(loss) for the period		(57,316,360)	22,427,021
8 Earnings per share (FV Rs. 10 per share)	28		
Basic		(2.29)	0.93
Diluted		(2.29)	0.93

The accompanying notes are an integral part of the financial statements

This is the statement of profit and loss referred to in our report of even date

For and on behalf of the Board of Directors,

For, H. B. Kalaria & Associates
Chartered Accountants
Firm Registration No. 104571W

Ashokbhai Bhalala
Managing Director
DIN: 02003197

Harikrishna Chauhan
Whole Time Director
DIN: 07710106

Hasmukh B. Kalaria
Partner
Mem. No. 042002

Pratik Raiyani
CFO
PAN: ANOPR1585L

Ashwin Chavda
CS

Rajkot, June 29, 2020

Haripar, June 29, 2020

Standalone Cash Flow Statement for the period ended March 31, 2020

(in Rs.)

Particulars	Period ended March 31, 2020	Period ended March 31, 2019
A. Cash flow from operating activities		
Profit/(Loss) before tax	(46,041,247)	38,466,601
Adjustments for		
Finance costs	30,590,630	24,698,528
Depreciation and amortisation costs	41,024,431	38,209,388
Interest income from non-current investments	(968,615)	(1,142,908)
Net gain on disposal/discarding of tangible assets	(45,447)	-
Other miscellaneous expenditure written off	-	198,344
Operating profit/(loss) before working capital changes	24,559,752	100,429,953
Adjustment for changes in working capital		
Adjustments for (increase)/decrease in operating assets		
Inventories	31,908,533	(11,513,577)
Trade receivables	4,686,680	1,232,314
Long-term loans and advances	20,000	-
Short-term loans and advances	3,013,277	(4,123,156)
Other current assets	18,849,316	(19,818,121)
Adjustments for increase/(decrease) in operating liabilities		
Trade payables	(5,057,616)	25,335,311
Short-term provisions	114,211	25,876
Long-term provisions	953,165	364,993
Other current liabilities	2,573,065	(743,272)
Cash generated from/(used in) operating activities	81,620,383	91,190,321
Income classified as operating activities		
Direct taxes paid (net of refunds)	(3,721,128)	(5,835,557)
Net cash generated from/(used in) operating activities	77,899,255	85,354,764
Net cash generated from/(used in) operating activities	77,899,255	85,354,764
B. Cash flow from investing activities		
Proceeds from sale of tangible assets	306,821	-
Purchase of tangible assets	(1,518,709)	(51,138,718)
Purchase of non-current investment(s)	(3,100,000)	-
Interest received	968,615	1,142,908
Cash and bank balances not classified as cash and cash equivalents	2,210,027	(4,602,353)

Cash generated from/(used in) investing activities	(1,133,246)	(54,598,162)
Direct tax paid (net of refunds)	-	-
Net cash generated from/(used in) investing activities	(1,133,246)	(54,598,162)
Net cash generated from/(used in) investing activities	(1,133,246)	(54,598,162)
C. Cash flow from financing activities		
Proceeds from issue of shares	-	39,960,000
Proceeds from long-term borrowings	23,762,192	233,812,753
Repayment of long-term borrowings	(100,809,095)	(281,350,198)
Proceeds from short-term borrowings	1,261,245,513	1,441,367,527
Repayment of short-term borrowings	(1,231,177,709)	(1,437,712,830)
Finance costs paid	(29,948,593)	(26,700,447)
Cash generated from/(used in) financing activities	(76,927,691)	(30,623,196)
Direct taxes paid (net of refunds)	-	-
Net cash generated from/(used in) financing activities	(76,927,691)	(30,623,196)
Net cash generated from/(used in) financing activities	(76,927,691)	(30,623,196)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(161,683)	133,407
Cash and cash equivalents at the beginning of the period	1,280,268	1,146,861
Cash and cash equivalents at the end of the period	1,118,585	1,280,268

Notes:

1. The above cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3.
2. Previous year figures have been regrouped and recasted wherever necessary to conform to current year's classification.
3. For composition of cash and cash equivalents, see note 17 of the financial statements.

This is the cash flow statement referred to in our report of even date

For and on behalf of the Board of Directors,

For, H. B. Kalaria & Associates

Chartered Accountants
Firm Registration No. 104571W

Ashokbhai Bhalala
Managing Director
DIN: 02003197

Harikrishna Chauhan
Whole Time Director
DIN: 07710106

Hasmukh B. Kalaria
Partner
Mem. No. 042002

Pratik Raiyani
CFO
PAN: ANOPR1585L

Ashwin Chavda
CS

Rajkot, June 29, 2020

Haripar, June 29, 2020

Notes to Standalone Financial Statements for the period ended March 31, 2020

1. General Information

Akshar Spintex Limited (the “**Company**”) is engaged in the business of manufacturing and trading of spun cotton yarn. The Company is a public limited company and is listed on the SME Exchange of BSE.

2. Summary of Significant Accounting Policies

2.1. Basis of Preparation

The standalone financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. The financial statements have been prepared to comply in all material aspects with the accounting standards notified under Companies (Accounts) Rules, 2014, as amended from time to time and other relevant provisions of the Companies Act, 2013 except as stated in the notes below.

All 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 the Schedule III to the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.2. Presentation of Financial Statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 (“the Act”). The Cash Flow Statement has been prepared and presented as per the requirements of Accounting Standard (AS) 3 “Cash Flow Statements. The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards.



2.3. Plant, Property and Equipment and Depreciation

2.3.1. Plant, Property and Equipment

a. Tangible Assets

All tangible assets are stated at cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any. Direct costs are capitalised until the assets are ready for use and includes freight, duties, taxes and expenses to acquisition and installation.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Losses arising from the retirement of, and gains or losses arising from disposal of tangible assets which are carried at cost are recognised in the Statement of Profit and Loss.

b. Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the new disposal proceeds and the carrying amount of the asset and are recognised as income or expense in the Statement of Profit and Loss.

2.3.2. Depreciation

a. Tangible Assets

Depreciation is provided on a pro-rata basis on the straight-line method ('SLM') over the useful lives of the assets specified in Schedule II of the Companies Act, 2013.

c. Intangible Assets

Intangible Assets are amortized on a straight-line basis over their estimated useful lives.

b. Impairment

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. For the purposes of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists or may have decreased, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount.

2.4. Investments

Investments that are readily realisable and intended to be held for not more than a year from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments.

Long-term investments are stated at cost, except where there is a diminution in value (other than temporary) in which case the carrying value is reduced to recognise such a decline. Current investments are carried at lower of cost and fair value, computed separately in respect of each category of investment.

2.5. Inventories

Inventories comprise of raw materials, packing materials, work-in-progress, finished goods (manufactured and traded) and engineering stores. Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost is determined on First-In-First-Out basis. Cost includes all charges in bringing the goods to their present location and condition, including octroi and other levies, transit insurance and receiving charges. The cost of work-in-progress and manufactured finished goods comprises of materials, direct labour, other direct costs and related production overheads.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.6. Employee Benefits

a. Defined Contribution Plans

The Company's contribution to provident fund (in case of contributions to the Regional Provident Fund office), pension and employee state insurance scheme are considered as defined contribution plans, as the Company does not carry any further obligations apart from the contributions made on a monthly basis and are charged as an expense based on the amount of contribution required to be made.

b. Defined Benefit Plans

The Company contributes to Defined Benefit Plans comprising of Gratuity Fund and/or Leave Encashment.

Gratuity

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan"), administered by an insurer, covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the Statement of Profit and Loss in the year in which they arise.

**Leave Encashment,**

The Company provides for leave encashment on actual payment basis only.

c. Short-term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised in the year during which the employee rendered the services.

2.7. Provisions and Contingent Liabilities

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

2.8. Commitments

Commitments are future liabilities for contractual expenditure. Commitments are classified and disclosed as follows:

- a. Estimated amounts of contracts remaining to be executed on capital account and not provided for
- b. Uncalled liability on shares and other investments partly paid
- c. Funding related commitments to associate and joint venture companies and
- d. Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

2.9. Revenue Recognition

Sale of goods: Sales are recognised when the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and are recognised net of trade discounts, rebates, sales taxes and excise duties.

Dividend income is recognised when the right to receive dividend is established.

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

2.10. Government Grants

Government grants in the nature of revenue receipts are recognised in the Statement of Profit and Loss when there is reasonable certainty of its receipt from the Government in the period to which they relate.

Government grants in the nature of capital receipts are deducted from the cost of assets against which such grants have been recognised. Such grants are recognised when there is reasonable certainty of its receipt from the Government.

2.11. Taxes on Income

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there is unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise the assets. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

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

2.12. Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.



2.13. Borrowing Costs

Borrowing costs, if any, directly attributable to acquisition or construction of qualifying assets (i.e. those fixed assets which necessarily take a substantial period of time to get ready for their intended use) are capitalised. Other borrowing costs are recognised as an expense in the period in which they are incurred.

2.14. Segment Reporting

The Company operates under a single operating segment in accordance with Accounting Standard 17 - 'Segment Reporting' and hence, segment reporting is not applicable to the Company.

2.15. Prior Period Items, Exceptional and Extraordinary Items

The Company follows the practice of making adjustments through 'prior year adjustments' in respect of all material transactions pertaining to the period prior to the current accounting year. The prior period adjustments, if any, are shown by way of notes to financial statements.

Exceptional and Extra Ordinary Items, if any, are shown separately as per applicable accounting standards.

2.16. Earnings per Share

The Company reports basic and diluted Earnings per Share (EPS) in accordance with Accounting Standard 20.



Notes to Standalone Financial Statements for the period ended March 31, 2020

3. Share capital

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Authorised				
25,000,000 (25,000,000) Equity shares of Rs. 10 each		250,000,000		250,000,000
Issued, subscribed and paid up				
24,999,000 (24,999,000) Equity shares of Rs. 10 each		249,990,000		249,990,000

3.1 Reconciliation of shares outstanding at the beginning and end of the period

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amount in Rs.	No. of shares	Amount in Rs.
At the commencement of the period	24,999,000	249,990,000	24,000,000	240,000,000
<u>Addition during the period</u>				
Issued via public offering	-	-	999,000	9,990,000
Total addition during the period	-	-	999,000	9,990,000
<u>Reduction during the period</u>				
Total reduction during the period	-	-	-	-
At the end of the period	24,999,000	249,990,000	24,999,000	249,990,000

3.2 Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	% holding	No. of shares	% holding
Amit Vallabhbhai Gadhiya	1,820,100	7.28%	1,820,100	7.28%
Ashokbhai Sukanbhai Bhalala	1,530,000	6.12%	1,530,000	6.12%
Nipaben Vikashbhai Sorathia	1,938,500	7.75%	1,938,500	7.75%
Pareshbhai Sukanbhai Bhalala	1,240,000	4.96%	1,240,000	4.96%
Ilaben Dineshbhai Paghdar	1,602,000	6.41%	1,602,000	6.41%
Pravinbhai Shukanbhai Bhalala	1,330,000	5.32%	1,330,000	5.32%
Rekhaben Harikrishna Chauhan	2,160,000	8.64%	2,160,000	8.64%
Sonal Prakashkumar Sorathia	1,936,500	7.75%	1,936,500	7.75%
Nayan Vallabhbhai Gadhiya	869,900	3.48%	869,900	3.48%

3.3 Aggregate no. of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years (or lesser) immediately preceding the reporting date - not applicable

3.4 Rights, preferences and restrictions attached to shares

Equity shares

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

4. Reserves and surplus

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Securities Premium Account				
As per last Balance Sheet	29,970,000		-	
Add:				
Issue of equity shares	-		29,970,000	
	<u>-</u>		<u>29,970,000</u>	
		29,970,000		29,970,000
Surplus/(Deficit) in Statement of Profit and Loss				
As per last Balance Sheet	127,498,359		105,071,338	
Profit/Loss for the period	<u>(57,316,360)</u>		<u>22,427,021</u>	
		70,181,999		127,498,359
Total		100,151,999		157,468,359



5. Long-term borrowings

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Secured				
<u>Rupee term loans</u>				
from banks	77,626,559		131,872,007	
		77,626,559		131,872,007
<u>Loans for assets</u>				
Vehicle loans	395,403		-	
		395,403		-
Unsecured				
<u>Rupee term loans</u>				
from banks	-		701,085	
from others	4,565,528		18,304,438	
		4,565,528		19,005,523
<u>Loans and advances from related parties</u>				
from directors/promoters	32,861,654		13,041,654	
from others	9,228,913		18,502,241	
		42,090,567		31,543,895
Others		-		11,227,587
Total		124,678,057		193,649,012

5.1 Terms of repayment, nature of security and rate of interest in case of secured loans

Financier/ Category	Nature of security	Terms of repayment	Personal security of promoters, shareholders, third parties etc.	Rate of interest	Guaranteed by	
					Directors	Others
Rupee loans from banks	Hypothecation of plant & machinery and equipments of Company and mortgage of land and buildings situated at Plot No. 2, Survey No. 102/2, Vill Haripar, Tal: Kalawad, Dist Jamnagar	Repayable in 44 Installments	Yes	8.80% - 12.00%	Yes	Yes
Vehicle loans	Hypothecation of the respective vehicle	Repayable in 36 Installments	No	9.50%	No	No

5.2 Amount of secured loans outstanding

Secured financier	Outstanding (in Rs.)*	
	As at March 31, 2020	As at March 31, 2019
South Indian Bank	131,872,007	186,117,467
HDFC Bank	617,700	174,885
Total	132,489,707	186,292,352

*includes current portion of long-term borrowings, if any. See note 9 of the financial statements.



5.3 Terms of repayment and rate of interest in case of unsecured loans

Financier/ Category	Terms of repayment	Personal security of promoters, shareholders, third parties etc.	Rate of interest	Guaranteed by		Outstanding (in Rs.)*	
				Directors	Others	As at March 31, 2020	As at March 31, 2019
Loans from directors	Repayable at the option of the Company post completion of repayment of secured loans	No	6.00%	No	No	32,861,654	13,041,654
Loans from relatives of directors	Repayable at the option of the Company post completion of repayment of secured loans	No	0.00%- 6.00%	No	No	9,228,913	18,502,241
Loans from others	Repayable in 12-36 months	No	14.34%- 20.50%	No	No	-	11,227,587
Total						42,090,567	42,771,482

*includes current portion of long-term borrowings, if any. See note 9 of the financial statements.

6. Deferred tax liabilities (net)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Deferred tax liabilities on account of timing differences				
Depreciation	42,163,735		38,882,143	
		42,163,735		38,882,143
Deferred tax assets on account of timing differences				
Employee benefits	715,185		438,016	
Unabsorbed depreciation	341,858		341,858	
		1,057,043		779,874
Total		41,106,692		38,102,269

6.1 Notes

1. Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.

7. Long-term provisions

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Provision for employee benefits		2,597,489		1,644,324
Total		2,597,489		1,644,324

8. Short-term borrowings

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Secured				
Working capital loans from banks		89,488,425		59,420,620
Total		89,488,425		59,420,620



8.1 Terms of repayment, nature of security and rate of interest in case of secured loans

Financier/ Category	Nature of security	Terms of repayment	Personal security of promoters, shareholders, third parties etc.	Rate of interest	Guaranteed by	
					Directors	Others
South Indian Bank	Hypothecation of stock, book debts, other receivables and all other current assets of the Company	Repayable on demand	Yes	8.90%	Yes	Yes

8.2 Amount of secured loans outstanding

Secured financier	Outstanding (in Rs.)	
	As at March 31, 2020	As at March 31, 2019
South Indian Bank	89,488,425	59,420,620
Total	89,488,425	59,420,620

9. Other current liabilities

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Current maturities of long-term debt (see note 5)		68,516,290		76,592,239
Interest accrued but not due on borrowings		1,067,867		425,829
Statutory dues (including withholding taxes)		2,028,423		2,208,402
Accrued expenses payable		3,050,284		4,269,560
Creditors for fixed assets		-		659,206
Employee related liabilities		6,466,047		2,493,726
Total		81,128,910		86,648,962

10. Short-term provisions

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Provision for employee benefits		230,245		116,034
Total		230,245		116,034

12. Non-current investments

Particulars	Face Value (in Rs. except stated otherwise)	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
		Nos.	Nos.	Amount in Rs.	Amount in Rs.
Non-trade investments					
Mutual Funds					
(At cost) (Unquoted)					
SBI Corporate Bond Fund - Regular Plan Growth	10.22	303,309.00	-	3,100,000	-
Total				3,100,000	-

12.1 Aggregate value of quoted and unquoted investments

Particulars	As at March 31, 2020		As at March 31, 2019	
	Cost in Rs.	Market Value in Rs.	Cost in Rs.	Market Value in Rs.
Aggregate value of unquoted investments	3,100,000		-	
Total	3,100,000		-	

13. Long-term loans and advances

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Unsecured				
<u>Security deposits</u>				
Considered good	74,937		94,937	
	<u>74,937</u>		<u>94,937</u>	
		74,937		94,937
Total		74,937		94,937

**14. Other non-current assets**

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Unsecured				
Long-term deposits with banks having maturity period more than 12 months				
Considered good	14,575,398		16,785,425	
		14,575,398		16,785,425
Total		14,575,398		16,785,425

15. Inventories

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Raw materials		37,557,797		74,904,607
Work-in-progress		23,413,649		32,726,504
Finished goods		38,695,294		23,944,161
Total		99,666,740		131,575,272

15.1 Details of inventories

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Raw materials				
Cotton bales	29,692,087		66,556,047	
Packing material	7,865,710		8,348,560	
		37,557,797		74,904,607
Work-in-progress				
Semi-finished yarn	23,413,649		32,726,504	
		23,413,649		32,726,504
Finished goods				
Cotton yarn	28,330,603		21,927,327	
Cotton waste bales & dust	10,364,691		2,016,834	
		38,695,294		23,944,161
Total		99,666,740		131,575,272

15.2 Notes

1. Inventories have been certified by the management of the Company.

16. Trade receivables

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Outstanding for a period exceeding six months from the date they are due for payment				
<u>Unsecured</u>				
Considered good	634,494		306,934	
	<u>634,494</u>		<u>306,934</u>	
		634,494		306,934
Others				
<u>Unsecured</u>				
Considered good	44,836,474		49,850,714	
	<u>44,836,474</u>		<u>49,850,714</u>	
		44,836,474		49,850,714
Total		45,470,967		50,157,648

17. Cash and bank balances

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Cash and cash equivalents				
<u>Balances with banks</u>				
Other bank balances	163,739		653,144	
	<u>163,739</u>		<u>653,144</u>	
Cash on hand	954,846		627,124	
	<u>954,846</u>		<u>627,124</u>	
		1,118,585		1,280,268
Total		1,118,585		1,280,268



18. Short-term loans and advances

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Unsecured				
<u>Advances to suppliers</u>				
Considered good	5,279,208		-	
	<u>5,279,208</u>		<u>-</u>	
<u>Loans/Advances to employees</u>				
Considered good	9,888		-	
	<u>9,888</u>		<u>-</u>	
<u>Advances recoverable in cash or in kind or for value to be received</u>				
Considered good	32,080		1,730,288	
	<u>32,080</u>		<u>1,730,288</u>	
<u>Prepaid expenses</u>				
Considered good	501,116		214,868	
	<u>501,116</u>		<u>214,868</u>	
<u>Others</u>				
<u>Advance tax</u>				
Advance income-tax paid	1,596,868		3,944,850	
Tax deducted at source	224,709		224,709	
	<u>1,821,577</u>		<u>4,169,559</u>	
MAT credit entitlement	26,242,956		28,444,537	
VAT receivable	6,441,218		6,441,218	
Other taxes receivable	274,000		274,000	
Balances with statutory authorities	5,714,720		12,605,133	
		<u>46,316,763</u>		<u>53,879,603</u>
Total		46,316,763		53,879,603

19. Other current assets

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Unsecured				
Other current assets	35,211,921		54,061,237	
		35,211,921		54,061,237
Total		35,211,921		54,061,237

19.1 Notes

1. Other current assets includes government grants receivable of Rs. 35,211,921 (PY Rs. 54,061,237).

20. Contingent liabilities and commitments

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
B. Commitments				
Export obligation pending under EPCG scheme		-		213,500,285

21. Revenue from operations

Particulars	Period ended March 31, 2020		Period ended March 31, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Revenue from sale of products	1,090,965,467		1,006,317,872	
		1,090,965,467		1,006,317,872
Total		1,090,965,467		1,006,317,872



21.1 Disclosure of categories of products/services

Revenue from products (net of taxes, if any)

Particulars	Period ended March 31, 2020		Period ended March 31, 2019	
	Manufactured (Rs.)	Traded (Rs.)	Manufactured (Rs.)	Traded (Rs.)
Revenue from export sales				
Sub-total (A)	-	-	-	-
Revenue from domestic sales				
<u>Finished goods</u>				
Cotton yarn	1,055,964,226	-	989,219,470	-
Cotton waste bales & dust	35,631,928	-	18,609,430	-
Scrap	62,616	-	214,400	-
Sub-total (B)	1,091,658,770	-	1,008,043,300	-
Total (A)+(B)	1,091,658,770	-	1,008,043,300	-
Total gross sales (export + domestic)		1,091,658,770		1,008,043,300
Less: Discounts/Rebates on sale of products		693,303		-
Less: Other allowances and deductions from sale of products		-		1,725,428
Revenue from sale of products		1,090,965,467		1,006,317,872

22. Other income

Particulars	Period ended March 31, 2020		Period ended March 31, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
<u>Interest income</u>				
From non-current sources	968,615		1,142,908	
		968,615		1,142,908
<u>Other non-operating income</u>				
Net gain/(loss) on foreign currency fluctuations	-		(1,018)	
Net gain on disposal/discarding of tangible assets	45,447		-	
Income from government grants/subsidies	18,332,070		41,720,434	
Income from insurance claims	-		14,345	
Misc. other non-operating income	574,800		118,706	
		18,952,317		41,852,467
Total		19,920,932		42,995,375

23. Cost of materials consumed

Particulars	Period ended March 31, 2020		Period ended March 31, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Opening inventory		74,904,607		66,961,043
Add: Purchases (net)		887,530,507		797,303,529
Less: Closing inventory		37,557,797		74,904,607
Total		924,877,317		789,359,965

23.1 Materials consumed consist of

Particulars	Period ended March 31, 2020		Period ended March 31, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Cotton bales		737,583,474		780,355,440
Packing material		9,498,477		9,004,525
Semi finished cotton yarn		177,795,367		-
Total		924,877,317		789,359,965

24. Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	Period ended March 31, 2020		Period ended March 31, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Opening inventory				
Finished goods	23,944,161		18,290,026	
Work-in-progress	<u>32,726,504</u>		<u>34,810,626</u>	
		56,670,665		53,100,652
Closing inventory				
Finished goods	38,695,294		23,944,161	
Work-in-progress	<u>23,413,649</u>		<u>32,726,504</u>	
		62,108,943		56,670,665
Total		(5,438,278)		(3,570,013)

**25. Employee benefit expense**

Particulars	Period ended March 31, 2020		Period ended March 31, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Salaries and wages		54,542,321		56,047,619
Contribution to provident fund and other funds		477,385		489,152
Staff welfare expenses		12,206		78,235
Other employee related expenses		1,071,953		-
Total		56,103,865		56,615,006

26. Finance costs

Particulars	Period ended March 31, 2020		Period ended March 31, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Interest expense				
<u>On long-term loans</u>				
from banks		14,162,791		8,448,853
from others		7,202,199		8,510,277
		<u>21,364,989</u>		<u>16,959,130</u>
<u>On short-term loans</u>				
from banks		7,845,303		5,464,077
		<u>7,845,303</u>		<u>5,464,077</u>
On other borrowings and/or late payments		<u>410</u>		<u>7,869</u>
		29,210,702		22,431,076
Other borrowing costs		1,379,928		2,267,452
Total		30,590,630		24,698,528

26.1 Notes

Interest expense on long-term loans is net of interest subsidy recognised of Rs. 32,18,026 (P.Y. Rs. 1,64,09,448)

27. Other expenses

Particulars	Period ended March 31, 2020		Period ended March 31, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Consumption of stores and spares		4,807,739		7,922,240
Processing/Jobwork charges		2,425,626		-
Power and fuel		96,717		119,125
Electricity expense		92,602,625		80,174,305
Water charges		63,800		28,500
Rent expense		371,145		360,000
<u>Repairs and maintenance</u>				
Plant and machinery	3,540		3,304	
Others	496,616		905,376	
		500,156		908,680
Insurance		916,615		624,540
Rates and taxes		5,000		194,199
Subscription and membership fees		9,000		192,895
Telephone and postage		78,844		86,392
Printing and stationery		126,737		245,041
Donations and related subscriptions		400,000		-
Books and periodicals		4,700		7,225
Seminar and conference expenses		-		18,000
Registration and filing fees		1,149,582		616,625
Legal and professional charges		351,020		6,650,734
Bank charges		1,163,605		1,843,505
Travelling and conveyance		11,075		568,461
Catering and canteen expenses		-		1,181,506
Vehicle running expenses		947,608		1,138,832
Safety and security expenses		1,083,333		952,450
Information technology expenses		138,904		160,000
<u>Payment to auditors</u>				
Audit services	211,000		301,000	
		211,000		301,000
<u>Payments to cost auditor</u>				
Cost audit services	6,000		-	
		6,000		-



Advertising and sales promotion expenses	8,095	218,489
Commission to selling agents (other than sole selling agents)	1,507,095	-
Transportation and distribution expenses	10,175	431,250
Freight expenses	540,550	132,000
Other miscellaneous expenditure written off	-	198,344
Miscellaneous expenses	232,935	259,436
Total	109,769,680	105,533,772

27.1 Notes

Electricity expense is net of power subsidy recognized of Rs. 79,41,895 (P. Y. Rs. 1,44,71,607)

28. Earnings per share

Particulars	Period ended March 31, 2020	Period ended March 31, 2019
Net profit/(loss) for basic EPS calculation (in Rs.)	(57,316,360)	22,427,021
Weighted average no. of equity shares for basic EPS calculation	24,999,000	24,000,000
Basic EPS (in Rs. per share)	(2.29)	0.93
Basic EPS from continuing operations (in Rs. per share)	(2.29)	0.93
Diluted EPS (in Rs. per share)	(2.29)	0.93
Diluted EPS from continuing operations (in Rs. per share)	(2.29)	0.93

29.

Particulars	Period ended March 31, 2020		Period ended March 31, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Value of imports on CIF basis				
Spares Purchase		-		66,436

30.

Particulars	Period ended March 31, 2020		Period ended March 31, 2019	
	Amount in Rs.	%	Amount in Rs.	%
Materials consumed				
Imported	-	0.00%	-	0.00%
Indigenous	924,877,317	100.00%	789,359,965	100.00%
	924,877,317	100.00%	789,359,965	100.00%
Stores and spares consumed				
Imported	-	0.00%	65,418	0.83%
Indigenous	4,807,739	100.00%	7,856,822	99.17%
	4,807,739	100.00%	7,922,240	100.00%

31. Disclosures as required by the Micro, Small and Medium Enterprises Development Act, 2006 are as under

The Company has requested its suppliers to give information about their status as Micro, Small or Medium Enterprises as defined under the MSMED Act, 2006. In absence of this information, the Company is unable to provide the details regarding the over dues to such enterprises.

32. Related party transactions

32.1 List of related parties

Other related parties where common control exists

A. Patel Alloys
Tricot Impex Pvt Ltd #

Key Management Personnel ("KMP") and their relatives

Whole-time directors ("WTDs")/Executive directors etc.

Ashokbhai Bhalala
Amitbhai Gadhiya
Harikrishna Chauhan
Ilaben Paghadar

**Relative of WTDs/Executive directors**

Chetnaben Bhalala
Harikrishna Chauhan HUF
Rekhaben Harikrishna Chauhan
Ashokbhai Bhalala HUF
Pooja Amitbhai Gadhiya

Other KMPs and their relatives

Pratik Raiyani
Ankita Popat#
Rajdeep Patel
Rekhaben Chauhan
Paresh Bhalala
Pravin Bhalala
Jalpaben Bhalala
Kantaben Gadhiya
Manubhai Gajera #
Nayan Gadhiya #
Pareshbhai Jethva
Pareshbhai Bhalala HUF
Pravinaben Gohil
Pravinbhai Bhalala HUF
Sarojben Bhalala
Shukanbhai Bhalala HUF
Sonal Sorathia
Chandni Chhabariya
Shukanbhai Bhalala
Dineshbhai Paghadar #
Shukanbhai Bhalala
Ashwin Chavda

There are no transactions during the year with the above entities

32.2 Details of transactions with related parties

(in Rs.)

Details of transactions	Subsidiaries/JCEs/Asso. / Controlling		Other related parties		Key Management Personnel and relatives		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
Revenue from sale of goods								
A. Patel Alloys	-	-	4,988,000	-	-	-	4,988,000	-
Total	-	-	4,988,000	-	-	-	4,988,000	-
Interest paid								
Rekhaben Chauhan	-	-	-	-	401,852	405,529	401,852	405,529
Pareshbhai Bhalala	-	-	-	-	30,939	139,416	30,939	139,416
Pareshbhai Bhalala HUF	-	-	-	-	14,922	70,928	14,922	70,928
Poojaben Gadhiya	-	-	-	-	22,936	107,621	22,936	107,621
Pravinbhai Bhalala	-	-	-	-	13,806	62,211	13,806	62,211
Pravinbhai Bhalala HUF	-	-	-	-	17,398	82,699	17,398	82,699
Sarojben Bhalala	-	-	-	-	16,057	72,358	16,057	72,358
Shukanbhai Bhalala HUF	-	-	-	-	15,393	73,164	15,393	73,164
Shukanbhai Bhalala	-	-	-	-	14,894	67,115	14,894	67,115
Amitbhai Gadhiya	-	-	-	-	555,757	360,521	555,757	360,521
Ashokbhai Bhalala	-	-	-	-	703,859	393,801	703,859	393,801
Ashokbhai Bhalala HUF	-	-	-	-	24,032	114,233	24,032	114,233
Chetnaben Bhalala	-	-	-	-	33,225	144,767	33,225	144,767
Harikrishna Chauhan	-	-	-	-	50,718	1,932	50,718	1,932
Ilaben Paghdar	-	-	-	-	413,515	-	413,515	-
Jalpaben Bhalala	-	-	-	-	18,730	84,402	18,730	84,402
Kantaben Gadhiya	-	-	-	-	14,672	68,847	14,672	68,847
Nayanbhai Gadhiya	-	-	-	-	15,280	71,700	15,280	71,700
Sanjaybhai Chauhan	-	-	-	-	-	26,036	-	26,036
Total	-	-	-	-	2,377,985	2,347,280	2,377,985	2,347,280
Rent paid								
Rekhaben Chauhan	-	-	-	-	180,000	180,000	180,000	180,000
Sonalben Sorathiya	-	-	-	-	180,000	180,000	180,000	180,000
Total	-	-	-	-	360,000	360,000	360,000	360,000



Other income/expense transactions with related parties(Salary)								
Pareshbhai Jethva	-	-	-	-	303,300	393,000	303,300	393,000
Sarojben Bhalala	-	-	-	-	280,100	360,000	280,100	360,000
Shukanbhai Bhalala	-	-	-	-	273,100	-	273,100	-
Chetnaben Bhalala	-	-	-	-	296,900	357,000	296,900	357,000
Jalpaben Bhalala	-	-	-	-	298,100	400,000	298,100	400,000
Poojaben Gadhiya	-	-	-	-	280,100	389,500	280,100	389,500
Pareshbhai Bhalala	-	-	-	-	391,900	548,008	391,900	548,008
Pravinaben Gohil	-	-	-	-	294,500	398,000	294,500	398,000
Rekhaben Chauhan	-	-	-	-	404,300	485,000	404,300	485,000
Gordhanbhai Gadhiya	-	-	-	-	288,212	330,000	288,212	330,000
Total	-	-	-	-	3,110,512	3,660,508	3,110,512	3,660,508
Remuneration to KMPs								
Ashwin Chavda	-	-	-	-	84,250	-	84,250	-
Ankita Popat	-	-	-	-	-	225,000	-	225,000
Chandni Chhabariya	-	-	-	-	50,000	62,000	50,000	62,000
Pratik Raiyani	-	-	-	-	335,000	420,000	335,000	420,000
Ilaben Paghdar	-	-	-	-	480,000	480,000	480,000	480,000
Ashokbhai Bhalala	-	-	-	-	970,000	1,645,000	970,000	1,645,000
Amitbhai Gadhiya	-	-	-	-	900,000	900,000	900,000	900,000
Harikrishna Chauhan	-	-	-	-	950,000	1,200,000	950,000	1,200,000
Total	-	-	-	-	3,769,250	4,932,000	3,769,250	4,932,000

32.3 Details of account balances with related parties

(in Rs.)

Account balances	Subsidiaries/JCEs/Asso. / Controlling		Other related parties		Key Management Personnel and relatives		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
Loans from related parties								
Rekhaben Chauhan	-	-	-	-	6,688,961	6,688,961	6,688,961	6,688,961
Pareshbhai Bhalala	-	-	-	-	-	2,323,601	-	2,323,601
Pareshbhai Bhalala HUF	-	-	-	-	-	1,182,143	-	1,182,143
Poojaben Gadhiya	-	-	-	-	-	1,793,696	-	1,793,696
Ilaben Pagdhar	-	-	-	-	8,900,000	-	8,900,000	-
Pravinbhai Bhalala	-	-	-	-	-	1,036,851	-	1,036,851
Pravinbhai Bhalala HUF	-	-	-	-	-	1,378,316	-	1,378,316
Rajdeepbhai Tala	-	-	-	-	2,539,953	3,539,953	2,539,953	3,539,953
Sarojben Bhalala	-	-	-	-	-	1,205,966	-	1,205,966
Shukanbhai Bhalala HUF	-	-	-	-	-	1,219,409	-	1,219,409
Shukanbhai Bhalala	-	-	-	-	-	1,118,582	-	1,118,582
Abhishek Tala (Patel)	-	-	-	-	-	176,517	-	176,517
Amitbhai Gadhiya	-	-	-	-	10,143,687	6,008,687	10,143,687	6,008,687
Ashokbhai Bhalala	-	-	-	-	12,847,967	6,562,967	12,847,967	6,562,967
Ashokbhai Bhalala HUF	-	-	-	-	-	1,903,877	-	1,903,877
Chetnaben Bhalala	-	-	-	-	-	2,412,792	-	2,412,792
Harikrishna Chauhan	-	-	-	-	970,000	470,000	970,000	470,000
Jalpaben Bhalala	-	-	-	-	-	1,406,701	-	1,406,701
Kantaben Gadhiya	-	-	-	-	-	1,147,457	-	1,147,457
Nayanbhai Gadhiya	-	-	-	-	-	1,195,007	-	1,195,007
Total	-	-	-	-	42,090,568	42,771,482	42,090,568	42,771,482
Trade receivables								
A. Patel Alloys	-	-	588,517	890,205	-	-	588,517	890,205
Total	-	-	588,517	890,205	-	-	588,517	890,205



Other balances - Interest payable								
Rekhaben Chauhan	-	-	-	-	180,602	28,087	180,602	28,087
Ashokbhai Bhalala HUF	-	-	-	-	-	12,318	-	12,318
Chetnaben Bhalala	-	-	-	-	-	6,734	-	6,734
Jalpaben Bhalala	-	-	-	-	-	1,923	-	1,923
Nayanbhai Gadhiya	-	-	-	-	-	39,060	-	39,060
Ilaben Pagdhar	-	-	-	-	240,300	-	240,300	-
Pareshbhai Bhalala	-	-	-	-	-	10,948	-	10,948
Pareshbhai Bhalala HUF	-	-	-	-	-	8,671	-	8,671
Poojaben Gadhiya	-	-	-	-	-	48,719	-	48,719
Pravinbhai Bhalala	-	-	-	-	-	6,980	-	6,980
Pravinbhai Bhalala HUF	-	-	-	-	-	8,858	-	8,858
Shukanbhai Bhalala HUF	-	-	-	-	-	9,285	-	9,285
Shukanbhai Bhalala	-	-	-	-	-	30,114	-	30,114
Amitbhai Gadhiya	-	-	-	-	273,880	164,428	273,880	164,428
Ashokbhai Bhalala	-	-	-	-	346,895	6,821	346,895	6,821
Harikrishna Chauhan	-	-	-	-	26,190	1,932	26,190	1,932
Sarojben Bhalala	-	-	-	-	-	10,244	-	10,244
Total	-	-	-	-	1,067,867	395,122	1,067,867	395,122

33. Segment reporting

The Company operates under a single operating segment in accordance with Accounting Standard 17 - 'Segment Reporting' and hence, segment reporting is not applicable to the Company.

34. Employee benefits

The Company has one scheme for long-term benefit - Gratuity. The Company's defined contribution plans are Provident Fund (in case of certain employees), Employees State Insurance Fund. The Company has no further obligation beyond making the contributions to such plans. The Company's defined benefit plans include Gratuity only.

34.1 Change in defined benefit obligation

Particulars	Period ended March 31, 2020		Period ended March 31, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Gratuity (Non-funded)				
Present value of defined benefit obligation as at the beginning of the period		1,684,678		1,285,011
Current service cost		1,017,758		982,783
Interest cost		112,354		93,598
Liability transferred in/(out of) due to amalgamations		-		-
Actuarial (gain)/loss		(64,078)		(676,714)
Present value of defined benefit obligation as at the end of the period		2,750,712		1,684,678

34.2 Changes in fair value of plan assets

Particulars	Period ended March 31, 2020		Period ended March 31, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Gratuity (Non-funded)				
Fair value of plan assets as at the end of the period		-		-

34.3 Reconciliation of present value of defined benefit obligation and fair value of plan assets

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Gratuity (Non-funded)				
Present value of funded obligation as at the end of the year		2,750,712		1,684,678
Unfunded liability/(assets) recognised in the balance sheet		2,750,712		1,684,678
Liability recognised under				
Long-term provisions (see note 7)		2,597,489		1,644,324
Short-term provisions (see note 10)		153,223		40,354



34.4 Reconciliation of present value of defined benefit obligation and fair value of plan assets

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Gratuity (Non-funded)				
Current service cost		1,017,758		982,783
Interest cost		112,354		93,598
Net actuarial (gain)/loss		(64,078)		(676,714)
Total expense/(income) recognised in the Statement of Profit and Loss		1,066,034		399,667

34.5 Principal actuarial assumptions used

Particulars	As at March 31, 2020	As at March 31, 2019
	%	%
Gratuity (Non-funded)		
Discount rate (per annum)	5.45%	6.75%
Expected rate of return on plan assets	Not Applicable	Not Applicable
Expected rate of increase in salaries	7.00%	7.00%
Medical cost trend rates	Not Applicable	Not Applicable

34.6 Contribution to defined contribution plans

Particulars	Period ended March 31, 2020		Period ended March 31, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Provident Fund		477,385		489,152
Total		477,385		489,152

35. Other Notes

1. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

Signature to notes 1 to 35 of the financial statements.

For, H. B. Kalaria & Associates

Chartered Accountants

Firm Registration No. 104571W

Hasmukh B. Kalaria

Partner

Mem. No. 042002

Rajkot, June 29, 2020

For and on behalf of the Board of Directors,

Ashokbhai Bhalala

Managing Director

DIN: 02003197

Harikrishna Chauhan

Whole Time Director

DIN: 07710106

Pratik Raiyani

CFO

PAN: ANOPR1585L

Ashwin Chavda

CS

Haripar, June 29, 2020

Notes to Standalone Financial Statements for the period ended March 31, 2020

11. Property, plant and equipment

Particulars	Gross Block				Depreciation/Amortization					Net Block		
	Opening as at 01/04/2019	Additions	Deductions	Other adjustments	As at 31/03/2020	Opening as at 01/04/2019	Depreciation/Amortization	Deductions	Other adjustments	As at 31/03/2020	As at 31/03/2020	As at 31/03/2019
Tangible assets												
Land												
Freehold	6,359,610	-	-	-	6,359,610	-	-	-	-	-	6,359,610	6,359,610
<i>Sub-total</i>	<i>6,359,610</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>6,359,610</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>6,359,610</i>	<i>6,359,610</i>
Buildings												
Owned	105,392,373	487,866	-	-	105,880,239	14,020,838	3,353,863	-	-	17,374,701	88,505,538	91,371,535
<i>Sub-total</i>	<i>105,392,373</i>	<i>487,866</i>	<i>-</i>	<i>-</i>	<i>105,880,239</i>	<i>14,020,838</i>	<i>3,353,863</i>	<i>-</i>	<i>-</i>	<i>17,374,701</i>	<i>88,505,538</i>	<i>91,371,535</i>
Plant and equipment												
Owned	520,550,559	45,896,545	-	-	566,447,104	139,218,291	35,617,524	-	-	174,835,815	391,611,289	381,332,268
<i>Sub-total</i>	<i>520,550,559</i>	<i>45,896,545</i>	<i>-</i>	<i>-</i>	<i>566,447,104</i>	<i>139,218,291</i>	<i>35,617,524</i>	<i>-</i>	<i>-</i>	<i>174,835,815</i>	<i>391,611,289</i>	<i>381,332,268</i>
Furniture and fixtures												
Owned	2,084,828	-	-	-	2,084,828	746,666	198,059	-	-	944,725	1,140,104	1,338,163
<i>Sub-total</i>	<i>2,084,828</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>2,084,828</i>	<i>746,666</i>	<i>198,059</i>	<i>-</i>	<i>-</i>	<i>944,725</i>	<i>1,140,104</i>	<i>1,338,163</i>
Motor vehicles												
Owned	2,460,544	770,798	729,930	-	2,501,412	982,450	289,071	468,557	-	802,964	1,698,448	1,478,094
<i>Sub-total</i>	<i>2,460,544</i>	<i>770,798</i>	<i>729,930</i>	<i>-</i>	<i>2,501,412</i>	<i>982,450</i>	<i>289,071</i>	<i>468,557</i>	<i>-</i>	<i>802,964</i>	<i>1,698,448</i>	<i>1,478,094</i>
Computer equipment												
Owned	1,302,681	-	-	-	1,302,681	1,302,681	-	-	-	1,302,681	0	0
<i>Sub-total</i>	<i>1,302,681</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>1,302,681</i>	<i>1,302,681</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>1,302,681</i>	<i>0</i>	<i>0</i>
Office equipment												
Owned	15,553,139	-	-	-	15,553,139	6,262,799	1,565,914	-	-	7,828,713	7,724,426	9,290,340
<i>Sub-total</i>	<i>15,553,139</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>15,553,139</i>	<i>6,262,799</i>	<i>1,565,914</i>	<i>-</i>	<i>-</i>	<i>7,828,713</i>	<i>7,724,426</i>	<i>9,290,340</i>
Total (I)	653,703,735	47,155,209	729,930	-	700,129,014	162,533,724	41,024,431	468,557	-	203,089,598	497,039,416	491,170,011
Intangible assets												
Total (II)	-	-	-	-	-	-	-	-	-	-	-	-
Grand total (I)+(II)	653,703,735	47,155,209	729,930	-	700,129,014	162,533,724	41,024,431	468,557	-	203,089,598	497,039,416	491,170,011

11A. Property, plant and equipment

Particulars	Gross Block				Depreciation/Amortization					Net Block		
	Opening as at 01/04/2018	Additions	Deductions	Other adjustments	As at 31/03/2019	Opening as at 01/04/2018	Depreciation/ Amortization	Deductions	Other adjustments	As at 31/03/2019	As at 31/03/2019	As at 31/03/2019
Tangible assets												
Land												
Freehold	6,359,610	-	-	-	6,359,610	-	-	-	-	-	6,359,610	6,359,610
<i>Sub-total</i>	<i>6,359,610</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>6,359,610</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>6,359,610</i>	<i>6,359,610</i>
Buildings												
Owned	101,495,634	3,896,739	-	-	105,392,373	10,750,817	3,270,021	-	-	14,020,838	91,371,535	90,744,817
<i>Sub-total</i>	<i>101,495,634</i>	<i>3,896,739</i>	<i>-</i>	<i>-</i>	<i>105,392,373</i>	<i>10,750,817</i>	<i>3,270,021</i>	<i>-</i>	<i>-</i>	<i>14,020,838</i>	<i>91,371,535</i>	<i>90,744,817</i>
Plant and equipment												
Owned	519,091,194	1,459,366	-	-	520,550,559	106,328,657	32,889,634	-	-	139,218,291	381,332,268	412,762,537
<i>Sub-total</i>	<i>519,091,194</i>	<i>1,459,366</i>	<i>-</i>	<i>-</i>	<i>520,550,559</i>	<i>106,328,657</i>	<i>32,889,634</i>	<i>-</i>	<i>-</i>	<i>139,218,291</i>	<i>381,332,268</i>	<i>412,762,537</i>
Furniture and fixtures												
Owned	2,038,389	46,440	-	-	2,084,828	549,590	197,076	-	-	746,666	1,338,163	1,488,799
<i>Sub-total</i>	<i>2,038,389</i>	<i>46,440</i>	<i>-</i>	<i>-</i>	<i>2,084,828</i>	<i>549,590</i>	<i>197,076</i>	<i>-</i>	<i>-</i>	<i>746,666</i>	<i>1,338,163</i>	<i>1,488,799</i>
Motor vehicles												
Owned	2,460,544	-	-	-	2,460,544	692,673	289,777	-	-	982,450	1,478,094	1,767,871
<i>Sub-total</i>	<i>2,460,544</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>2,460,544</i>	<i>692,673</i>	<i>289,777</i>	<i>-</i>	<i>-</i>	<i>982,450</i>	<i>1,478,094</i>	<i>1,767,871</i>
Computer equipment												
Owned	1,302,681	-	-	-	1,302,681	1,301,549	1,132	-	-	1,302,681	0	1,132
<i>Sub-total</i>	<i>1,302,681</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>1,302,681</i>	<i>1,301,549</i>	<i>1,132</i>	<i>-</i>	<i>-</i>	<i>1,302,681</i>	<i>0</i>	<i>1,132</i>
Office equipment												
Owned	15,453,467	99,672	-	-	15,553,139	4,701,051	1,561,748	-	-	6,262,799	9,290,340	10,752,416
<i>Sub-total</i>	<i>15,453,467</i>	<i>99,672</i>	<i>-</i>	<i>-</i>	<i>15,553,139</i>	<i>4,701,051</i>	<i>1,561,748</i>	<i>-</i>	<i>-</i>	<i>6,262,799</i>	<i>9,290,340</i>	<i>10,752,416</i>
Total (I)	648,201,518	5,502,217	-	-	653,703,735	124,324,336	38,209,388	-	-	162,533,724	491,170,011	523,877,183
Intangible assets												
Total (II)	-	-	-	-	-	-	-	-	-	-	-	-
Grand total (I)+(II)	648,201,518	5,502,217	-	-	653,703,735	124,324,336	38,209,388	-	-	162,533,724	491,170,011	523,877,183



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