



AKM LACE AND EMBROTEX LIMITED

Registered office: C-110, G/F, Bhola Nath Nagar, Shahdara, East Delhi, Delhi-110032
CIN: L17291DL2009PLC196375,

Email: akmlace@gmail.com, Website: www.akmlace.com

Date: 08.09.2022

To,
The Listing Compliance
BSE Ltd.
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001

SCRIP ID: AKM
SCRIP CODE: 540718

Subject : Annual Report for the Financial Year 2021-22
Ref : Regulation 34 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Madam,

Pursuant to the Provisions of Regulation 34 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith Annual Report together with notice of the AGM for the Financial Year 2021-22 and is also available on the website of the Company at www.akmlace.com.

This is for your information and record.

Thanking You.

Yours Faithfully,

FOR AKM LACE AND EMBROTEX LIMITED

SHALVI
SAGAR
PATWA

Digitally signed by SHALVI SAGAR PATWA
DN: cn=SHALVI SAGAR PATWA,
o=AKM LACE AND EMBROTEX LIMITED,
c=IN, email=shalvi.sagar.patwa@akmlace.com,
serial=10220908163836405330

SHALVI SAGAR PATWA
MANAGING DIRECTOR
DIN: 08869050

Encl: Annual Report for the FY 2021-22

2021-2022

13th ANNUAL REPORT

AKM LACE AND EMBROTEX LIMITED



AKM LACE AND EMBROTEX LIMITED

CIN L17291DL2009PLC196375

Registered Address: C-110 G/F Bhola Nath Nagar, Shahdara Delhi East Delhi 110032.

Website: www.akmlace.com Email: akmlace@gmail.com

Board of Directors and Key Managerial Personnel:

Shalvi Sagar Patwa	Managing Director & CFO
Sagar Amar Patwa	Non-Executive Non-Independent Director
Shatrudhan	Non-Executive Independent Director
Farmeen Salim Lala	Non-Executive Independent Director
Ayush Abhay Dolani	Company Secretary

Statutory Auditors:

M/s. RKJS & Co LLP
Chartered Accountants

Internal Auditors:

Anil Hariram Gupta & Co.,
Chartered Accountants

Secretarial Auditor:

M/S SARITA SINGH & ASSOCIATES
Company Secretaries

Registrar & Transfer Agents:

Skyline Financial Services Pvt. Ltd
D-153A, 1st Floor,
Okhla Industrial Area Phase-I,
New Delhi, Delhi, 110020

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE 13TH ANNUAL GENERAL MEETING OF THE MEMBERS OF AKM LACE AND EMBROTEX LIMITED WILL BE HELD ON FRIDAY 30TH SEPTEMBER 2022 AT 9 AM AT THROUGH VIDEO CONFERENCING (VC) OR OTHER AUDIO-VISUAL MEANS (OAVM) TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

Item No. 1. ADOPTION OF FINANCIAL STATEMENTS:

To receive, consider and adopt the audited financial statements for the financial year ended on that date and the Reports of the Directors and the Auditors thereon.

Item No. 2. TO RE-APPOINT MRS. SHALVI SAGAR PATWA (DIN: 08869050) WHO RETIRES BY ROTATION & BEING ELIGIBLE OFFERS HIMSELF FOR RE-APPOINTMENT AS DIRECTOR:

“**RESOLVED THAT**, pursuant to the provisions of Section 152 (6) and other applicable provisions of the Companies Act, 2013 Mrs. Shalvi Sagar Patwa (DIN: 08869050) who retires by rotation & being eligible offers herself for re-appointment as Director, be and is hereby re- appointed as a Director liable to retire by rotation.”

Item No. 3: APPOINTMENT OF STATUTORY AUDITOR.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made thereunder (including any amendment(s), modification(s) or variation(s) thereto) and the recommendations of the Audit Committee and Board of Directors, the appointment of M/s. RKJS & Co LLP, Chartered Accountants (FRN 128216W), as Statutory Auditors of the Company, in place of M/s. V. N. Purohit & Co, Chartered Accountants (FRN 304040E) whose tenure expires at the this 13th Annual General Meeting, to hold office for a term of 5 (five) years commencing from the conclusion of this Annual General Meeting until the conclusion of the 18th Annual General Meeting of the Company, on such remuneration plus reimbursement of out of pocket expenses as may be incurred by them in connection with the audit of accounts of the Company, as may be mutually agreed between the Board of Directors of the Company and the said Auditors (based on the recommendation of the Audit Committee) be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such actions and to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this Resolution.”

SPECIAL BUSINESS:

Item No. 4: REGULARIZATION OF ADDITIONAL DIRECTOR MR. SHATRUDHAN DIN 09486626 BY APPOINTING HIM AS NON-EXECUTIVE INDEPENDENT DIRECTOR.

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

“**RESOLVED THAT**, in accordance with the provisions of Sections 161(1) and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendation of the Nomination & Remuneration Committee and the approval of the Board of Directors of the Company, Mr. Shatrudhan DIN 09486626 who was appointed as an Additional Director of the Company with effect from 16/02/2022 in terms of Section 161(1) of the Companies Act,2013 and Article of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Act proposing his candidature for the office of the Director, be and hereby appointed as Non-Executive Independent Director of the Company to hold office for a term of 5 years from 16/02/2022.”



“**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.

Item No. 5: REGULARIZATION OF ADDITIONAL DIRECTOR MS. FARMEEN SALIM LALA DIN 09505852 BY APPOINTING HER AS NON-EXECUTIVE INDEPENDENT DIRECTOR.

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

“**RESOLVED THAT**, in accordance with the provisions of Sections 161(1) and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendation of the Nomination & Remuneration Committee and the approval of the Board of Directors of the Company, Ms. Farmeen Salim Lala DIN 09505852 who was appointed as an Additional Director of the Company with effect from 16/02/2022 in terms of Section 161(1) of the Companies Act, 2013 and Article of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Act proposing his candidature for the office of the Director, be and hereby appointed as Non-Executive Independent Director of the Company to hold office for a term of 5 years from 16/02/2022.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.

Item No. 6: REGULARIZATION OF ADDITIONAL DIRECTOR MR. SAGAR AMAR PATWA DIN 06818710 BY APPOINTING HIM AS NON-EXECUTIVE DIRECTOR.

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

“**RESOLVED THAT**, in accordance with the provisions of Sections 161(1) and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendation of the Nomination & Remuneration Committee and the approval of the Board of Directors of the Company, Mr. Sagar Amar Patwa DIN 06818710 who was appointed as an Additional Director of the Company with effect from 13/06/2022 in terms of Section 161(1) of the Companies Act, 2013 and Article of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Act proposing his candidature for the office of the Director, be and hereby appointed as Non-Executive Director of the Company to hold office for a term of 5 years from 13/06/2022.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.

Item No. 7: APPOINTMENT OF MRS. SHALVI SAGAR PATWA DIN 08869050 AS MANAGING DIRECTOR.

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

“**RESOLVED THAT** in accordance with the provision of Section 160, 161, 196, 197 and 198 read with Schedule V of the Companies Act, 2013 (“the Act”) and any other applicable provisions of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and all other applicable provisions of the Act including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force and based on the recommendation of the Nomination & Remuneration Committee and the approval of the Board of Directors of the Company, the approval of the members of the Company is hereby accorded to appoint Mrs. Shalvi Sagar



Patwa DIN 08869050, as the Chairman and Managing Director of the Company for the period of 5 years commencing from 16/02/2022, on the terms and conditions including remuneration as set out in the statement annexed to the notice, with liberty to the Board of Directors, without any further approval of (hereinafter referred as the Board which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and condition of the said appointment and /or remuneration as may deem fit.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the above resolution.”

Item No. 8: INCREASE THE AUTHORISED SHARE CAPITAL OF THE COMPANY AND CONSEQUENTIAL AMENDMENT IN THE CAPITAL CLAUSE IN THE MEMORANDUM OF ASSOCIATION OF THE COMPANY.

To consider and if thought fit to pass, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of section 61 and other applicable provisions if any, of the Companies Act. 2013 (including any amendment thereto or re-enactment thereof) and the Rules framed thereunder consent of the members of the Company be and is hereby accorded for increase in the Authorised Share Capital of the Company from existing Rs, 3,20,00,000 /- (Rupees Three Crore Twenty Lakhs only) divided into 32,00,000 (Thirty-Two Lakhs) Equity shares of Rs. 10/- (Rupees Ten only) each to Rs. 7,00,00,000/- (Rupees Seven Crores only) divided into 70,00,000 (Seventy Lakhs) Equity Shares of Rs. 10/- (Rupees Ten only) each ranking pari-passu in all respect with the existing equity shares of the company as per the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT pursuant to section 13 and all other applicable provisions, if any, of the Companies Act 2013, consent of the members of the Company be and is hereby accorded, for alteration of clause V of the Memorandum of Association of the Company by substituting in its place and stead the following: -

“*V. The authorised capital of the Company is Rs. 7,00,00,000/- (Rupees Seven Crores only) divided into 70,00,000 (Seventy Lakhs) Equity Shares of Rs. 10/- (Rupees ten only) each with power to increase and /or reduce the capital of the Company as provided in the Articles of the Company.*”

RESOLVED FURTHER THAT approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this resolution and to settle any questions, difficulties or doubts that may arise in this regard.”

Item No. 9: SHIFTING OF REGISTERED OFFICE OF THE COMPANY FROM THE NCT OF DELHI TO THE STATE OF MAHARASHTRA.

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

“**RESOLVED THAT** pursuant to provisions of Section 4, 12, 13, and all other applicable provisions of the Companies Act, 2013 read with Rule 30 of the Companies (Incorporation) Rules, 2014, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendments, enactments, modification made thereunder, for the time being in force) and other applicable provisions, and subject to the approval of the Central Government (power delegated to the Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi) and such other approvals, permissions and sanctions, as may be required from time to time, consent of the Members of the Company be and is hereby accorded to shift the Registered office of the Company from the NCT of Delhi to the State of Maharashtra and that Clause II of the Memorandum of Association of the Company be substituted by the following clause:

II. The registered office of the Company will be situated in the State of Maharashtra.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorized to prepare, sign and file the necessary application, affidavits and such other documents as may be necessary in connection with petition seeking confirmation of the Regional Director and/or any other authorities as may be required, to issue notices to the general public, creditors, etc. and also serve a copy of the petition to the applicable authorities as well as jurisdictional Registrar of Companies and to appoint any professionals and



advisors to appear, represent, enter appearance on behalf of the Company and to act for every purpose connected with all the proceedings in the application for the approval of shifting of registered office of the Company before the Central Government (power delegated to the Regional Director, Northern Region) or any other authority and to take such other steps as may become necessary in this regard including signing and filing of application/petition/reply/letter/confirmation/undertaking etc., if required, before the applicable statutory and regulatory authorities under provisions of applicable law and to make such alteration, modification and corrections as may be required in the petition and such forms, documents, papers annexed with the same and to do all such acts, deed, things as may be required, so as to give effect to the aforesaid resolution.”

Item No. 10: TO AMEND THE OBJECT CLAUSE OF MEMORANDUM OF ASSOCIATION OF THE COMPANY.

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

“**RESOLVED THAT** pursuant to provisions of Sections 4, 13, 15 read with the Companies (Management & Administration) Rules, 2014 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), including any statutory modification or re-enactment thereof for the time being in force, and subject to necessary approvals as may be required in this regard from appropriate authorities and subject to such terms and conditions as may be imposed by them, the consent of the members be and is hereby accorded for alteration of Main object clause III of the Memorandum of Association of the Company and the altered new main object is mentioned as below:

III. MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:

1. To carry on the business of manufacturers, importers, exporters, buyers, sellers, dealers, distributors, wholesalers, retailers, commission agent, traders, assemblers, designers, sewers, cutters, polishers and job workers of all categories of diamonds, rough diamonds, pearls, emeralds, rubies, gems, jewellery, platinum ornaments, gold ornaments, silver utensils, cut and uncut diamonds, including industrial grades, precious stones, semi-precious stones, precious metals, stainless steel and other metals jewellery, studded jewellery ornaments, watches and such other valuable articles therefrom.
2. To do business and carry on the activities of manufacturing, cleaning, sawing, cutting, polishing, processing, assorting and of buying, selling importing, exporting, supplying, distributing, disposing and dealing as agents and retailers in cut and uncut diamonds, industrial diamonds, Board, cut and uncut precious and semi-precious stones and pearls and to act as recognized Export house and Trading house and to represent foreign companies and to provide them consultation for Indian Market.

RESOLVED FURTHER THAT the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable in this regard for the purpose of giving effect to this resolution(s).”

Item No. 11: APPROVAL FOR CHANGE OF NAME OF THE COMPANY AND CONSEQUENTIAL ALTERATION TO THE MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION OF THE COMPANY.

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

“**RESOLVED THAT** pursuant to the provisions of Sections 4, 13, 14, 15 of the Companies Act, 2013 (“Act”) and rules made thereunder and other applicable provisions, if any, of the Act, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, subject to Regulation 45 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (Listing Regulations) as applicable, the Memorandum of Association and Articles of Association of the Company and approval, consent, sanction and permission of the Central Government, Ministry of Corporate Affairs, Stock Exchanges or any other appropriate regulatory and/or statutory authorities, as may be necessary, consent of the Members of the Company be and are hereby accorded for change of name of the Company from ‘**AKM LACE AND EMBROTEX LTD**’ to ‘**AKM CREATIONS LIMITED**’



RESOLVED FURTHER THAT Clause I (Name clause) of the Memorandum of Association of the Company be substituted with following:

I. The Name of the Company is 'AKM CREATIONS LIMITED'.

RESOLVED FURTHER THAT the name of the company wherever appearing in the Articles of Association of the Company, Share Certificates and other relevant documents, papers and places, as applicable, be substituted with the new name 'AKM CREATIONS LIMITED'.

RESOLVED FURTHER THAT any of the Directors and Company Secretary of the Company be and are hereby authorized to do all such acts, things and deeds as may be required in order to the effective execution of the said resolution including but not limited to file necessary e-forms under his digital signature with Registrar of Companies or such other Regulatory Authorities."

Item No. 12: TO APPROVE THE INCREASE IN BORROWING POWERS IN EXCESS OF THE PAID-UP SHARE CAPITAL, FREE RESERVES AND SECURITIES PREMIUM OF THE COMPANY PURSUANT TO SECTION 180(1)(C) OF THE COMPANIES ACT, 2013.

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

"RESOLVED THAT in supersession of the earlier resolution passed by the Members of the Company and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and as per the applicable directions / guidelines issued by the Reserve Bank of India ("RBI") and the relevant provisions of the Articles of Association of the Company and all other applicable rules, laws and acts (if any) and subject to all other requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities (if any), the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "the Board" which term shall be deemed to include any Committee of the Board constituted / to be constituted / reconstituted by the Board to exercise its powers, including the powers conferred upon by this resolution) for borrowing from time to time, as they may think fit for the purpose of the business of the Company, any sum or sums of money not exceeding ₹200 crore (Rupees Two Hundred Crore only) (including the money(ies) already borrowed by the Company) in Indian Rupees or in any equivalent foreign currency(ies) on such terms and conditions as the Board may deem fit, whether the same may be secured or unsecured whether domestic or international, and if secured, whether by way of charge, by way of mortgage or hypothecation, pledge or otherwise under section 180(1)(a) of Companies Act 2013 or in any way whatsoever, on, over or in any respect of all, or any of the Company's assets and effects or properties including stock in trade (receivables), notwithstanding that the money to be borrowed together with the money(ies) already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) and remaining un-discharged at any given time, exceed the aggregate, for the time being, of the paid up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, and securities premium provided that the total borrowing limit shall be within the limits prescribed under the RBI Master Directions,

RESOLVED FURTHER THAT the Board be and is hereby authorized for borrowing from time to time, as it may think fit, any sum or sums of money not exceeding ₹200 crore (Rupees Two Hundred crore only) in Indian Rupees or equivalent thereof in any foreign currency(ies) in aggregate (including the money(ies) already borrowed by the Company) on such terms and conditions as the Board may deem fit, by way of loans, or in any other form whatsoever, or issue of Bonds and/or Non-Convertible Debentures or other Securities or Term Loans, Cash Credit facilities External Commercial Borrowings or other facilities in form of debt in the nature of Debentures, Commercial Papers and the like to Bank(s), Financial or other Institution(s), Mutual Fund(s), Non-Resident Indians (NRIs), Foreign Institutional Investors (FIIs) or any other person(s), body(ies) corporate, etc., whether Securities holder of the Company or not.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company and the Board or the Committee of Directors be and is hereby authorized to arrange or finalise the terms and conditions of all such borrowings, from time to time, viz. terms as to interest, repayment, security or otherwise as it may deem fit and to sign and execute all such documents,



agreements and writings and do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard.”

Item No. 13: INCREASE IN THE LIMITS APPLICABLE FOR MAKING INVESTMENTS/EXTENDING LOANS AND GIVING GUARANTEES OR PROVIDING SECURITIES IN CONNECTION WITH LOANS TO PERSONS/ BODIES CORPORATE PURSUANT TO SECTION 186 OF THE COMPANIES ACT, 2013.

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 (‘Act’) read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any modification or re-enactment thereof for the time being in force) and the provisions of the Memorandum of Association and the Articles of Association of the Company and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the ‘Board’ which expression includes any Committee constituted by the Board to exercise its powers, including powers conferred by this resolution), to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as it may in its absolute discretion deem beneficial and in the interest of the Company, subject to however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of `100 crore (Rupees Hundred crore only) over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT in terms of the provisions of Section 186 of the Act, where a loan or guarantee is given or where a security has been provided by the Company to its wholly owned subsidiary company or a joint venture company, or acquisition is made by the Company, by way of subscription, purchase or otherwise of, the securities of its wholly owned subsidiary company, the aforementioned limits shall not apply.

RESOLVED FURTHER THAT the Board and such person(s) authorized by the Board, be and are hereby authorized, to negotiate, finalize and execute all deeds and documents and take all such steps and do all such acts, deeds and things as may be deemed proper, necessary, desirable or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto including but not limited to settle any questions or resolve difficulties that may arise in this regard.”

Item No. 14: ISSUE OF CONVERTIBLE EQUITY WARRANTS THROUGH PREFERENTIAL ALLOTMENT / PRIVATE PLACEMENT:

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

“**RESOLVED THAT** pursuant to sections 42, 62 and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company, the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2018, the applicable rules, notifications guidelines issued by various authorities including but not limited to the Government of India, Securities and Exchange Board of India, Reserve Bank of India and other competent authorities and subject to the approvals, permissions, sanctions and consents as may be necessary from any regulatory and other appropriate authorities and subject to the consent of the lenders, as applicable, and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, sanctions and consents, which may be agreed to by the Board of Directors (hereinafter referred to as the “Board”, which term shall be deemed to include any committee which the Board has constituted or may constitute to exercise its powers, including the powers conferred by this resolution), the consent of the Shareholders of the Company be and is hereby accorded, to create, offer, issue and allot, on preferential basis, in one or more tranches for up to 30,00,000 (Thirty Lakhs) Convertible Equity Warrants (“Warrants”) with each



warrant convertible into 1 (one) fully paid up equity share of the company of Rs. 10/- each at a price of Rs. 33/- (Rupees Thirty-Three only) being the price determined as per the provisions of Regulation 164 of SEBI (ICDR) Regulations, 2018 to the persons mentioned below falling under the non-promoter group category, in such manner and on such terms and conditions as may be determined by the Board in accordance with Chapter V of the SEBI (ICDR) Regulations, 2018 or any other provisions of the law as may be prevailing as on date.

The details of the proposed allottees and the maximum number of Equity Shares of the Company proposed to be allotted are set forth in the table below:

Sr. No.	Name of the Proposed Allottee	Category	Maximum No. of warrants proposed to be allotted
1.	Harsha R Kothari	Non-Promoter	90,000
2.	Ankita H Gulecha	Non-Promoter	90,000
3.	Niraj H Gulecha	Non-Promoter	48,000
4.	Hirachand P Gulecha	Non-Promoter	42,000
5.	Meena H Gulecha	Non-Promoter	30,000
6.	First Call Advisory India LLP	Non-Promoter	7,50,000
7.	Hemant Shah	Non-Promoter	2,00,000
8.	Parasmal Shah HUF	Non-Promoter	1,50,000
9.	Bhavnaben Shah	Non-Promoter	1,50,000
10.	Deepak Kharwad HUF	Non-Promoter	1,50,000
11.	Babulal Kharwad HUF	Non-Promoter	1,50,000
12.	HMM Consultancy LLP	Non-Promoter	2,50,000
13.	Ingenius Investment Advisors LLP	Non-Promoter	1,50,000
14.	V Cats Consultancy LLP	Non-Promoter	1,50,000
15.	Send Grid Consultancy LLP	Non-Promoter	1,50,000
16.	Riyaz Mehmood Khatri	Non-Promoter	80,000
17.	Ibrahim Mehmood Khatri	Non-Promoter	60,000
18.	Firdaus Yaqub Khatri	Non-Promoter	60,000
19.	Santan Investment Advisory LLP	Non-Promoter	2,50,000
	TOTAL		30,00,000

RESOLVED FURTHER THAT the “Relevant Date” pursuant to regulation 161 of SEBI (ICDR) Regulations, 2018 in relation to the abovementioned Preferential Issue of Warrants is Wednesday, August 31, 2022, being the date, which is 30 days prior to the date of the General Meeting.

RESOLVED FURTHER THAT the offer, issue and allotment of the aforesaid Warrants to the proposed allottees and equity shares resulting from the exercise of the entitlement of the said warrants, shall be subject to applicable guidelines, notifications, rules and regulations and on the terms and conditions given herein below:

- Amount payable on allotment of warrants shall be 25% of the price per warrant and the amount payable before the date of conversion of warrants into Equity Shares would be 75% of the total consideration.
- The said warrants shall be issued and allotted to the allottees within a period of 15 days from the date of passing of this resolution provided that in case the allotment of the said Warrants is pending on account of pendency of any approval or permission by any regulatory authority or the Government of India, the allotment shall be completed within a period of 15 days from the date of receipt of last such approval or permissions.
- The Equity Shares allotted on conversion of the warrants shall rank pari-passu in all respects (including voting powers and the right to receive dividend), with the existing equity shares of the Company from the date of allotment thereof and shall be subject to the provisions of the Memorandum and Articles of Association of the Company.
- The tenure of warrants shall not exceed 18 (eighteen) months from the date of allotment of the warrants.
- The proposed allottee(s) of Warrants shall be entitled to exercise option to convert warrants, in one or more tranches for allotment of one Equity Share of face value of Rs. 10/- (Rupees Ten only) for every warrant, within a period of 18 (eighteen) months from the date of allotment of such warrants.
- In case the Warrant holder does not apply for the conversion of the outstanding Warrants into Equity Shares of the Company within 18 (eighteen) months from the date of allotment of the said Warrants, then the amount paid on each of the said outstanding Warrants shall be forfeited and all the rights attached to the said Warrants shall lapse automatically.



- g) The said Warrants by themselves until exercise of conversion option and Equity Shares allotted, does not give to the Warrant holder any rights with respect to that of the Shareholders of the Company.
- h) The Equity Warrants proposed to be issued shall be subject to appropriate adjustment, if during the interim period, the Company makes any issue of equity shares by way of capitalization of profits or reserves, upon demerger / realignment, rights issue or undertakes consolidation / sub-division / re-classification of equity shares or such other similar events or circumstances requiring adjustments as permitted under SEBI (ICDR) Regulations and all other applicable regulations from time to time.
- i) The Equity Warrants and the Equity Shares being allotted pursuant to exercise of such Equity Warrants shall be subject to a lock-in for such period as specified under applicable provisions of SEBI (ICDR) Regulations.
- j) The Equity Shares arising from the exercise of the Equity Warrants will be listed on Stock Exchanges where the equity shares of the Company are listed, subject to the receipt of necessary regulatory permissions and approvals, as the case may be, and shall inter-alia be governed by the regulations and guidelines issued by SEBI or any other statutory authority.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of Equity Shares of the Company as may be required to be issued and allotted upon exercise of the option by the warrant holder(s).

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation to vary, modify or alter any of the relevant terms and conditions, including size of the preferential issue, the number of equity shares to be allotted, finalising the terms of agreement(s) and other related document(s), if any, to be executed including amendments thereto, provide any clarifications related to offer, issue and allotment of Equity Warrants and Equity Shares, listing of Equity Shares on Stock Exchanges and authorise to preparation, execution and entering into arrangement / agreements, offer letter, letter of allotment, all writings, instruments and such other documents (including documents in connection with appointment of agencies, intermediaries and advisors), utilisation of proceeds of issue and further to authorise all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion deem fit, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution and the decision of the Board shall be final and conclusive.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) or authorised signatory/ies of the Company and generally to do all such acts, deeds and things as may be required in connection with the aforesaid resolution including execution of any documents on behalf of the Company and to represent the Company before any governmental or regulatory authorities and to appoint/engage any registrar, depositories, professionals, advisors, bankers, consultants and advocates and to finalise their fees/charges and also to enter into and execute all such arrangements, agreements, memoranda, documents etc. with such agencies and further authorised to make requisite filing with concerned regulatory/government authorities / depository(ies), Stock Exchanges and/or any other regulatory authorities to give effect to this resolution and further to take all others steps which may be incidental, consequential, relevant or ancillary in this connection.

RESOLVED FURTHER THAT all action(s) taken by the Board or Committee(s) thereof, any Director(s) or Officer(s) or any other authorised signatory/ies of the Company in connection with any matter(s) referred to or contemplated in the foregoing resolution be and are hereby approved, ratified and confirmed in all respects.”

For Akm Lace and Embrotex Limited

Sd/-

Shalvi Sagar Patwa

Chairman and Managing Director

DIN 08869050

Date: 07th September 2022



NOTES:

1. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') General Circular Nos. 20/2020 and 2/2022 dated 5th May, 2020 and 5th May, 2022 respectively issued by the Ministry of Corporate Affairs ('MCA') (collectively referred to as 'MCA Circulars'), the Company is convening the Annual General Meeting ('AGM') through VC/OAVM without the physical presence of the Members. In compliance with these Circulars, provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Hence, in compliance with the Circulars, the AGM of the Company is being held through Video Conferencing (VC)/ Other Audio Visual Means (OAVM). The deemed venue for the AGM shall be at the Registered Office of the Company.

Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act. Link for the same is: <https://us05web.zoom.us/j/82004208331?pwd=a05FRW41QkxhVFg0VERyeXZOR1hadz09>

Meeting ID: 820 0420 8331

Passcode: iCpq3e

2. Since this AGM is being held pursuant to the Circulars through VC / OAVM, 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, Attendance Slip and Route Map are not annexed to this Notice.
3. Participation of Members through VC / OAVM shall be reckoned for the purpose of quorum for the AGM as per Section 103 of the Companies Act, 2013.
4. Statement giving details of the Directors seeking reappointment is also annexed with this Notice pursuant to the requirement of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') and Secretarial Standard on General Meeting ("SS-2").
5. The cutoff date for dispatch of Annual Reports to shareholders is **02nd September 2022**.
6. The Register of Members and the Share Transfer Books of the Company will remain closed from, **Saturday, 24th September 2022 to Friday, 30th September 2022** (both days inclusive). For the purpose of Annual General Meeting for the financial year ended 31st March 2022.
7. Notice of the AGM along with the Annual Report 2021-2022 is also being sent through electronic mode to those Members whose email address is registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2021-2022 will also be available on the Company's website www.akmlace.com website of the Stock Exchange, i.e on BSE Limited at www.bseindia.com. 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. Pursuant to section 108 of the Companies Act, 2013, read with rules 20 of the Companies (Management and Administration) Rules, 2014 and regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer voting by electronic means to the members to cast their votes electronically on all resolutions set forth in this notice. The detailed instructions for e-voting are given separately.
9. Shareholders/proxies are requested to bring their copies of the Annual Report to the AGM and the attendance slip duly filled in for attending the AGM.
10. Shareholders are requested to intimate, immediately, any change in their address or bank mandates to their depository participants with whom they are maintaining their demat accounts.
11. 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 their PAN to their depository participants with whom they are maintaining their demat accounts.



- 12. Pursuant to section 72 of the Companies Act, 2013, members are entitled to make a nomination in respect of shares held by them. Members desirous of making a nomination, pursuant to the Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 are requested to send their requests in Form No. SH-13 to the Registrar and Transfer Agent of the Company. Further, members desirous of cancelling/varying nomination pursuant to the Rule 19 (9) of the Companies (Share Capital and Debentures) Rules, 2014, are requested to send their requests in Form No. SH- 14, to the Registrar and Transfer Agent of the Company.
- 13. All documents referred to in the accompanying notice will be available for inspection at the corporate office of the company during business hours on all working days up to the date of declaration of the result of the 28th AGM of the Company.
- 14. In case of joint holders attending the AGM, the shareholder whose name appears as the first holder in the order of name appears as per the Register of Members of the Company will be entitled to vote.
- 15. The Route map to the venue of the AGM is published in the Annual Report.

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

The remote e-voting period begins on **Tuesday, 27th September 2022** at 9.00 a.m. and will end on **Thursday, 29th September 2022** at 5.00 p.m. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. **23rd September 2022**, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **23rd September 2022**.

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

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

Step 1: Access to NSDL e-Voting system

A. Login method for e-Voting for Individual shareholders holding securities in demat mode

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

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

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e- Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com . Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a



	<p>Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p>https://play.google.com/store/apps/details?id=com.msf.NSDL.Android https://apps.apple.com/us/app/nsdl/id922834763?ls=1</p>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e- Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period</p>

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

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

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

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

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

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



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

4 Your User ID details are given below :

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

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

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
- c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

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

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

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

- 1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle



2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period Now you are ready for e-Voting as the Voting page opens.
3. 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.
4. Upon confirmation, the message “Vote cast successfully” will be displayed.
5. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
6. 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 info@csjmco.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to NSDL at evoting@nsdl.co.in

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

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

Additional Information on Directors recommended for appointment/re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Name	Shatrudhan	Farmeen Lala	Sagar Patwa	Shalvi Patwa
Brief Resume	A Graduate by qualification having expertise in the area of accounting and finance	A Graduate by qualification having expertise in the area fashion designing.	A Graduate by qualification having experience of more than 7 years.	A Graduate by qualification having more then a decade of experience in the field of Banking & Insurance
Expertise				
Disclosure Of	None	None	None	None



Relationships				
Directorship	1	3	4	4
Shareholding	None	None	None	None

For Akm Lace and Embrotex Limited

Sd/-

Shalvi Sagar Patwa

Chairman and Managing Director

DIN 08869050

Date: 07th September 2022

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

The following explanatory statement relating to the accompanying notice set out all material facts:

Item No. 4

Mr. Shatrudhan DIN 09486626 was appointed as an Additional Director of the Company with effect from 16/02/2022, in accordance with the provision of section 161 and 149(6) of the Company Act, 2013, read with the Articles of Association of the Company.

Pursuant to the provision of section 161 of the Company Act, 2013 Mr. Shatrudhan, hold office up to the date of this Annual General Meeting of the Company.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, is of the view that the appointment of Mr. Shatrudhan on the Board of the Company as Non-Executive Independent Director is desirable and would be beneficial to the Company.

It is proposed to seek member's approval for the appointment of Mr. Shatrudhan as Non-Executive Independent Director of the Company.

Your directors recommend resolution in item number 4 as Ordinary Resolution for approval of the members.

None of the Directors, Key Managerial Personnel and their relatives thereof other than to Mr. Shatrudhan has any concern or interest, financial or otherwise in the resolution set out in item number 4 of this notice.

Item No. 5

Ms. Farmeen Salim Lala DIN 09505852 was appointed as an Additional Director of the Company with effect from 16/02/2022, in accordance with the provision of section 161 and 149(6) of the Company Act, 2013, read with the Articles of Association of the Company.

Pursuant to the provision of section 161 of the Company Act, 2013 Ms. Farmeen Salim Lala, hold office up to the date of this Annual General Meeting of the Company.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, is of the view that the appointment of Ms. Farmeen Salim Lala on the Board of the Company as Non-Executive Independent Director is desirable and would be beneficial to the Company.



It is proposed to seek member's approval for the appointment of Ms. Farmeen Salim Lala as Non-Executive Independent Director of the Company.

Your directors recommend resolution in item number 5 as Ordinary Resolution for approval of the members.

None of the Directors, Key Managerial Personnel and their relatives thereof other than to Ms. Farmeen Salim Lala has any concern or interest, financial or otherwise in the resolution set out in item number 5 of this notice.

Item No. 6

Mr. Sagar Amar Patwa DIN 06818710 was appointed as an Additional Director of the Company with effect from 13/06/2022, in accordance with the provision of section 161 and 149(6) of the Company Act, 2013, read with the Articles of Association of the Company.

Pursuant to the provision of section 161 of the Company Act, 2013 Mr. Sagar Amar Patwa, hold office up to the date of this Annual General Meeting of the Company.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, is of the view that the appointment of Mr. Sagar Amar Patwa on the Board of the Company as Non-Executive Director is desirable and would be beneficial to the Company.

It is proposed to seek member's approval for the appointment of Mr. Sagar Amar Patwa as Non-Executive Director of the Company.

Your directors recommend resolution in item number 6 as Ordinary Resolution for approval of the members.

None of the Directors, Key Managerial Personnel and their relatives thereof other than to Mr. Sagar Amar Patwa has any concern or interest, financial or otherwise in the resolution set out in item number 6 of this notice.

Item No. 7

Mrs. Shalvi Sagar Patwa DIN 08869050 was appointed as an Additional Director of the Company with effect from 16/02/2022, in accordance with the provision of section 161 of the Company Act, 2013, read with the Articles of Association of the Company.

Mrs. Shalvi Sagar Patwa, was designated as Chairman and Managing Director of the Company subject to approval of members.

Pursuant to the provision of section 161 of the Company Act, 2013 Mrs. Shalvi Sagar Patwa, hold office up to the date of the ensuing Annual General Meeting of the Company.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, is of the view that the appointment of Mrs. Shalvi Sagar Patwa on the Board of the Company as Managing Director is desirable and would be beneficial to the Company. It is proposed to seek member's approval for the appointment of and remuneration payable to Mrs. Shalvi Sagar Patwa as Managing Director of the Company, in terms of the applicable provision of the Act.

Broad particulars of the terms and appointment and remuneration payable to Mrs. Shalvi Sagar Patwa are as under.

On honorary Basis, no remuneration is being paid.



Your directors recommend resolution in item number 7 as Special Resolution for approval of the members. None of the Directors, Key Managerial Personnel and their relatives thereof other than Mrs. Shalvi Sagar Patwa has any concern or interest, financial or otherwise in the resolution set out in item number 7 of this notice.

Item No. 8

The Board in its meeting held on September 8, 2022 have approved the issue of up to 30,00,000 convertible equity warrants through preferential allotment / private placement, subject to the approval of members. Each warrant shall be convertible into one equity share of Rs. 10/- each. The said resolution is proposed for the approval of members in Item no. 14 of this notice.

To facilitate the said issue and for future requirements, if any, it is proposed to increase the Authorised Share capital from existing Rs, 3,20,00,000 /- (Rupees Three Crore Twenty Lakhs only) divided into 32,00,000 (Thirty-Two Lakhs) Equity shares of Rs. 10/- (Rupees Ten only) each to Rs. 7,00,00,000/- (Rupees Seven Crores only) divided into 70,00,000 (Seventy Lakhs) Equity Shares of Rs. 10/- (Rupees Ten only) each.

The increase in the authorized share capital as aforesaid would entail consequential alteration of the existing clause V of the Memorandum of Association of the Company, which in turn requires member's approval in terms of section 13 and 61 of the Companies Act, 2013.

A copy of the Memorandum as on date and a copy indicating the proposed amendment is available for inspection at the registered office of the Company on any working day during office hours from 10.00 a.m. to 6.00 p.m. except Saturdays between 10.00 a.m. and 2.00 p.m. up to 30th September, 2022.

None of the Directors, Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board commends your approval of the said resolution.

Item No. 9

The Board of Directors in their meeting held on 8th September, 2022 analysed that the shifting of the registered office is in the best interest of the Company, shareholders and all concerned parties and shall in no manner adversely affect the existing client base, creditors or operations or employees of the company. This shifting would enable the Company to handle its business activities more efficiently and will provide administrative convenience since key departments of the Company like Accounts, Finance and Legal and Secretarial department of the Company is based in Mumbai.

As per provisions of Section 12, 13 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, such shifting of Registered Office requires the Company to alter Memorandum of Association of the Company and to obtain necessary approval of the Shareholders by way of special resolution.

A copy of the Memorandum as on date and a copy indicating the proposed amendment is available for inspection at the registered office of the Company on any working day during office hours from 10.00 a.m. to 6.00 p.m. except Saturdays between 10.00 a.m. and 2.00 p.m. up to 30th September, 2022.

None of the Directors, Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution.



Therefore, your Board of Directors recommends passing the resolution(s) set out in Item No.9 as Special Resolution for shifting the registered office from the National Capital Territory of Delhi to the State of Maharashtra and for altering Clause II of the Memorandum of Association of Company.

The Board commends your approval of the said resolution

Item No. 10

The rapid growth in the jewellery industry has prompted the Company to start working towards new revenue streams which are not specifically covered under the main objects of the Company. In order to allow the Company to capitalize on these business possibilities, the Board of Directors of the Company in its meeting held on 8th September has approved alteration of the MOA of the Company and the Board now seeks Members' approval for the amendment in Clause III (A) (Object Clause) of the MOA of the Company in the manner as set out in the Special Resolution at Item no. 10 of this Notice. The proposed change of object clause requires the approval of shareholders through Special Resolution pursuant to the provisions of Section 13 of the Companies Act, 2013. The alteration in the Object Clause of the MOA, as set out in the resolution will enable the Company to carry on its business economically and efficiently.

A copy of the Memorandum as on date and a copy indicating the proposed amendment is available for inspection at the registered office of the Company on any working day during office hours from 10.00 a.m. to 6.00 p.m. except Saturdays between 10.00 a.m. and 2.00 p.m. up to 30th September, 2022.

None of the Directors, Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board commends your approval of the said resolution

Item No. 11

It is proposed to change the name of the Company from '**AKM LACE AND EMBROTEX LTD**' to '**AKM CREATIONS LIMITED**' as indicated in the proposed Resolution. The management of the company wishes to change the name of the Company as it better describes the new objects of the Company. In order to allow the Company to capitalize on these business possibilities, the Board of Directors of the Company in its meeting held on 8th September has approved alteration of the MOA of the Company and the Board now seeks Members' approval for the amendment in Clause I (Object Clause) of the MOA of the Company

The new name AKM Creations Limited will represent the Company better & will help to Capture the market and rebranding the goodwill of the Company. Further, Registrar of Companies, Delhi has made available the proposed name vide its letter dated 14th July, 2022.

A copy of the Memorandum as on date and a copy indicating the proposed amendment is available for inspection at the registered office of the Company on any working day during office hours from 10.00 a.m. to 6.00 p.m. except Saturdays between 10.00 a.m. and 2.00 p.m. up to 30th September, 2022.

None of the Directors, Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board commends your approval of the said resolution



Item No. 12

In terms of the provisions of Section 180(1)(c) of the Companies Act, 2013, the Board of Directors of a public limited company cannot, except with the consent of the Company in general meeting by a special resolution, borrow monies (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) in excess of the aggregate of the paid-up share capital and free reserves, that is to say, reserves not set apart for any specific purpose.

The Board of Directors of the Company have already approved to borrow up to a sum of INR 200 crores (Indian Rupees Two Hundred Crores Only) over and above the paid up capital and free reserves of the Company.

Therefore, in order to enable raising of funds through as and when business opportunity arises it is proposed to increase the borrowing limit up to INR 200 crores (Indian Rupees Two Hundred Crores Only) over and above the paid up capital and free reserves of the Company. For this purpose, necessary special resolution is set out in Item No.12 of this Notice for Members' approval.

None of the Directors, Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board commends your approval of the said resolution.

Item No. 13

Section 186 of the Companies Act, 2013 permits the Company to invest the surplus funds of the Company in shares and securities of the any other body corporates in excess of the 60% of the aggregate of the paid-up share capital and free reserves and securities premium account of the Company or 100% of its free reserves and securities premium account of the Company, whichever is more, if the same is approved by the members of the Company. In view of the new investment opportunities which may come up in the near future, it is proposed to increase the limit to Rs. 100 Crores.

Hence, members of the Company are requested to give their approval to invest the surplus funds of the Company in excess of the hundred per cent of its free reserves and securities premium account of the Company. The Board of Directors of the Company have approved and recommended the increasing of the limit vide its resolution dated 08th September, 2022

None of the Directors, Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board commends your approval of the said resolution.

Item No. 14

The Board of Directors in their meeting held on September 08, 2021 subject to the necessary approvals, has approved the proposal for raising funds and for that to issue and allot up to 30,00,000 (Thirty Lakhs) Convertible Equity Warrants at a price of Rs. 33/- (Rupees Thirty Three only) per share aggregating to Rs. 9,90,00,000/- (Rupees Nine Crores Ninety Lakhs only) on preferential basis.

The details of the issue and other particulars as required in terms of the Act and SEBI (ICDR) Regulations, 2018 in relation to the aforesaid Special Resolution are given as under:

1. Objects of the Preferential Issue:

The object of raising equity share capital by issuing warrants are:



To fund long term capital requirements for future growth of the Company.
 To meet working capital requirements.
 To invest in new projects, companies, bodies corporates.
 To meet General Corporate Purpose.

2. The total number of securities to be issued and pricing:

The Board intends to offer, issue and allot up to 30,00,000 (Thirty Lakhs) Convertible Equity Warrants, on preferential basis, to the proposed allottees at a price determined as per the provisions of regulation 164 of SEBI(ICDR) Regulations, 2018, each warrant convertible into or exchangeable for one (1) Equity Share of face value Rs. 10/- (Rupees Ten only) each.

3. Basis on which the price has been arrived at:

Since the shares of the Company are frequently traded, the issue price for the preferential allotment is determined as per the regulation 164 of SEBI (ICDR) Regulations, 2018. Accordingly, the minimum issue price has been calculated on the basis of trading at BSE. Each warrant is convertible into one equity share of Face value of Rs. 10/- each fully paid up in accordance with the provisions of the SEBI (ICDR) Regulations, 2018.

4. Relevant Date:

The “Relevant Date” as per regulation 161 (a) of the SEBI (ICDR) Regulations for determining the minimum price for the preferential issue of warrants (in case of frequently traded shares) is Wednesday, August 31, 2022, which is a date 30 days prior to the date on which the resolution is deemed to be passed.

5. The shareholding pattern of the Company before the proposed issue and after the proposed conversion of Equity Warrants as follows:

Sl. No.	Category	Pre-issue shareholding		Post- issue shareholding (assuming full conversion of Equity Warrants)	
		No. of Equity Shares	% of Shareholding	No. of Equity Shares	% of Shareholding
A	Promoters and Promoter Group Holding				
1	Indian	11,70,175	38.85	11,70,175	19.46
	Sub Total (A)	11,70,175	38.85	11,70,175	19.46
B1	Non-Promoter Holding				
	Institutions	-	-	-	-
B2	Non - Institutions				
1	Individuals (share Capital up to Rs. 2 lakhs)	2,52,000	8.37	2,52,000	4.19
2	Individuals (share Capital in excess of Rs. 2 lakhs)	12,00,000	39.84	20,50,000	34.10
3	Others:				
a.	Body Corporates	2,10,000	6.97	19,10,000	31.77
b.	Clearing Member	-	--	-	--
c.	HUF	1,74,000	5.78	6,24,000	10.38
d.	NRI	-	-	-	-
e.	Unclaimed or Suspense or Escrow Account	-	-	-	-
f.	Firms	6000	0.19	6000	0.10
	Sub-Total (B)	18,42,000	61.15	48,42,000	80.54



C1	Shares underlying DRs	-	-	-	-
C2	Shares held by Employee Trust	-	-	-	-
C	Non-Promoter - Non-Public	-	-	-	-
	Grand Total	30,12,175	100	60,12,175	100.00

6. Proposal / Intention of Promoters, Director or Key Managerial Personnel (s) to subscribe the offer:

None of the Promoters or Key Managerial Personnel are participating / subscribing to the proposed issue.

7. The proposed time within which the issue or allotment shall be completed:

As required under SEBI (ICDR) Regulations, Equity Warrants shall be issued and allotted by the Company within a period of Fifteen (15) days from the date of passing of this resolution provided that where the issue and allotment of the said Equity Warrants is pending on account of pendency of any approval for such issue and allotment by any regulatory authority or the Central Government, the issue and allotment shall be completed within a period of Fifteen (15) days from the date of receipt of last such approval.

Further, the allotment of Equity Shares upon conversion of warrants shall be done within a period of 15 days from the date of exercise of option of conversion of warrants into equity shares by the allottees.

8. Change in control, if any, in the Company that would occur consequent to the preferential offer:

There shall be no change in the management or control of the company pursuant to the aforesaid issue and allotment of equity warrants and including the conversion thereof into equity shares of the company.

9. No. of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:

During the period from 1st April, 2022 till date of notice of this Extra Ordinary General Meeting, the Company has not made any preferential allotments.

10. Valuation for consideration other than cash: Not applicable.

11. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer: Not applicable.

12. Lock-in period:

The Equity Shares will be subject to applicable lock-in and transfer restrictions stipulated under Regulations 167 and 168 of the SEBI ICDR Regulations.

13. Listing:

The Company will make an application to the Stock Exchange at which the existing shares are already listed, for listing of the equity shares being issued on conversion of Equity Warrants. Such Equity Shares, once allotted, shall rank *pari-passu* with the existing equity shares of the Company in all respects, including dividend.

14. Practising Company Secretary Certificate:



The Certificate being issued by M/s Jaymin Modi & Co, Practising Company Secretary certifying that the preferential issue is being made in accordance with the requirements contained in the SEBI (ICDR) Regulations, 2018 will be kept open for inspection at the Registered Office of the Company between 11:00 AM and 1:00 PM on all working days between Monday to Friday of every week, up to the date of close of remote e-voting period. The certificate of the practising company secretary can also be accessed on the company website on the following link <http://www.akmlace.com/>.

15. Other Disclosures / Undertakings:

The Company hereby undertakes that:

- i. It would re-compute the price of the securities specified above in terms of the provisions of SEBI(ICDR) Regulations, where it is so required;
- ii. If the amount payable, if any, on account of the re-computation of price is not paid within the stipulated in SEBI (ICDR) regulations the above warrants shall be continued to be locked in till such amount is paid by the allottees;
- iii. All the equity shares held by the proposed allottees in the company are in dematerialized form only;
- iv. It is hereby confirmed that neither the Company nor its Directors and to the Company's Knowledge any of its Promoters is a wilful defaulter.
- v. It is hereby confirmed that neither the Company nor its Directors and to the Company's Knowledge any of its Promoters is a fraudulent borrower.

16. Identity of proposed allottees (including natural persons who are the ultimate beneficial owners of equity shares proposed to be allotted and / or who ultimately control), the percentage (%) of Post Preferential Issue Capital that may be held by them and Change in Control, if any, consequent to the Preferential issue:

Sr. No	Name & PAN of the proposed allottee	Pre-issue Category	Name of the natural persons who are the ultimate beneficial owners	Pre-Issue Holding		No. of Warrants to be issued	Shareholding post of exercise warrants		Post-issue Category
				No. of Equity Shares	% of Holding		No. of Equity Shares	% of Holding	
1	HMM CONSULTANCY LLP PAN: AAOFH3673G	Non-Promoter	Paresh Giri Jeenal Paresh Giri	-	-	2,50,000	2,50,000	4.16	Non-Promoter
2	INGENIUS INVESTMENT ADVISORS LLP PAN: AAJFI5710N	Non-Promoter	BABULAL KHARWAD SUSHILA KHARWAD	-	-	1,50,000	1,50,000	2.49	Non-Promoter
3	VCATS CONSULTANCY LLP PAN: AAVFV9061H	Non-Promoter	SURESH JAIN JAYSHREE JAIN	-	-	1,50,000	1,50,000	2.49	Non-Promoter
4	SENDGRID CONSULTANCY LLP PAN: AETFS0029Q	Non-Promoter	RAVI KHARWAD ANJALI KHARWAD	-	-	1,50,000	1,50,000	2.49	Non-Promoter
5	DEEPAK KHARWAD HUF PAN: AAHHD1934R	Non-Promoter	DEEPAK KHARWAD	-	-	1,50,000	1,50,000	2.49	Non-Promoter
6	BABULAL KHARWAD HUF PAN: AAFHB4128K	Non-Promoter	BABULAL KHARWAD	-	-	1,50,000	1,50,000	2.49	Non-Promoter
7	HEMANT SHAH PAN: AJYPS2174A	Non-Promoter	HEMANT SHAH	-	-	2,00,000	2,00,000	3.33	Non-Promoter



8	PARASMAL SHAH HUF PAN: AAFHP4983A	Non-Promoter	PARASMAL SHAH	-	-	1,50,000	1,50,000	2.49	Non-Promoter
9	BHAVNABEN SHAH PAN: ASEPS9964M	Non-Promoter	BHAVNABEN SHAH	-	-	1,50,000	1,50,000	2.49	Non-Promoter
10	First Call Advisory India LLP PAN: AAFF5866L	Non-Promoter	DEVANG DINESH MASTER	54,000	1.79 %	7,50,000	8,04,000	13.37	Non-Promoter
11	SANTAN INVESTMENT ADVISORY LLP PAN: AETFS9608F	Non-Promoter	MALLINATH MADINENI PRATIMA MADINNENI	-	-	2,50,000	2,50,000	4.16	Non-Promoter
12	Harsha R Kothari PAN: AHNPG0965L	Non-Promoter	Harsha R Kothari	-	-	90,000	90,000	1.50	Non-Promoter
13	Ankita H Gulecha PAN: ASYPG1144R	Non-Promoter	Ankita H Gulecha	-	-	90,000	90,000	1.50	Non-Promoter
14	Niraj H Gulecha PAN: AIPPG6469A	Non-Promoter	Niraj H Gulecha	1,26,000	4.18 %	48,000	1,74,000	2.89	Non-Promoter
15	Hirachand P Gulecha PAN: AFBPG0965L	Non-Promoter	Hirachand P Gulecha	1,26,000	4.18 %	42,000	1,68,000	2.79	Non-Promoter
16	Meena H Gulecha PAN: AAFPG5468D	Non-Promoter	Meena H Gulecha	1,26,000	4.18 %	30,000	1,56,000	2.59	Non-Promoter
17	Riyaz Mehmood Khatri PAN: AWXPK5205C	Non-Promoter	Riyaz Mehmood Khatri	-	-	80,000	80,000	1.33	Non-Promoter
18	Ibrahim Mehmood Khatri PAN: CONPK8120E	Non-Promoter	Ibrahim Mehmood Khatri	-	-	60,000	60,000	1.00	Non-Promoter
19	Firdaus Yaqub Khatri PAN: EKQPK7653K	Non-Promoter	Firdaus Yaqub Khatri	-	-	60,000	60,000	1.00	Non-Promoter
	TOTAL			4,32,000	14.33	30,00,000	34,32,000	57.08	

In accordance with the provisions of the Companies Act, 2013 read with applicable rules thereto and relevant provisions of the SEBI (ICDR) Regulations, 2018, approval of the members for the issue and allotment of the said convertible equity warrants to the above mentioned allottees is being sought by way of a special resolution as set out in the said items of the notice. The issue of equity shares upon the conversion of the warrants would be within the Authorised Share Capital of the Company.

The Board of Directors believe that the proposed preferential issue is in the best interest of the Company and its Members and therefore, recommends the Special Resolution as specified under item no. 3 of the accompanying notice for the approval of the members of the company.

None of the Promoters, Directors, Key Managerial Personnel of the Company or their respective relatives, are concerned or interested in the above resolution. However, they may be deemed to be concerned to the extent of change in the percentage of their voting rights in the post equity shareholding in the company, if any.

For AKM Lace and Embrotex Limited

Sd/-

Shalvi Sagar Patwa

Chairman and Managing Director

DIN 08869050

Date: 07th September 2022

**DIRECTORS' REPORT**

The Board of Directors are pleased to present the Company Annual Report and the Company's audited financial statements for the financial year ended 31st March, 2022.

1. OPERATING RESULTS

The operating results of the Company for the year ended 31st March, 2022 are as follow:

Particulars	Amount in (Rs. in '000).	
	Year ended 31st March 2022	Year ended 31st March 2021
Revenue from Operations	31692.81	25382.69
Profit Before Exceptional Item and Tax	(4179.91)	(131.24)
Exceptional Items	Nil	Nil
Profit Before Tax (PBT)	(4179.91)	(131.24)
Tax Expenses (Including Deferred Tax)	(61.11)	(138.95)
Profit after Tax	(4241.02)	(270.19)
Total Income for the year	(4241.02)	(270.19)

2. TRANSFER TO RESERVES

There are no transfers to any specific reserves during the year.

3. THE STATE OF THE COMPANY'S AFFAIR

During the year under review, your Company achieved total revenue from operations of Rs. 31692.81 thousand (previous year Rs. 25382.69 thousand) resulting in increase of 24.85% over the previous year.

The loss after tax (including other comprehensive income) is at Rs. 4241.02 thousand (previous year loss Rs. 270.19 thousand resulting in increase of 1469.84%).

4. DIVIDEND

Your Directors do not recommend any dividend for the financial year ended 31st March 2022.

5. CASH FLOW AND CONSOLIDATED FINANCIAL STATEMENTS

As required under Regulation 34 of the Listing Regulations, a Cash Flow Statement and consolidated Financial Statement is part of the Annual Report.

6. THE CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of business of the Company.

7. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND.

There was no transfer during the year to the Investor Education and Protection Fund in terms of Section 125 of the Companies Act, 2013.

8. CONSERVATION OF ENERGY-TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE ETC.

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished as **Annexure A** to Director's Report.

9. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed also discussed at the meetings of the Risk Management Committee and the Board of Directors of the Company. The Company has constituted Risk Management Committee and its risk management policy is available on the website of the Company.

10. INTERNAL CONTROL SYSTEM

The Company's internal controls system has been established on values of integrity and operational excellence and it supports the vision of the Company "To be the most sustainable and competitive Company in our industry". The Company's internal control systems are commensurate with the nature of its business and the size



and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors and their significant audit observations and follow up actions thereon are reported to the Audit Committee.

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

During the year under review, your Company has not made any investment, given any loan or guarantee falling within the meaning of section 186 of the Companies Act, 2013 and the rules made thereunder.

12. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

All the related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholders.

However, the details of the transactions with Related Party are provided in the Company's financial statements in accordance with the Accounting Standards.

All Related Party Transactions are presented to the Audit Committee and the Board. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature.

13. POLICY ON SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

The Company has zero tolerance towards sexual harassment at the workplace and towards this end, has adopted a policy in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. All employees (permanent, contractual, temporary, trainees) are covered under the said policy.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 which redresses complaints received on sexual harassment. During the financial year under review, the Company has not received any complaints of sexual harassment from any of the women employees of the Company.

14. ANNUAL RETURN

Pursuant to the provisions of Section 92(3) of Companies Act, 2013 following is the link for Annual Return Financial Year 2021-22. <http://www.akmlace.com/>

15. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

During the financial year, the Board met on 28 Jun 2021, 02 Sep 2021, 12 Nov 2021, 20 Dec 2021.

16. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Companies Act, 2013 The Board of Directors of the Company hereby confirm:

- That in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure.
- That the selected accounting policies were applied consistently and the Directors 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 on 31st March, 2022, and that of the profit of the Company for the year ended on that date.
- That 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.
- That the annual accounts have been prepared on a going concern basis.
- The Board has laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

17. DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

18. PARTICULARS OF EMPLOYEES AND REMUNERATION

In terms of provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the



names and other particulars of employees drawing remuneration in excess of the limits set out in the said Rules, if any, forms part of the Report.

The policy is available on the Company's website. www.cospowerindia.com.

19. DIRECTORS

Mrs. Shalvi Sagar Patwa is liable to retire by rotation in this ensuing Annual General Meeting and being eligible he has offered himself for reappointment.

During the financial year:

- Mr. Anoop Kumar Mangal Managing Director, Mr. Manoj Kumar Independent Director & Mr. Rinku Goyal Independent Director resigned with effect from 16th February 2022.
- Mrs. Shalvi Sagar Patwa, Mrs. Farmeem Salim Lala & Mr. Shatrudhan were appointed as Additional Director by the Board with effect from 16th February 2022

Your directors recommend her re-appointment. Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations.

There has been no change in the circumstances affecting their status as Independent Directors of the Company.

20. COMMITTEES OF THE BOARD

In accordance with the Companies Act, 2013, the Board has formed a Risk Management Committee. There are currently 3 Committees of the Board, as follows:

Audit Committee

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013 read with regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee as on the date of the report comprises of 2 Non-Executive Independent Directors & 1 Non-Executive Director.

Following are the members of the Committee

Sagar Amar Patwa	: Non-Executive Non-Independent Director
Shatrudhan	: Non-Executive Independent Director
Farmeem Salim Lala	: Non-Executive Independent Director

During the year there were in total 4 Audit committee meetings held

The Chairperson of Audit Committee was present in previous AGM held on 28/09/2021 to answer shareholder's queries.

Broad terms of reference of the Audit Committee are as per following:

The role of the audit committee shall include the following:

- 1 Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 2 Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- 3 Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 4 Reviewing with the management, the quarterly financial statements before submission to the board for approval;
- 5 Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
- 7 Approval or any subsequent modification of transactions of the listed entity with related parties.
- 8 Evaluation of internal financial controls and risk management systems.
- 9 reviewing, with the management, performance of statutory and Internal Auditors, adequacy of the internal control systems.
- 10 Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- 11 Discussion with internal auditors of any significant findings and follow up there on.
- 12 Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.



13 Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

14 To review the functioning of the whistle blower mechanism.

15 Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate.

16 Carrying out any other function as is mentioned in the terms of reference of the audit committee

Nomination And Remuneration Committee

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Section 178 of the Companies Act, 2013 read with regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Committee comprises of 3 Non-Executive Directors.

The Nomination and Remuneration Committee met Once in the Financial Year 2021-2022.

The necessary quorum was present in the said meetings.

The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company held on 30/09/2021.

The composition of the Committee and the details of meetings held and attended by the Directors are as under:

Sagar Amar Patwa	: Non-Executive Non-Independent Director
Shatrudhan	: Non-Executive Independent Director
Farmeen Salim Lala	: Non-Executive Independent Director

Role of nomination and remuneration committee, inter-alia, include the following:

- (1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (2) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) Devising a policy on diversity of board of directors;
- (4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.
- (5) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- (6) To recommend to the Board all remuneration, in whatever form, payable to senior management.

The policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters is available on company's website.

Remuneration of Directors

The remuneration of the Whole- Time Director is recommended by the Remuneration Committee and then approved by the Board of Directors and subsequently by the shareholders in general meeting within the limits prescribed in Companies Act, 2013.

Criteria for making payments

Non-Executive Directors of the Company are paid sitting fees for attending Board and Committee Meetings and no Commission is drawn by either of them during the year.

Performance evaluation criteria for Independent Directors:

- 1) Attendance and participations in the meetings.
- 2) Preparing adequately for the board meetings.
- 3) Contribution towards strategy formation and other areas impacting company performance
- 4) Rendering independent, unbiased opinion and resolution of issues at meetings.
- 5) Safeguard of confidential information.
- 6) Initiative in terms of new ideas and planning for the Company.
- 7) Timely inputs on the minutes of the meetings of the Board and Committee's.
- 8) Raising of concerns to the Board

Remuneration Policy



The Nomination and Remuneration Policy devised in accordance with Section 178(3) and (4) of the Companies Act, 2013 is available at the website of the Company: www.cospowerindia.com

Further, criteria of making payments to non-executive directors, the details of remuneration paid to all the Directors and the other disclosures required to be made under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been published below:

Stakeholder Relationship Committee

The Stakeholder Relationship Committee of the Company is constituted in line with Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee comprises of 2 Non-Executive Independent Directors, 1 Non-Executive Director.

The committee looks into the shareholders and investors grievances that are not settled at the level of Compliance Officer and helps to expedite the share transfers and related matters. The Committee periodically reviews the status of stakeholders' grievances and redressal of the same.

The Committee met 4 times during the financial year 2021-2022.

The necessary quorum was present for all the meetings. The Chairman of the Committee was present at the last Annual General Meeting of the Company held on 30th September 2021.

The composition of the Committee during FY 2021-22 and the details of meetings held and attended by the Directors are as under:

Following are the members of the Committee

Sagar Amar Patwa	: Non-Executive Non-Independent Director
Shatrudhan	: Non-Executive Independent Director
Farmeen Salim Lala	: Non-Executive Independent Director

The role of the committee shall inter-alia include the following:

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the Company.

21. ATTRIBUTES, QUALIFICATIONS & INDEPENDENCE OF DIRECTORS, THEIR APPOINTMENT AND REMUNERATION

The Nomination & Remuneration Committee of Directors have approved a Policy for Selection, Appointment and Remuneration of Directors which inter-alia requires that composition and remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and senior management employees and the Directors appointed shall be of high integrity with relevant expertise and experience so as to have diverse Board and the Policy also lays down the positive attributes/criteria while recommending the candidature for the appointment as Director.

22. DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfil all the requirements as stipulated in Section 149(7) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

23. STATUTORY AUDITORS

M/s. V. N. Purohit & Co, Chartered Accountants (FRN 304040E) hold office up to the conclusion of this Annual General Meeting. The Board of Directors of your Company at its meeting held on 08th September 2022 have appointed M/s. RKJS & Co LLP, Chartered Accountants (FRN 128216W), as Statutory Auditors of your Company for a period of 5 years from the conclusion of the Annual General Meeting till the conclusion of the Annual General Meeting to be held in the year 2027, based on the recommendation of the Audit Committee.

The Company has proposed an Ordinary Resolution for appointment of Statutory Auditor



24. INTERNAL AUDITORS

Anil Hariram Gupta & Co., Chartered Accountants, were appointed as internal auditors by the Board for the financial year 2021-22 and who have issued their reports on quarterly basis.

25. SECRETARIAL AUDITORS

The Company has appointed M/s Sarita Singh & Associates Company Secretaries, as Secretarial Auditors of the Company to carry out the Secretarial Audit for the Financial Year 2021-2022 and to issue Secretarial Audit Report as per the prescribed format under rules in terms of Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Secretarial Audit Report for the FY 2021-22 is annexed herewith and forms part of this report as Annexure B. Secretarial Audit is not applicable to the Subsidiary, not being a material subsidiary.

26. COST RECORDS AND COST AUDIT

The provision of the Companies (Cost Records and Audit) Rules, 2014 is not applicable to the Company. Maintenance of cost records as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 was not applicable for the business activities carried out by the Company for the FY 2021-22. Accordingly, such accounts and records are not made and maintained by the Company for the said period.

27. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

The Statutory Auditor Report, Secretarial Auditor Report and Internal Auditor report does not qualifications, reservations or adverse remarks or disclaimers.

28. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management's Discussion and Analysis Report for the year under review, as stipulated under regulation 34 (3) and Part B of schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this Annual Report as **Annexure C**.

29. HOLDING, SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Holding, Subsidiary, Joint Ventures And Associate Companies.

30. VIGIL MECHANISM

The Company has established a vigil mechanism policy to oversee the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimisation of employees and Directors who express their concerns.

The Vigil Mechanism Policy is available at the website of the Company: www.akmlace.com.

31. REPORTING OF FRAUD BY AUDITORS

During the year under review, the Internal Auditors, Statutory Auditors and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Act, details of which needs to be mentioned in this Report.

32. ANNUAL EVALUATION BY THE BOARD

In compliance with the Companies Act, 2013, and Regulation 17 of the Listing Regulations, the performance evaluation of the Board and its Committees were carried out during the year under review.

33. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There are no material changes and commitments affecting the financial position of the Company occurred during the financial year.

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

During the year there has been no significant material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future.



35. CORPORATE GOVERNANCE

Your Company always places a major thrust on managing its affairs with diligence, transparency, responsibility and accountability thereby upholding the important dictum that an organization's corporate governance philosophy is directly linked to high performance. The Company understands and respects its fiduciary role and responsibility towards its stakeholders and society at large and strives to serve their interests, resulting in creation of value for all its stakeholders. In terms of Regulation 34 of SEBI (LODR) Regulations, furnishing of Corporate Governance Report is not applicable to the company.

36. OTHER DISCLOSURES

The Company does not have any Employees Stock Option Scheme in force and hence particulars are not furnished, as the same are not applicable. No proceedings against the Company is initiated or pending under the Insolvency and Bankruptcy Code, 2016. The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof – Not Applicable.

37. POLICIES

The Company seeks to promote highest levels of ethical standards in the normal business transactions guided by the value system. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandates formulation of certain policies for listed companies. The Policies are reviewed periodically by the Board and are updated based on the need and compliance as per the applicable laws and rules and as amended from time to time. The policies are available on the website of the Company.

38. COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS

Your Directors hereby confirm that the Company has complied with the necessary provisions of the revised Secretarial Standard 1 and Secretarial Standard 2 to the extent applicable to the Company.

39. ENHANCING SHAREHOLDER VALUE

Your Company firmly believes that its success, the marketplace and a good reputation are among the primary determinants of value to the shareholder. The organisational vision is founded on the principles of good governance and delivering leading-edge products backed with dependable after sales services. Following the vision your Company is committed to creating and maximising long-term value for shareholders.

40. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The provision of Corporate Social Responsibility is not applicable to our company.

41. ACKNOWLEDGEMENTS

Your Directors take this opportunity to express their sincere appreciation and gratitude for the continued co-operation extended by shareholders, employees, customers, banks, suppliers and other business associates.

For Akm Lace and Embrotex Limited

Sd/-

Shalvi Sagar Patwa

Chairman and Managing Director

DIN 08869050

Date: 07th September 2022



ANNEXURE A TO THE DIRECTORS' REPORT

Information pursuant to the Companies (Accounts) Rules, 2014

(A) Conservation Of Energy

- i) The steps taken or impact on conservation of energy: NIL
- ii) The steps taken by the company for utilizing alternate sources of energy: NIL
- iii) The capital investment on energy conservation equipment's: NIL

(B) Technology Absorption

- i) The efforts made towards technology absorption: NIL
- ii) The benefits derived like product improvement, cost reduction, product development or import substitution:
 - Better economy, reduction in emission & clean operation;
 - Optimum efficiency
- iii) In case of imported technology (imported during the last year reckoned from the beginning of the financial year): NIL
 - The details of technology imported: NIL
 - The year of import: NIL
 - Whether the technology fully absorbed: NIL
 - If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and: NIL
- iv) The expenditure incurred on Research and Development: NIL

(C) Foreign Earning and Outgo : Nil

For Akm Lace and Embrotex Limited

Sd/-

Shalvi Sagar Patwa

Chairman and Managing Director

DIN 08869050

Date: 07th September 2022



ANNEXURE B TO THE DIRECTORS' REPORT

FORM MR-3
SECRETARIAL AUDIT REPORT
(For the financial year ended 31st March, 2022)
[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 Board of Director
AKM LACE AND EMBROTEX LIMITED
C-110 G/F Bhola Nath Nagar,
Shahdara, East Delhi-110032

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by AKM Lace and Embrotex Limited (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 my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and as produced before us, and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st day of March, 2022, (the audit period) complied with the statutory provisions listed hereunder and also that the Company has a Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Mohindra Fasteners Limited ("The Company") and as produced before us for the financial year ended on 31st Day of March, 2022 (audit period) according to the provisions of:

- I. The Companies Act, 2013 (the Act) including any amendment thereto and the Rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company: -
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 including any amendment thereto
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereof and other applicable rules, regulations, and other communications issued from time to time.

VI. Other laws applicable to the Company:-

The Factories Act, 1948, Industrial Disputes Act, 1947, The Payment of Wages Act, 1936, The Minimum Wages Act, 1948, Employee State Insurance Act, 1948, The Employees Provident Fund and Miscellaneous Provisions Act, 1952, The Payment of Bonus Act, 1965, The Payment of Gratuity Act, 1972, The Contract Labour (Regulation and Abolition) Act, 1970, The Maternity Benefits Act, 1961, The Income Tax Act, 1961, Weekly



Holiday Act, 1942, Goods and Services Tax (GST), The Sexual Harassment of Women at workplace (Prevention Prohibition and Redressal) Act, 2013 & amendments thereunder and other laws applicable to the Company as per the representations made by the Company, if any.

However, as per the explanations given to us and the representations made by the Management, there was no action/event occurred in pursuance of:

- a. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

Requiring compliance thereof by the company and were not applicable during the financial year ended, 31st March, 2022 under review.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendment thereto.

During the period under review and as per the explanations and clarifications given to us and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice to schedule the Board Meetings, agenda and detailed notes on agenda were sent to all directors at least seven days in advance or within prescribed time as the case may be, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings, as represented by the management and explanations given to us, were taken unanimously/requisite majority. As per the minutes of the meetings, duly recorded and signed by the Chairman, the decisions of the Board were unanimous/with requisite majority and no dissenting views have been recorded.

We further report that, as representation made by the Management of the company and based on the information received and records maintained by the Company, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, during the audit period:-

1. The Company has made appointment of Ms. Shalvi Sagar Patwa as a Managing Director of the Company during the financial year under review.
2. The Company has made appointment of Mr. Shatrudhan as an Independent Director of the Company during the financial year under review.
3. The Company has made appointment of Ms. Farmeen Salim Lala as an Independent Director of the Company during the financial year under review.
4. Mr. Anoop Kumar Mangal resigned from the post of Managing Director during the financial year under review.
5. Mr. Manoj Kumar resigned from the post of an Independent Director during the financial year under review.



6. Ms. Rinku Goyal resigned from the post of an Independent Director during the financial year under review.
7. The Company has made the shifting of Registered office address within the same city.

For SARITA SINGH & ASSOCIATES
(Company Secretaries)

Sd/-

Sarita Singh

(Proprietor)

M. No-55937

COP-24682

UDIN- A055937D000526924

Date: 24/06/2022

Place: Faridabad

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



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members,
AKM LACE AND EMBROTEX LIMITED
C-110 G/F Bhola Nath Nagar, Shahdara
Delhi East, Delhi 110032.

I have examined the relevant registers records forms returns and disclosures received from the Directors of AKM Lace And Embrotex Limited having CIN L17291DL2009PLC196375 and having registered office at C-110 G/F Bhola Nath Nagar, Shahdara Delhi East, Delhi 110032., India. (hereinafter referred to as 'the Company') produced before me by the Company for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended 31st March 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company	Date of Resignation
1	Anoop Kumar Mangal	02816077	28.04.2017	16.02.2022
2	Purva Mangal	02816099	28.04.2017	20.12.2021
3	Shambhu Dayal Mangal	02816124	26.11.2009	20.12.2021
4	Rinku Goyal	06946633	05.07.2017	16.02.2022
5	Manoj Kumar	07812880	05.07.2017	16.02.2022
6	Niraj Gulecha	09238372	20.12.2021	13.06.2022
7	Shalvi Sagar Patwa	08869050	20.12.2021	-
8	Shatrudhan	09486626	16.02.2022	-
9	Farmeen Salim Lala	09505852	16.02.2022	-

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

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

Disclaimer: We have not been made available with details or clarification or Non-Applicability certificate, with respect to debarment or disqualification pursuant to any order from civil or criminal court and thus we are unable to conclude any opinion on attraction of disqualification by any such order which have not been presented before us for reporting.

For, JAYMIN MODI & CO.
Company Secretaries
Sd/-
Jaymin Modi
Company Secretary
ACS: 44248
COP: 16948
PRC: 2146/2022
UDIN: A044248D000938614



Date: 08.09.2022
Place: Mumbai

‘ANNEXURE A’

To,
The Board of Director
AKM LACE AND EMBROTEX LIMITED
C-110 G/F Bhola Nath Nagar,
Shahdara, East Delhi-110032

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 to the extent there are shown to us during the 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 of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For SARITA SINGH & ASSOCIATES
(Company Secretaries)

Sd/-

Sarita Singh

(Proprietor)

M. No-55937

COP-24682

UDIN- A055937D000526924

Date: 24/06/2022

Place: Faridabad



ANNEXURE C TO THE DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Overview

Your Directors are pleased to present the Management Discussion and Analysis Report for the year ended March 31, 2022.

Our Company was originally incorporated on 26th November, 2009 as a private limited company under the provisions of the Companies Act, 1956 as "AKM Lace and Embrotex Private Limited". On 04th May, 2017 our company was converted into a public limited company and is called "AKM Lace and Embrotex Limited". On 29th September, 2017, our company was listed on the BSE SME platform through an Initial Public Offering (IPO). It has listed its equity shares on the BSE SME platform.

The main business of the Company is trading in textile products primarily fabrics. We act as an intermediary between buyer and seller buying goods on cash basis and providing credit to cash-strapped businessmen in this field.

Industry Structure & Development

Textile Business: Textile industry is facing tough times due to the adverse market scenario in domestic and export markets. India is the second largest exporter after China of textiles and apparel products having estimated 4-5% share in the global trade. However, the market pickup to improve export performance is still to happen. Our focus remains on value added products and new product development to cater to the niche segment of the market.

Opportunities and Threats

Textile Business: Positive steps taken by the Central Government for the textile industry, from allocation of funds to giving extra rebate to exporters (mainly on made-ups) and various other benefits, are expected to improve investment in this sector and provide more business opportunities in the near future. With increasing capacities of man-made fibers as compared to cotton, the preferred shift of the consumer to use products of man-made fibres i.e. viscose, polyester, polyamide, acrylic, etc. and its blends, is expected.

We believe that the principal factors affecting competition in our business include client relationships reputation, the abilities of employees, market focus and the liquidity on the Balance Sheet.

Risk and Concerns

Textile Business: The rupee is strengthening against the dollar and other currencies. Hence, there will be pressure on margins in exports. The cotton prices have also increased and to a certain extent, the increase has been absorbed in yarn sales. But, due to lower demand, the prices have not increased in finished fabrics, made-ups and garments, which is a matter of concern.

Outlook

The present consumption of global man-made fiber product is 65% of the textile trade as against 35% in India. The trend in India is also shifting towards use of man-made fiber products. In order to satisfy the taste of customers in future, we have developed innovative products with man-made fiber and its blends which have been appreciated and approved by the customers. We are also initiating the launch of own brand for home textile products in USA in time to come. With the above and focus on cost optimization, we expect the outlook to be satisfactory.

This year has been marked by several historic economic policy developments. On the domestic side, a constitutional amendment paved the way for the long-awaited transformational Goods and Services Tax (GST) while demonetization of the larger currency notes signaled a regime shift. The transformational GST law, which will create a common Indian market, improve tax compliance, boost investment growth. In addition, the Government also overhauled the bankruptcy law.

Adequacy of Internal Control System

The Company has adequate internal control systems for the business processes in respect of all operations, financial reporting, compliance with laws and regulations etc. The management information system forms an effective and sound tool for monitoring and controlling all operating parameters. Regular internal audits ensure



that responsibilities are executed effectively. The Audit Committee reviews the adequacy of internal controls on regular basis.

Human Resources Development/Industrial Relations

Human resources are valuable assets for any organization. The employees of the Company have extended a very productive cooperation in the efforts of the management to carry the Company to greater heights. The Company is giving emphasis to upgrade the skills of its human resources and continuous training down the line is a normal feature in the Company to upgrade the skills and knowledge of the employees of the Company.

Cautionary Statement

The Statement in this Management Discussion and Analysis report, describing the Company's outlook, projections, estimates, expectations or predictions may be "Forward looking Statements" within the meaning of applicable securities laws or regulations. Actual results could differ materially from those expressed or implied.

For Akm Lace and Embrotex Limited

Sd/-

Shalvi Sagar Patwa

Chairman and Managing Director

DIN 08869050

Date: 07th September 2022



COMPLIANCE WITH THE CODE OF CONDUCT AND ETHICS

In accordance with Regulation 17(5)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and Senior Management Personnel of the Company have confirmed compliance with the Code of Business Conduct and Ethics for the financial year ended 31st March, 2022.

For Akm Lace And Embrotex Limited
Sd/-
Shalvi Sagar Patwa
Managing Director & CFO
DIN 08869050

CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

To,
The Board of Directors,
Prabhu Steel Industries Limited
Near Old Motor
Standitwari Nagpur 440008

I, Shalvi Sagar Patwa Managing Director and Chief Financial Officer of the Company, hereby certify that for the financial year, ending 31st March, 2022;

- (a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
- (ii) these statements present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- (b) there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- (d) I have indicated to the Auditors and the Audit Committee:
 - (i) significant changes, if any, in the internal control over financial reporting during the year. (ii) significant changes, if any, in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Akm Lace And Embrotex Limited
Sd/-
Shalvi Sagar Patwa
Managing Director & CFO
DIN 08869050



Independent Auditor’s Report

To
The members of
AKM LACE AND EMBROTEX LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **AKM LACE AND EMBROTEX LIMITED** (“the Company”), which comprise the balance sheet as at 31st March 2022, the statement of profit and loss, statement of changes in equity and the 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 explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2022, and the **net loss** (including other comprehensive income), changes in equity 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 Act. 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 (ICAI) together with ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described hereunder to be key audit matters to be communicated in our report.

S.No.	Key audit matters	Auditor’s response
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(i)	<p><u>Revenue from operations</u></p> <p>According to Ind AS 115, revenue to be recognized on satisfaction of performance obligation and transfer of control pertaining to goods.</p> <p>Determination of transaction price for measurement of revenue according to Ind AS 115.</p>	<p>Our audit procedure included the following-</p> <ul style="list-style-type: none">• We assessed the company’s process to consider the time of transfer of control of goods.• We performed year end cut off procedures to determine whether revenues are recorded in the correct period.• We used assessment of overall control environment relevant for measurement of revenue.• We performed testing of journals, with particular focus on manual adjustment to revenue account, to mitigate the risk of manipulation of revenue and profit figures.
(ii)		

Information other than the Financial Statements and Auditor’s Report thereon

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

Our opinion on the financial statement does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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



In 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.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain a reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our 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 due to fraud or error and are considered material if, individually or in 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 the SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- (i) 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- (ii) Obtain an understanding of the internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- (iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (iv) 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.
- (v) 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 controls 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, relevant 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, 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

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
2. 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, statement of changes in equity and the cash flow statement dealt with by this report are in agreement with the books of accounts;
 - d. In our opinion, the aforesaid financial statements comply with the accounting standards specified under Section 133 of the Act;
 - e. On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact, if any of pending litigations on its financial position, in its financial statements (Refer Note 25 of the financial statements).
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. The Company is not required to transfer any amount to the Investor Education and Protection Fund.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding,



whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on audit procedures we have obtained reasonable and appropriate evidence in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

v. No Dividend declared or paid by the company during the period by this report.

h. In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its director during the current financial year is in accordance with the provision of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act.

FOR V.N. PUROHIT & CO.

Chartered Accountants

Firm Regn. No. 304040E

O.P. Pareek

Partner

Membership No. 014238

UDIN: - **22014238AJWXYP5082**

New Delhi, the 30th day of May, 2022.



ANNEXURE- A TO THE AUDITOR'S REPORT

The Annexure referred to in Paragraph 1 under the heading of “Report on other Legal and Regulatory Requirements” of our report of even date to the members of **AKM LACE AND EMBROTEX LIMITED** for the year ended on 31st March 2022.

- (i) (a) (A) As per information and explanation given to us, the company is maintaining proper records showing full particulars, including quantitative details and situation of Property plant and equipment;
- (B) As per information and explanation given to us, the company does not have any Intangible asset hence this point are not applicable;
- (b) As per information and explanation given to us, physical verification of Property Plant and equipment has been conducted at regular interval in a year by the management and no material discrepancies were noticed during the course of verification;
- (c) According to information and explanation given to us, the company does not hold any immovable property during the year dealt with by this report. Accordingly, requirement of provision of sub-clause (i)(c) of para 3 of the order are not applicable;
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year. Accordingly, requirement of provision sub-clause (i)(d) of para 3 of the order are not applicable;
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder. Accordingly, requirement of provision of sub-clause (i)(e) of para 3 of the order are not applicable.
- (ii) (a) As per information and explanation given to us, physical verification of inventory has been conducted at a reasonable interval in a year by the management and no material discrepancies were noticed during the course of verification furthermore inventory consisting of securities are held in dematerialized form, balances of same has been verified with securities closing balances available at Depository participant (i.e. NSDL/CDSL) further no material discrepancies were noticed during the course of such verification;
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not taken any working capital loan during the period covered by this report. Accordingly, requirement of provision of sub-clause (ii)(b) of para 3 of the order are not applicable.
- (iii) As per information and explanation given to us, the companies have granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year.
- (a) A. According to the information and explanations given to us, the Company does not have any subsidiaries, associates and joint ventures. Accordingly, provisions of sub-clause (iii)(a)(A) of para 3 of the order are not applicable.
- B. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has granted loans to parties other than subsidiaries, joint ventures and associates aggregate amount of which is Rs. 97,50,000 and balance outstanding of such loan as at 31st March 2022 amounting to Rs.31,30,957;
- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the loans given are, prima facie, not prejudicial to the interest of the Company;



- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular;
- (d) According to the information and explanations provided to us there is no loan overdue amount for more than ninety days in respect of loans given;
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the over dues of existing loans given to the same party;
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given loans on repayable on demand or without specifying any terms or period of repayment. No amount out of such loans have been granted to promoters related parties as defined in clause (76) of Section 2 of the Companies Act, 2013;
- (iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has complied with the requirement of provision of section 186 of the Companies Act, 2013 to the extent as applicable to it;
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, the requirement of provision of sub clause (v) of para 3 of the order are not applicable;
- (vi) According to information and explanations given to us, the Company is not liable to maintain cost records as prescribed under section 148(1) of the Companies Act, 2013;
- (vii) (a) According to information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including income-tax and any other applicable statutory dues to the appropriate authorities and there are no outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable;
(b) According to information and explanations given to us, there are no outstanding statutory dues on part of the Company which is not deposited on account of any dispute;
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not borrowed any loans during the period covered by this report. Accordingly the provision of sub clause (ix)(a) of para 3 are not applicable;
(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority;
(c) According to the information and explanations given to us by the management, the company has not obtained any term loans. Accordingly, requirement of provision of sub clause (ix)(c) of para 3 of the order are not applicable;
(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis that have been utilized for the long term purpose by the Company.
(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company does not have any subsidiaries as defined under the Companies Act, 2013. Accordingly, the requirement of provision of sub clause (ix)(e) of para 3 of the order are not applicable;



- (f) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company does not have any subsidiaries as defined under the Companies Act, 2013. Accordingly, the requirement of provision of sub clause (ix)(f) of para 3 of the order are not applicable;
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, the provision of sub clause (x)(a) of para 3 of the order are not applicable;
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provision of sub clause (x)(b) of para 3 of the order are not applicable;
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit;
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanation given to us and on the basis of our information and explanation of the records of the company is not a Nidhi Company hence the provision of sub clause (xii) of para 3 of the order are not applicable;
- (xiii) According to information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards;
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business;
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit;
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the requirement of provision of sub clause (xvi)(a) of para 3 of the order are not applicable;
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of registration from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the requirement of provision of sub clause (xvi)(c) of para 3 of the order are not applicable;
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of provision of sub clause (xvi)(d) of para 3 of the order are not applicable.
- (xvii) The Company has incurred cash losses during the current financial year covered by this report for an amounting of Rs. 38,56,060. However the company does not incurred any in immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, provision of sub clause (xviii) of para 3 of the order are not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and



based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

- (xx) According to the information and explanations given to us, provisions of Corporate Social Responsibility (CSR) specified in section 135 read with schedule VII of Companies Act are not applicable upon the company.
- (xxi) According to the information and explanations given to us, we report that the Company does not have any subsidiaries as defined under the Companies Act, 2013. Accordingly the requirement of the provision of sub clause (xxi) of para 3 the order are not applicable.

Signed for the purpose of identification

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

O.P. Pareek
Partner
Membership No. 014238
UDIN: - **22014238AJWYXP5082**

New Delhi, the 30th day of May, 2022.



ANNEXURE- B TO THE AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub- section (3) of Section 143 of the Companies Act, 2013

We have audited the internal financial controls over financial reporting of **AKM LACE AND EMBROTEX LIMITED** as on 31st March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Opinion

In our opinion, the Company has, in all material aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on “the internal financial controls over financial reporting criteria 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”.

Management’s Responsibility for the Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Control 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 company’s policies, the safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the Guidance Note) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013 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 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 aspects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidences we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that: -



- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and the receipt and expenditures of the Company are being only in accordance with authorizations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and could 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 controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

FOR V.N. PUROHIT & CO.

Chartered Accountants

Firm Regn. No. 304040E

Sd/-

O.P. Pareek

Partner

Membership No. 014238

UDIN: - 22014238AJXWYP5082

New Delhi, the 30th day of May, 2022

**AKM LACE AND EMBROTEX LIMITED****AKM LACE AND EMBROTEX LIMITED**

CIN: L17291DL2009PLC196375

BALANCE SHEET AS AT 31ST MARCH 2022

(Rs. in '000)

	Notes	As at 31st March 2022	As at 31st March 2021
ASSETS			
Non- current assets			
Property, plant and equipment	3	1,081.10	2,204.81
Financial assets			
Investments	4	-	3,640.00
Deferred tax assets (net)	5	85.70	146.81
Other non current assets	6	20,375.00	38,017.00
Current Assets			
Inventories	7	-	33,024.28
Financial assets			
Cash and cash equivalents	8	3,372.80	962.04
Loans	9	11,535.82	16,135.49
Current tax assets (net)		101.63	49.23
Other current assets	10	35,616.99	555.58
Total Assets		72,169.04	94,735.24
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	30,121.75	30,121.75
Other equity	12	41,688.26	45,929.27
Liabilities			
Current liabilities			
Financial liabilities			
Trade Payables			
- total outstanding dues of creditors other than micro enterprises and small enterprises	13	-	18,111.50
Other financial liabilities	14	53.53	177.12
Other current liabilities	15	305.50	395.59
Total Equity & Liabilities		72,169.04	94,735.24
Notes to the financial statements	1-35		
The accompanying notes form an integral part of the financial statements.			
As per our report of even date			
FOR V.N. PUROHIT & CO.		For and on behalf of the Board of Directors of	
Chartered Accountants		AKM LACE AND EMBROTEX LIMITED	
Firm Regn. No. 304040E			
O. P. Pareek		Shalvi Sagar Patwa	Niraj Gulecha
Partner		Managing Director	Director
Membership No. 014238		DIN: 08869050	DIN: 09238372
UDIN: 22014238AJXWYP5082		Flat No. 17 Samarth Sainath Niketan	904A Vardhman heights
		Pestom sagar road No.5	TB Kadam Marg, V J B Udyan
		Chembur west, Maharashtra 400089	Maharashtra 400027
New Delhi, the 30th day May, 2022		Shubhangi Dubey	
		Company Secretary	
		PAN- ETKPD6736H	



AKM LACE AND EMBROTEX LIMITED

CIN: L17291DL2009PLC196375

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH 2022

		(Rs. in '000)	
	Notes	For the year ended on 31st March 2022	For the year ended on 31st March 2021
REVENUE			
I	Revenue from operations	31,160.77	24,569.11
II	Other income	532.04	813.58
III	Total Income (I+II)	31,692.81	25,382.69
IV EXPENSES			
	Purchases of stock-in-trade	1,026.37	14,090.75
	Changes in inventories of finished goods, stock-in-trade	33,024.28	8,681.95
	Employee benefits expense	722.66	1,657.01
	Finance cost	76.44	-
	Depreciation	323.84	214.25
	Other expenses	699.13	869.97
	Total Expenses (IV)	35,872.72	25,513.93
V	Profit/ (loss) before exceptional items and tax (III-IV)	(4,179.91)	(131.24)
VI	Exceptional items	-	-
VII	Profit/ (loss) before tax	(4,179.91)	(131.24)
	Tax expense		
	Current tax	-	-
	Deferred tax	(61.11)	(138.95)
	Profit/ (loss) after tax (V-VI)	(4,241.02)	(270.19)
OTHER COMPREHENSIVE INCOME			
	Total other comprehensive income (IV)	-	-
	Total comprehensive income (III+IV)	(4,241.02)	(270.19)
Earning per equity share (EPS)			
	[nominal value of share Rs. 10]		
	Basic (in Rupees)	(1.41)	(0.09)
	Diluted (in Rupees)	(1.41)	(0.09)
	Notes to the financial statements	1-35	
The accompanying notes form an integral part of the financial statements.			
As per our report of even date			
FOR V.N. PUROHIT & CO.		For and on behalf of the Board of Directors of	
Chartered Accountants		AKM LACE AND EMBROTEX LIMITED	
Firm Regn. No. 304040E			
O. P. Pareek		Shalvi Sagar Patwa	Niraj Gulecha
Partner		Managing Director	Director
Membership No. 014238		DIN: 08869050	DIN: 09238372
UDIN: 22014238AJXWYP5082		Flat No. 17 Samarth Sainath Niketan	904A Vardhman heights
		Pestom sagar road No.5	TB Kadam Marg, V J B Udyan
		Chembur west, Maharashtra 400089	Maharashtra 400027
New Delhi, the 30th day May, 2022			
			Shubhangi Dubey
			Company Secretary
			PAN- ETKPD6736H



AKM LACE AND EMBROTEX LIMITED

CIN: L17291DL2009PLC196375

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2022

	(Rs. in '000)	
	For the year ended on 31st March 2022	
	For the year ended on 31st March 2021	
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/ (loss) before tax and after extra-ordinary items	(4,179.91)	(131.24)
Adjustments for items: -		
Interest received	(468.05)	(804.61)
Interest paid	76.44	-
Dividend income	(63.99)	(2.40)
Gain/loss on sale of assets	99.87	
Depreciation	323.84	214.25
Operating Profit before working capital changes	(4,211.80)	(724.00)
Working capital adjustments: -		
(Increase)/ decrease in other current assets	(35,061.41)	267.68
(Increase)/ decrease in other non-current assets	17,642.00	(38,000.00)
(Increase)/ decrease in trade receivables	-	19,222.02
(Increase)/ decrease in inventories	33,024.28	8,681.95
Increase/ (decrease) in trade payables	(18,111.50)	5,814.97
Increase/ (decrease) in other current liabilities	(90.09)	386.57
Increase/ (decrease) other financial liabilities	(123.59)	(33.47)
Cash generated from operations	(6,932.11)	(4,384.28)
Direct taxes paid	(52.40)	62.97
Net cash flow from operating activities (A)	(6,984.51)	(4,321.31)
CASH FLOW FROM INVESTING ACTIVITIES		
(Purchase)/sale of property, plant & equipment	700.00	(932.51)
Loans granted	4,599.67	4,888.76
Dividend income	63.99	2.40
Sale of investment	3,640.00	-
Interest received	468.05	804.61
Net cash flow from investing activities (B)	9,471.71	4,763.26
CASH FLOW FROM FINANCING ACTIVITIES		
Net proceeds from borrowings	(76.44)	-
Net cash flow from financing activities (C)	(76.44)	-
Net cash flow during the year (A + B + C)	2,410.76	441.95
Add: Opening cash and cash equivalents	962.03	520.08
Closing cash and cash equivalents	3,372.79	962.03
Components of cash and cash equivalents		
Cash on hand	3,319.35	434.48
Balances with banks	53.44	527.55
Total cash and cash equivalents (Note 8)	3,372.79	962.03
The accompanying notes form an integral part of the financial statements.		
As per our report of even date		
FOR V.N. PUROHIT & CO.	For and on behalf of the Board of Directors of	
Chartered Accountants	AKM LACE AND EMBROTEX LIMITED	
Firm Regn. No. 304040E		
O. P. Pareek	Shalvi Sagar Patwa	Niraj Gulecha
Partner	Managing Director	Director
Membership No. 014238	DIN: 08869050	DIN: 09238372
UDIN: 22014238AJXWYP5082	Flat No. 17 Samarth Sainath Niketan	904A Vardhman heights
	Pestom sagar road No.5	TB Kadam Marg, V J B Udyan
	Chembur west, Maharashtra 400089	Maharashtra 400027
New Delhi, the 30th day May, 2022		Shubhangi Dubey
		Company Secretary
		PAN- ETKPD6736H



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

1. Corporate Information:

The company is engaged in the business of manufacturing and trading of all types of embroidery and textile goods, laces, fabrics, clothing, wearing apparel for personal, commercial and industrial use. Also, the company is engaged in trading of shares and securities to the extent it does not require any approval from a regulator viz RBI or SEBI. AKM's sale model is divided into two parts, i.e. sale of traded goods which comprises of cotton fabrics, grey cloth, etc. and sale of manufactured/processed goods, which comprises of knitted fabrics primarily lace based. The Company is listed on Bombay Stock exchange (BSE) [Script code: AKM]

2. Significant Accounting Policies:

2.1 Statement of Compliance:

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.

2.2 Basis for preparation of financial statements:

The financial statements have been prepared on historical cost basis which is generally based on the fair value of consideration given in exchange for goods and services.

2.3 Use of Estimates:

The preparation of financial statements requires the management of the company to make estimates and assumptions that affect the reported amounts of assets and liabilities on the date of financial statements, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of income and expenses during the reported period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised.

2.4 Critical accounting estimates:

(i) Income taxes:

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

(ii) Impairment of investments:

The carrying value of investments is reviewed at cost annually, or more frequently whenever, there is indication for impairment. If the recoverable amount is less than the carrying amount, the impairment loss is accounted for.

(iii) Provisions:

The carrying value of investments is reviewed at cost annually, or more frequently whenever, there is indication for impairment. If the recoverable amount is less than the carrying amount, the impairment loss is accounted for.

(iv) Impairment of financial assets



Equity instruments, Debt Instruments and Mutual Fund: - In accordance with Ind –AS 109, the Company applies Expected Credit Loss model for measurement and recognition of impairment loss for Financial Assets.

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets and unbilled revenue which are not fair valued through profit or loss. Loss allowance for trade receivables and unbilled revenues with significant financing component is measured at an amount equal to 12-month ECL. For all other financial assets, expected credit losses are measured at an amount equal to the lifetime 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considers current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recorded is recognized as an impairment gain or loss in condensed consolidated statement of comprehensive income.

2.5 Property, Plant and Equipment (PPE)

PPE are stated at actual cost less accumulated depreciation and net of impairment. The actual cost capitalized includes material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction/installation stage. The Company has chosen the cost model for recognition and this model is applied to all class of assets. After recognition as an asset, an item of PPE is carried at its cost less any accumulated depreciation and any accumulated impairment losses. Depreciable amount of an asset is the cost of an asset less its estimated residual value.

Depreciation on PPE, including assets taken on lease, other than freehold land is charged based on Straight Line method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013. The useful life of asset taken into consideration as per Schedule II for the purpose of calculating depreciation is as follows: -

Particulars of PPE	Useful life (in years)
Plant & Machinery	15
Furniture & fixtures	10
Motor Vehicles (Motor Cycles)	10
Computer & Accessories	3

An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment are determined as a difference between the sale proceeds and the carrying amount of the asset and is recognized in the profit and loss. At the end of each reporting period, the Company reviews the carrying amounts of tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

2.6 Revenue recognition:

Effective 1st April, 2018, the Company has applied Ind AS 115 – Revenue from Contracts with Customers. Pursuant to adoption of Ind AS 115, Revenue from contracts with customers are recognized when the control over the goods or services promised in the contract are transferred to the customer. The amount of revenue recognized depicts the transfer of promised goods and services to customers for an amount that reflects the consideration to which the Company is entitled to in exchange for the goods or services.

Sale of goods: - Revenue from sale of goods is recognised when the control over such goods have been transferred, being when the goods are delivered to the customers. Delivery occurs when the products have been shipped or delivered to the specific location as the case may be, risks of loss have been transferred to the customers, and either the customer has accepted the goods in accordance with the sales contract or the



acceptance provisions have lapsed or the Company has objective evidence that all criteria for acceptance have been satisfied. Revenue from these sales are recognized based on the price specified in the contract.

Interest Income: - The Company recognises interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortised cost. EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Dividend: - Dividend income from investments is recognised when the shareholders' right to receive payment has been established which is generally when the shareholders approve the dividend.

2.7 Foreign currency transactions:

Foreign currency transactions are recorded as exchange rates prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the date of balance sheet. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are recognised in the profit and loss.

2.8 Financial Instruments:

Financial Assets: -

"Recognition and initial measurement: -

Financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument and are measured initially a fair value adjusted for transaction cost.

"

Financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument and are measured initially a fair value adjusted for transaction cost.

"Subsequent measurement: -

Financial assets are subsequently classified and measured at

"

"a) Financial Assets measured at Amortised Cost (AC)

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Amortised cost is the cost of a financial asset adjusted to achieve a constant effective interest rate over the life of the financial asset."

"b) Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)

Financial assets are subsequently measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets."

"c) Financial Assets measured at Fair Value Through Profit and Loss (FVTPL)

Financial assets are subsequently measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income. For financial assets measured at fair value through profit and loss, all changes in the fair value are recognised in profit and loss when they occur."

"De- recognition of Financial Assets

A financial asset shall be de-recognised when rights to receive cash flows from the asset have expired or Company has transferred its right to receive cash flow from the asset.

"



A financial asset is primarily de-recognized when the rights to receive cash flows from the asset have expired or Company has transferred its right to receive cash flow from the asset.

Financial Liabilities: -

"Recognition and initial measurement: -

All Financial liabilities are recognised initially at fair value less transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. Financial liabilities are measured at amortised cost.

"

"Subsequent measurement: -

Subsequent to initial recognition, these liabilities are measured at Amortised cost using the effective interest rate method.

"

"De-recognition of Financial liabilities:

Financial liabilities are derecognized when the obligation under the liabilities are discharged or cancelled or expires. Consequently, write back of unsettled credit balances is done on closure of the concerned project or earlier based on the previous experience of Management and actual facts of each case and recognized in other Operating Revenues. Further when an existing Financial liability is replaced by another from the same lender on substantially different terms, or the terms of existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

"

"Offsetting of Financial Instrument:

Financial Assets and Financial Liabilities are offset and the net amount is reported in the Balance sheet if there is currently enforceable legal right to offset the recognized amounts and there is an intention to settle on net basis, to realize the assets and settle the liabilities simultaneously.

"

2.9 Impairment of Financial Assets :

Equity instruments, Debt Instruments and Mutual Fund: - In accordance with Ind –AS 109, the Company applies Expected Credit Loss model for measurement and recognition of impairment loss for Financial Assets.

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets and unbilled revenue which are not fair valued through profit or loss. Loss allowance for trade receivables and unbilled revenues with significant financing component is measured at an amount equal to 12-month ECL. For all other financial assets, expected credit losses are measured at an amount equal to the lifetime 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considers current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recorded is recognized as an impairment gain or loss in condensed consolidated statement of comprehensive income.

Other Financial Assets: - The Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

2.10 Inventories:

Inventories (Other than Quoted Shares & Securities) are valued at cost or net realisable value, whichever is lower. Cost is determined on weighted average basis and includes cost of purchase and other costs incurred in bringing inventories to their present location and condition. Net realisable value is the estimated selling price in



the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.11 Cash & Cash equivalent :

Cash and cash equivalents in the balance sheet comprise of cash at bank and on hand and short- term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.12 Taxation :

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid/recovered from the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with Income Tax Act, 1961.

Current and deferred tax are recognized in profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the income taxes are recognized in other comprehensive income or directly in equity, respectively. Advance taxes and provisions for current income taxes are presented in the statement of financial position after off-setting advance tax paid and income tax provision.

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amounts. Deferred income tax is recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of deferred income tax assets is reviewed at each reporting date. Deferred tax asset/liability is measured at the tax rates that are expected to be applied to the period when the asset is realized or the liability is settled.

2.13 Earnings per share:

Basic earnings/ (loss) per share are calculated by dividing the net profit/ (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the period and also after the Balance Sheet date but before the date the financial statements are approved by the Board of Directors.

For the purpose of calculating diluted earnings/ (loss) per share, the net profit/ (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

2.14 Provision, Contingent Liabilities and Contingent Assets:

A provision is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Contingent Assets and Contingent Liabilities are not recognized in the financial statements.



AKM LACE AND EMBROTEX LIMITED				
CIN: L17291DL2009PLC196375				
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31ST MARCH, 2022				
(Rs. in '000)				
(a) Equity Share Capital				
Balance as at 1st April 2021	Change in equity share capital due to prior period errors	Restated balance as at 1st April 2021	Changes in equity share capital during the year	Balance as at 31st March 2022
3,012.18	-	3,012.18	-	3,012.18
Balance as at 1st April 2020	Change in equity share capital due to prior period errors	Restated balance as at 1st April 2020	Changes in equity share capital during the year	Balance as at 31st March 2021
3,012.18	-	3,012.18	-	3,012.18
(b) Other Equity				
Particulars	Reserves & surplus		Total	
	Securities premium	Retained earnings		
Balances as at 1st April 2021	46,663.25	(733.98)	45,929.27	
Changes in accounting policy or prior period errors	-	-	-	
Restated balances as at 1st April 2021	46,663.25	(733.98)	45,929.27	
Total comprehensive income	-	(4,241.01)	(4,241.01)	
Balances as at 31st March 2022	46,663.25	(4,974.99)	41,688.26	
Particulars	Reserves & Surplus		Total	
	Securities Premium	Retained Earnings		
Balances as at 1st April 2020	46,663.25	(463.79)	46,199.46	
Changes in accounting policy or prior period errors	-	-	-	
Restated balances as at 1st April 2020	46,663.25	(463.79)	46,199.46	
Total comprehensive income	-	(270.19)	(270.19)	
Balances as at 31st March 2021	46,663.25	(733.98)	45,929.27	
Notes to the financial statements	1-35			
The accompanying notes are an integral part of the financial statements In terms of our report attached				
FOR V. N. PUROHIT & CO.		For and on behalf of the Board of Directors		
Chartered Accountants		AKM LACE AND EMBROTEX LIMITED		
Firm Regn No. 304040E				
O. P. Pareek	Shalvi Sagar Patwa	Niraj Gulecha		
Partner	Managing Director	Director		
Membership No. 014238	DIN: 08869050	DIN: 09238372		
UDIN: 22014238AJXWYP5082	Flat No. 17 Samarth Sainath Niketan	904A Yardman heights		
	Pestom sagar road No.5	TB Kadam Marg, V J B Udyan		
	Chembur west, Maharashtra 400089	Maharashtra 400027		
New Delhi, the 30th day May, 2022				
			Shubhangi Dubey	
			Company Secretary	
			PAN- ETKPD6736H	



AKM LACE AND EMBROTEX LIMITED					
CIN: L1729(DL2009PLC)196375					
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022					
					(Rs. in '000')
5. Property, plant and equipment (PPE)				As at 31st March 2022	As at 31st March 2021
Carrying amount:-					
Plant & Machinery				881.29	1,009.21
Furniture & Fixtures				129.51	188.04
Motor Vehicle				45.24	982.50
Computer				25.05	25.05
Total				1,081.09	2,204.80
	Plant & Machinery	Furniture & Fixtures	Motor Vehicles	Computers	Total
Cost or Deemed Cost:-					
Balance as at 1st April 2020	2,019.75	616.06	171.40	501.10	3,308.31
Additions during the year	-	-	932.51	-	932.51
Assets disposal / written off during the year	-	-	-	-	-
Balance as at 31st March 2021	2,019.75	616.06	1,103.91	501.10	4,240.82
Additions during the year	-	-	-	-	-
Assets disposal / written off during the year	-	-	(900.98)	-	(900.98)
Balance as at 31st March 2022	2,019.75	616.06	182.93	501.10	3,319.84
Accumulated Depreciation:-					
Balance as at 1st April 2020	882.62	369.49	99.60	476.05	1,821.76
Charge for the year	127.92	58.53	27.81	-	214.26
Adjusted on assets disposed / written off	-	-	-	-	-
Balance as at 31st March 2021	1,010.54	428.02	127.41	476.05	2,036.02
Charge for the year	127.92	58.53	137.40	-	323.85
Adjusted on assets disposed / written off	-	-	(121.12)	-	(121.12)
Balance as at 31st March 2022	1,138.46	486.55	137.49	476.05	2,238.75
Carrying amount:-					
Balance as at 31st March 2021	1,009.21	188.04	982.50	25.05	2,204.80
Balance as at 31st March 2022	881.29	129.51	45.24	25.05	1,081.09
Notes					
5.1	All the above property, plant & equipment are owned by the company.				
5.2	The company has not made any charge (10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment) in the value of Property, Plant & Equipments due to revaluation.				
4. Investments : non current				As at 31st March 2022	As at 31st March 2021
Investment in equity instruments (unquoted)					
280,000 (31st March 2020 : 2,80,000) fully paid up equity shares of Rs. 10 each of M/s. Shield Finance Private Limited				-	3,640.00
				-	3,640.00
4.1	Aggregate amount of unquoted investments (at cost)				
				-	3,640.00
5. Deferred tax assets/(liabilities) (net)				As at 31st March 2022	As at 31st March 2021
At the start of the year				146.81	285.76
Charge during the year				(61.11)	(138.95)
At the end of year				85.70	146.81
5.1	Deferred income taxes are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.				
6. Other non-current assets				As at 31st March 2022	As at 31st March 2021
Capital Advances				20,375.00	38,000.00
Security deposit				-	17.00
				20,375.00	38,017.00
7. Inventories				As at 31st March 2022	As at 31st March 2021
Stock in trade				-	-
- Fabric & pieces				-	12,704.06
- Equity shares (quoted) - Valued at FVTPL				-	20,320.22
				-	33,024.28
8. Cash and cash equivalents				As at 31st March 2022	As at 31st March 2021
Cash on hand (as certified)				3,319.35	434.48
Balances with banks				53.44	527.55
				3,372.79	962.03



		As at 31st March 2022		As at 31st March 2021	
12. Other equity					
Securities premium					
Balance at the beginning of the financial year		46,663.25		46,663.25	
Addition/ deletion during the year		-		-	
Balance at the end of the financial year		46,663.25		46,663.25	
Retained earnings					
Balance at the beginning of the financial year		(733.98)		(463.79)	
Add/(less): - Profit/(loss) for the year		(4,241.02)		(270.19)	
Balance at the end of the financial year		(4,975.00)		(733.98)	
		41,688.25		45,929.27	
13. Trade payables					
As at 31st March 2022					
Outstanding dues of creditors other than Micro Enterprises and Small Enterprises (Note 14.1)		-		18,111.51	
		-		18,111.51	
13.1	There are no dues to Micro and Small Enterprises as defined under Micro, Small & Medium Enterprises Development Act, 2006 which are outstanding for a period more than 45 days as on the balance sheet date.				
	The above information regarding Micro and Small Enterprises has been determined on the basis of information available with the Company and has been duly relied upon by the auditors of the Company.				
	Trade payable due for payment and the ageing schedule as below:-				
		Outstanding from due date of payment as on 31st March 2021			
	Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years
	Others than MSME	18,111.51	-	-	-
					18,111.51
14. Other financial liabilities : current					
As at 31st March 2022					
Salary payable		-		-	137.09
Other expenses payable		53.53		-	40.03
		53.53			177.12
15. Other current liabilities					
As at 31st March 2022					
Advance from customer		-	300.00	-	-
TDS payable		-	5.50	-	293.04
GST payable		-	-	-	102.55
			305.50		395.59
16. Revenue from operations					
For the year ended on 31st March 2022					
Sale of fabric & laces			2,044.83		23,891.98
Sale of shares & securities			29,115.94		677.13
			31,160.77		24,569.11
17. Other income					
For the year ended on 31st March 2022					
Interest income on loans advanced			468.05		904.60
Interest on IT Refund			-		6.58
Dividend received			63.99		2.40
			532.04		813.58
18. Purchase of stock-in-trade					
For the year ended on 31st March 2022					
Fabric & laces			1,026.37		4,090.75
			1,026.37		14,090.75
19. Changes in inventories					
For the year ended on 31st March 2022					
Stock in trade (opening)			33,024.28		41,705.23
Stock in trade (closing)			-		33,024.28
			(33,024.28)		8,681.95
20. Employee benefits expense					
For the year ended on 31st March 2022					
Director's remuneration (basic salary)			385.00		1,260.00
Salaries & allowances			335.00		390.00
Staff welfare expenses			2.66		7.01
			722.66		1,657.01
21. Finance cost					
For the year ended on 31st March 2022					
Interest on borrowings			76.44		-
			76.44		-



22. Other expenses	For the year ended on	For the year ended on
	31st March 2022	31st March 2021
Advertisement expenses	9.72	9.72
Bank charges	4.08	1.32
Business promotion	4.32	9.32
Conveyance expenses	4.96	6.56
Demat A/C charges	6.71	1.89
Electricity & water expenses	4.27	7.80
Fees & subscription	158.00	58.00
Freight & cartage	-	28.00
Loading/ Unloading Charges	-	2.87
Loss on sale of assets	99.87	-
Interest and penalties	2.54	2.97
Website expenses	9.45	7.35
Payment to statutory auditors		
- towards audit fee	55.00	40.00
- towards certification	4.00	4.00
Postage & courier	0.58	0.99
Printing & stationery	1.17	3.38
Professional charges	49.50	533.02
Rent, rate & taxes	104.00	108.00
Repair & maintenance	-	2.89
ROC fees	6.60	4.80
Sitting fees	22.00	28.00
Telephone & mobile expense	0.40	2.39
Tour & travelling expense	145.39	-
Vehicle running & maintenance	6.60	6.70
	699.16	870.00

AKM LACE AND EMBROTEX LIMITED
CIN: L17291DL2009PLC196375
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

23. Related Parties: -		
As per IND AS 24, the disclosures of transactions with the related parties are given below:		
(a) List of related parties where control exists and also related parties with whom transactions have taken place and their relationship:		
(i)	Key Management Personnel	Mr. Shatrughan (Additional Director) (Appointed on 16-02-2022) Ms. Farnveen Salim Lala (Additional Director) (Appointed on 16-02-2022) Ms. Shubhangi Dubey (Company Secretary) (Appointed on 20-12-2021) Ms. Shalvi Sagar Patwa (CFO & Managing director) (Appointed on 16-02-2022) Mr. Niraj Gulicha (Director) (Appointed on 20-12-2021) Mr. Anoop Kumar Mangal (Past Managing Director) Mr. Manoj Kumar (Past Director) Ms. Purva Mangal (Past Director) Ms. Renu Sharma (Past CFO) Mr. Roshan Jha (Past Company Secretary) Ms. Firdaus (Past Company Secretary) Mr. Himanshu Agarwal (Past CFO) Mangal (Past Director) Ms. Rinku Goyal (Past Director) Mr. Shambhu Dayal
(ii)	Relatives of Key Management Personnel	None
(iii)	Enterprises owned or significantly influenced by Key Management Personnel or their Relatives	M/s Anoopurva Enterprise Private Limited (Till 16-02-2022)

(b) Following transactions are made with the related parties covered under Ind AS- 24 on "Related Parties Disclosures": -

Transaction with	Nature of Transaction	Transaction during the year (Rs. in '000')	
		31st March 2022	31st March 2021
(i) Key Management Personnel: -			
Mr. Anoop Kumar Mangal	Director's remuneration	350.00	840.00
	Sale of Property plant and equipment	700.00	-
Ms. Purva Mangal	Director's remuneration	140.00	420.00
Mr. Himanshu Agarwal	Salary	220.00	240.00
Mr. Roshan Jha	Salary	75.00	150.00
Ms. Firdaus	Salary	90.00	Nil
Mr. Shambhu Dayal Mangal	Sitting fee	6.00	Nil
Mr. Manoj Kumar	Sitting fee	8.00	Nil
Ms. Rinku Goyal	Sitting fee	8.00	Nil

(ii) Relatives of Key Management Personnel: - None

(iii) Enterprises owned or significantly influenced by the Key Management Personnel or their Relatives: -

M/s Anoopurva Enterprise Private Limited (Till 16-02-2022)	2,328.83	Nil
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(c) Following transactions are made with the related parties covered under Ind AS- 24 on "Related Parties Disclosures": -

Transaction with	Nature of Transaction	Balance as at (Rs. in '000')	
		31st March 2022	31st March 2021
(i) Key Management Personnel: -			
Mr. Anoop Kumar Mangal	Director's remuneration	Nil	67.09
Ms. Purva Mangal	Director's remuneration	Nil	35.00
Mr. Himanshu Agarwal	Salary	Nil	20.00
Mr. Roshan Jha	Salary	Nil	15.00
(ii) Relatives of Key Management Personnel: - None			
(iii) Enterprises owned or significantly influenced by the Key Management Personnel or their Relatives: - None			



24.	Particulars		31st March 2022 (Rs. in '000')	31st March 2021 (Rs. in '000')				
	Earnings/ Remittances and/ or Expenditure in Foreign Currency		Nil	Nil				
25.	Particulars		31st March 2022 (Rs. in '000')	31st March 2021 (Rs. in '000')				
	Contingent liabilities not provided for		Nil	Nil				
	Pending litigations by/ against the Company		None	None				
26.	Ratio Analysis and its components							
	S.No.	Particulars	31st March 2022	31st March 2021	% change from 31st March 2021 to 31st March 2022			
	1	Current ratio	141.01	2.71	5093.88%			
	2	Debt- equity ratio	0.00	0.25	-97.96%			
	3	Debt service coverage ratio	-49.45	N. A.	N.A.			
	4	Return on equity ratio	-0.06	(0.00)	1517.53%			
	5	Inventory turnover ratio	1.89	0.66	187.00%			
	6	Interest service coverage ratio	-53.68	N. A.	N.A.			
	7	Current liability ratio	1.00	1.00	0.00%			
	8	Trade payable turnover ratio	3.44	1.67	106.11%			
	9	Net capital turnover ratio	0.62	0.79	-21.75%			
	10	Net profit ratio	-0.13	(0.01)	1157.12%			
	11	Return on capital employed	-0.06	(0.00)	3211.35%			
	Reasons for variance of more than 25% in above ratios							
	S.No.	Particulars	Reason					
	1	Current ratio	Due to decrease in current liabilities					
	2	Debt- equity ratio	Due to decrease in total debts					
	3	Debt service coverage ratio	Due to decrease in earning available for debt					
	4	Return on equity ratio	Due to lower EBITA after exceptional items during the year.					
	5	Inventory turnover ratio	Due to lower average inventory during the year.					
	6	Interest service coverage ratio	Due to lower EBITA after exceptional items during the year.					
	7	Trade payable turnover ratio	Due to decrease in trade payable					
	8	Net profit ratio	Due to decrease in earning after tax during the year.					
	9	Return on capital employed	Due to decrease in profit before tax.					
	Components of Ratio (In '000's)							
	S.No.	Ratios	Numerator	Denominator	March 31st 2022	March 31st 2021		
					Numerator	Denominator		
	1	Current ratio	Current Assets	Current Liabilities	50,627.24	359.03	50,726.62	18,684.21
	2	Debt- equity ratio	Total Debts (Total Liabilities)	Total Equity(Equity Share capital+Other equity)	359.03	71,810.01	18,684.21	76,051.02
	3	Debt service coverage ratio	Earnings available for debt service (Net profit before exceptional items & tax expense + depreciation & amortization + Finance cost + Non-cash operating items + other adjustment)	Finance cost + principle repayment of long term borrowings during the period/year	(3,779.63)	76.44	83.01	-
	4	Return on equity ratio	Net profit after tax-Exceptional items	Average Total Equity [(Opening Equity Share capital + Opening Other equity + Closing Equity Share Capital + Closing Other Equity)/2]	(4,241.02)	73,930.52	(270.19)	76,186.12
	5	Inventory turnover ratio	Revenue from sales of products	Average Inventory [(opening balance + closing balance)/2]	31,160.77	16,512.14	24,569.11	37,365.26
	6	Interest service coverage ratio	Earnings before interest and taxes (EBIT)	Interest expense	(4,103.47)	76.44	(131.24)	-
	7	Current liability ratio	Total Current Liabilities	Total Liabilities	359.03	359.03	18,684.21	18,684.21
	8	Trade payable turnover ratio	Revenue from operations	Average trade payable [(Opening balance + closing balance)/2]	31,160.77	9,055.75	25,382.69	15,204.02
	9	Net capital turnover ratio	Revenue from operations	Working capital (Current asset-current liabilities)	31,160.77	50,268.21	25,382.69	32,042.41
	10	Net profit ratio	Net profit after tax-Exceptional items	Revenue from operations	(4,241.02)	31,692.81	(270.19)	25,382.69
	11	Return on capital employed	Profit Before interest,Tax & Exceptional item	Total Equity + Total Debts (including preference share liability)	(4,103.47)	71,810.01	(131.24)	76,051.02



27.	<p>Financial risk management</p> <p>The Company has exposure to the following risks arising from financial instruments:</p> <p>(i) Market risk</p> <p>(a) Interest rate risk;</p> <p>(b) Commodity risk;</p> <p>(ii) Credit risk and ;</p> <p>(iii) Liquidity risk</p> <p>Risk management framework</p> <p>The Company's activities expose it to a variety of financial risks, including market risk. The Company's primary risk management focus is to minimize potential adverse effects of risks on its financial performance. The Company's risk management assessment policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management of these policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee are responsible for overseeing these policies and processes.</p> <p>(i) Market risk</p> <p>Market risk is the risk of changes in the market prices on account of foreign exchange rates, interest rates and Commodity prices, which shall affect the Company's income or the value of its holdings of its financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the returns.</p> <p>(a) Interest rate risk</p> <p>Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk for changes in interest rates relates to borrowings from banks and others.</p> <p>Interest rate sensitivity - variable rate instruments</p> <p>A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by amounts shown below. This analysis assumes that all other variables, in particular, foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date.</p> <table border="1"> <thead> <tr> <th rowspan="2">Particulars</th> <th colspan="2">For the year ended on 31st March 2022</th> <th colspan="2">For the year ended on 31st March 2021</th> </tr> <tr> <th>100 bp increase</th> <th>100 bp decrease</th> <th>100 bp increase</th> <th>100 bp decrease</th> </tr> </thead> <tbody> <tr> <td>On account of variable rate on loans and advances given</td> <td>115.36</td> <td>(115.36)</td> <td>161.35</td> <td>(161.35)</td> </tr> <tr> <td>On account of variable rate on borrowings</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Net impact on profit/(loss) before tax</td> <td>115.36</td> <td>(115.36)</td> <td>161.35</td> <td>(161.35)</td> </tr> </tbody> </table> <p>(ii) Credit risk</p> <p>Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the company's receivables from customer. The Company establishes an allowance for doubtful debts, impairment and expected credit loss that represents its estimate an allowance for doubtful debts, impairment and expected credit loss that represents its estimate on expected credit loss.</p> <p>A. Trade receivables</p> <p>The Company's exposure to credit risks influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry has an influence on credit risk assessment. Credit risk managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. However, the company does not expect any losses from non-performance by these counter-parties apart from those already given in financials, and does not have any significant concentration of exposures.</p> <p>B. Cash and cash equivalents</p> <p>The Company holds cash and cash equivalents with creditworthy banks of ₹285.90 thousands. The credit worthiness of such banks is evaluated by the management on an on-going basis and is considered to be good.</p> <p>(iii) Liquidity risk</p> <p>Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company has been taking measures to ensure that the Company's cash flow from business borrowing is sufficient to meet the cash requirements for the Company's operations. The Company managing its liquidity needs by monitoring forecasted cash inflows and outflows in day to day business. Liquidity needs are monitor endorvarious time bands, on a day to day and week to week basis, as well as on the basis of a rolling 30 day projections. Net cash requirements are compared to available working capital facilities in order to determine head room or any shortfalls. Presently company's objective is to maintain sufficient cash to meet its operational liquidity requirements.</p> <p>The below table summaries the maturity profile of the Company's financial liability</p> <table border="1"> <thead> <tr> <th rowspan="2">Particulars</th> <th rowspan="2">Carrying amount</th> <th colspan="5">Contractual cash outflow</th> </tr> <tr> <th>Total</th> <th>1 year or less</th> <th>1-2 year</th> <th>2-5 years</th> <th>> 5 years</th> </tr> </thead> <tbody> <tr> <td>As at 31st March 2022</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Trade payable</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Other financial liabilities</td> <td>53.53</td> <td>53.53</td> <td>53.53</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> </tr> <tr> <td>Other current liabilities</td> <td>305.50</td> <td>305.50</td> <td>305.50</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>As at 31st March 2021</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Trade payable</td> <td>18,111.50</td> <td>18,111.50</td> <td>18,111.50</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Other financial liabilities</td> <td>177.12</td> <td>177.12</td> <td></td> <td>0.00</td> <td>0.00</td> <td>0.00</td> </tr> <tr> <td>Other current liabilities</td> <td>395.59</td> <td>395.59</td> <td>395.59</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> </tr> </tbody> </table>	Particulars	For the year ended on 31st March 2022		For the year ended on 31st March 2021		100 bp increase	100 bp decrease	100 bp increase	100 bp decrease	On account of variable rate on loans and advances given	115.36	(115.36)	161.35	(161.35)	On account of variable rate on borrowings	-	-	-	-	Net impact on profit/(loss) before tax	115.36	(115.36)	161.35	(161.35)	Particulars	Carrying amount	Contractual cash outflow					Total	1 year or less	1-2 year	2-5 years	> 5 years	As at 31st March 2022							Trade payable	-	-	-	-	-	-	Other financial liabilities	53.53	53.53	53.53	0.00	0.00	0.00	Other current liabilities	305.50	305.50	305.50	0.00	0.00	0.00								As at 31st March 2021							Trade payable	18,111.50	18,111.50	18,111.50				Other financial liabilities	177.12	177.12		0.00	0.00	0.00	Other current liabilities	395.59	395.59	395.59	0.00	0.00	0.00
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28.	<p>The Company has not experienced any significant impact due to Covid-19 and as such on its liquidity position; the Company continues to be well geared to meet its funding needs. The Management believes that there will be no significant impact of this outbreak in continuing operations, financial position and in ability to continue as a going concern. The Company shall also continue to closely monitor any material changes arising from future economic conditions and potential impact on its business.</p>																																																																																																			
29.	The financial statements were approved for issue by the Board of Directors on 30th May, 2022.																																																																																																			
30.	The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.																																																																																																			
31.	There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.																																																																																																			
32.	Previous year's figures have been re-arranged or re- grouped wherever consider necessary.																																																																																																			
33.	Figures have been rounded off to the nearest thousands of rupees.																																																																																																			
34.	Figures in brackets indicate negative (-) figures.																																																																																																			
35.	The company does not have transactions with the companies struck off under section 248 of Companies Act, 2013.																																																																																																			
	Signed for the purpose of Identification.																																																																																																			
	FOR V.N. PUROHIT & CO. Chartered Accountants Firm Regn. No. 304040E	For and on behalf of the Board of Directors of AKM LACE AND EMBROTEX LIMITED																																																																																																		
	O. P. Pareek Partner Membership No. 014238 UDIN: 22014238AJXWYP5082 New Delhi, the 30th day May, 2022	Shalvi Sagar Patwa Managing Director DIN: 08869050 Flat No. 17 Samarth Sainath Niketan Pestoni sagar road No.5 Chembur west, Maharashtra 400089	Niraj Gulecha Director DIN: 09238372 904A Vardhman heights TB Kadam Marg, V J B Udyan Maharashtra 400027																																																																																																	
			Shubhangi Dubey Company Secretary PAN- ETRPD6736H																																																																																																	