

28<sup>th</sup> August, 2024

**BSE Limited**

Phiroze Jeejeebhoy Towers,  
PDalal Street, Fort,  
Mumbai – 400 001.

**Scrip Code: 526161**

**Subject: 37<sup>th</sup> Annual Report of Spenta International Limited for the Financial Year 2023-24**

Dear Sir/Madam,

Pursuant to the Regulation 34 of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 Please find enclosed herewith the Annual Report of Spenta International Limited for Financial Year 2023-24 for the 37<sup>th</sup> Annual General Meeting to be held on Tuesday, 24<sup>th</sup> September, 2024 at 11:30 A.M. (IST) through video Conferencing / Other Audio Visual Means ('VC/OAVM').

The Notice of the AGM along with the Annual Report for Financial Year 2022-23 is being dispatched to all the members in electronic mode, whose email ID's are registered with Company or Link Intime India Private Limited, Registrar and Share Transfer Agent of the Company or their respective Depository Participants as on cut-off date of Wednesday, 20<sup>th</sup> September, 2023.

The Notice of 37<sup>th</sup> AGM and Annual Report for the Financial Year 2023-24 is also available on the Company's website at [www.spentasocks.com](http://www.spentasocks.com)

Kindly take on record and acknowledge the same.

Thanking You,

Yours faithfully,

**FOR SPENTA INTERNATIONAL LIMITED**

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**Danny F. Hansotia**  
**Managing Director & CFO**

**Encl.:** As above.

# Spenta International Limited

## 37th Annual Report

### 2023-24



**SPENTA INTERNATIONAL LIMITED**

**37<sup>th</sup> ANNUAL REPORT  
2023-2024**

REGD. OFFICE: PLOT # 13-16, DEWAN INDUSTRIAL ESTATE,  
VILLAGE NAVALI, PALGHAR (WEST) - 401404  
CIN: L28129MH1986PLC040482  
Web site: [www.spentasocks.com](http://www.spentasocks.com)  
Email ID: [cs@spentasocks.com](mailto:cs@spentasocks.com)

**CORPORATE INFORMATION****BOARD OF DIRECTORS:**

Mr. Sanjay Gadodia (DIN - 00203433)	: Chairman, Whole Time Director cum Chief Executive Officer
Mr. Danny Hansotia (DIN - 00203497)	: Managing Director cum Chief Financial Officer
Mrs. Anita Koti (DIN - 08069112)	: Independent Non-Executive Director
Mr. Sashikant Newatia (DIN - 08793440)	: Independent Non-Executive Director
Mr. Dilip Pawar (DIN - 09279715)	: Independent Non-Executive Director

**COMPANY SECRETARY:**

Mrs. Mamata Bajaj	: Company Secretary and Compliance Officer – From 15 <sup>th</sup> May, 2023 to 06 <sup>th</sup> July, 2023
Mr. Sudhir Kumar	: Company Secretary and Compliance Officer – From 06 <sup>th</sup> October, 2023

**STATUTORY AUDITORS:****A K Kocchar & Associates****Chartered Accountants**

No. 601, Vishveshwar Nagar Rd,  
Malad, Reserve Bank of India Staff Quarters,  
Raheja Twp, Goregaon, Mumbai - 400063

**SECRETARIAL AUDITORS:****HSPN & Associates LLP**

206. 2<sup>nd</sup> Floor, Tantia Jogani Industrial Estate,  
J. R. Boricha Marg, Opp. Lodha Excelus,  
Lower Parel East, Mumbai – 400011

**BANKERS:**

DCB Bank Limited  
Kotak Mahindra Bank Limited

**REGISTERED OFFICE & FACTORY:**

Plot No.13 to 16, Dewan Industrial Estate,  
Village Navali, District, Palghar (West) – 401404  
Tel No: 7666625388/7666025388  
Email: [cs@spentasocks.com](mailto:cs@spentasocks.com)  
Website: [www.spentasocks.com](http://www.spentasocks.com)  
CIN: L28129MH1986PLC040482

**REGISTRAR & SHARE TRANSFER AGENT:****Link Intime India Private Limited,**

C-101, 247 Park, L.B.S. Marg,  
Vikhroli (W), Mumbai – 400083  
Tel: - 022-49186270 Fax: - 022-49186060  
Email id: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)

**LISTING OF EQUITY SHARES:****BSE Limited**

Phiroze Jeejeebhoy Towers, Dalal Street,  
Mumbai – 400 001  
ISIN: INE175C01018

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**SPENTA INTERNATIONAL LIMITED**

**Registered Office:** Plot No.13-16, Dewan Industrial Estate, Village Navali,  
District - Palghar, Maharashtra - 401404

**CIN:** L28129MH1986PLC040482 **ISIN:** INE175C01018

**Website:** [www.spentasocks.com](http://www.spentasocks.com) **Email ID:** [cs@spentasocks.com](mailto:cs@spentasocks.com)

**NOTICE**

Notice is hereby given that the **37<sup>th</sup> Annual General Meeting** (the "meeting") of **Spenta International Limited** ("the company") will be held on **Tuesday, 24<sup>th</sup> September, 2024 at 11.30 A.M. (IST)**, through video conferencing / other audio-visual means (VC/OAVM) in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India in this regard, to transact the following business:

**ORDINARY BUSINESS:****1. Adoption of Financial Statements;**

To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2024 including Audited Balance Sheet as at 31<sup>st</sup> March, 2024 and the Statement of Profit & Loss for the year ended on that date and the Report of the Board of Directors and Auditors thereon.

**2. To declare Final dividend on Equity Shares for the Financial Year 2023-2024;****3. To consider and approve the Re-appointment of Statutory Auditors of the Company;**

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

**"RESOLVED THAT** pursuant to the provisions of Section 139(8), 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, or any other law for the time being in force (including any statutory modification or amendment thereto or reenactment thereof for the time being in force), M/s. A K Kocchar & Associates., Chartered Accountants, (Firm Registration No. 120410W) be and is hereby re-appointed as Statutory Auditors of the Company for the tenure of Five Years from the AGM 2024 to AGM 2029 subject to Shareholder approval in the Annual General Meeting 2024.

**RESOLVED FURTHER THAT** M/s. A K Kocchar & Associates., Chartered Accountants, shall hold the office of the Statutory Auditors of the Company until the conclusion of the Annual General Meeting of 2029 on such remuneration (including fees for Certification) and reimbursement of out of pocket expenses for the purpose of audit as may be determined by the Managing Director in consultation with the Board.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters, and things as may be required to give effect to above resolution from time to time.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to above or contemplated in the foregoing resolution are hereby approved, ratified and confirmed in all respects."

**SPECIAL BUSINESS:****4. To Re-appointment of Mr. Sanjay Shyamsunder Gadodia as a Whole-Time Director 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 recommendation by Nomination and Remuneration Committee of the Company, pursuant to the provisions of Sections 196, 197, 198, 203 and all other applicable provisions, if any, read with Schedule V of the Companies Act, 2013, pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 17(6) and other applicable Regulations of SEBI (Listing Obligations Disclosures Requirements), 2015, and subject to approval of the Members of the Company, the approval of the Board be and is hereby accorded for the re-appointment of Mr. Sanjay Shyamsunder Gadodia (DIN No: 00203433), as a Whole Time Director and Chief Executive Officer of the Company for the period of 5 (Five) years with effect from 1st July 2024 up to 30th June 2027 on such terms and conditions specifically approved and mutually agreed between the Board and Mr. Sanjay Shyamsunder Gadodia with liberty to the Board / Nomination and Remuneration Committee to alter and vary the terms and conditions of the said appointment and remuneration payable as per the agreement entered with the Company.

**RESOLVED FURTHER THAT** approval of the the Board be and is hereby accorded for payment of maximum remuneration of INR 2,50,000/- (Indian Rupees Two Lakh Fifty Thousands Only) per month including in the event of loss or inadequacy of profits in any financial year during the tenure of appointment of Mr. Sanjay Shyamsunder Gadodia (DIN No: 00203433), as a Whole Time Director and Chief Executive Officer of the Company with liberty to the Board / Nomination and Remuneration Committee to alter and vary the terms and conditions of the said appointment and remuneration payable per annum within the Maximum Limits as approved.

**RESOLVED FURTHER THAT** any of the Directors of the Company and/or the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto.”

By order of the Board of Directors  
**For Spenta International Limited**

Sd/-  
**Sudhir Kumar**  
**Company Secretary and Compliance Officer**  
**(ACS: 71594)**

Place: Palghar  
Date: 05<sup>th</sup> August, 2024

**NOTES:**

1. In view of the massive outbreak of Covid-19 pandemic, social distancing is the norm to be followed and pursuant to the Ministry of Corporate Affairs ("MCA") vide its Circular No. 20/2020 dated May 05, 2020 read with Circular No. 14/2020 dated April 08, 2020 and Circular No.17/2020 dated April 13, 2020 and Circular No. 02/2021 dated January 13, 2021 and Circular No. 21/2021 dated December 14, 2021 and Circular No. 2/2022 dated May 05, 2022 and all other relevant circulars issued from time to time (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular number SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 (collectively referred to as "SEBI Circulars") permitted the holding of the Annual General Meeting ("the Meeting") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), MCA Circulars and SEBI Circulars, the Meeting of the Company is being held through VC / OAVM.

For this purpose, necessary arrangements have been made by the Company with Link Intime India Private Limited ("LI IPL") and instructions for the process to be followed for attending and participating in the ensuing AGM through VC / OAVM is forming part of this Notice.

2. The statement pursuant to section 102(1) of the Act ("Explanatory Statement") relating to the Item No. 4 (special business) to be transacted at the meeting is annexed hereto.
3. Pursuant to MCA Circulars and SEBI Circulars, the AGM will be held through VC/OAVM and a Member entitled to attend and vote at the Meeting through Electronic Mode, the physical attendance of Members in any case has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Attendance Slip and Proxy Form are not annexed to this Notice.
4. Pursuant to Section 113 of the Act representatives of Corporate Members may be appointed for the purpose of voting through remote e-voting or for participation and voting in the Meeting to be conducted through VC/OAVM.
5. Corporate Members intending to attend the Meeting through their authorised representatives are requested to send a Certified True Copy of the Board Resolution and Power of Attorney, (PDF/JPG Format) if any, authorizing its representative to attend and vote on their behalf at the Meeting. The said Resolution/Authorisation shall be sent to the Company by email through its registered email address, to [cs@spentasocks.com](mailto:cs@spentasocks.com).
6. In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the Meeting along with the Annual Report for financial year 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report for financial year 2023-24 will also be available on website of the Company, i.e. <http://www.spentasocks.com>, website of the Stock Exchange i.e. BSE Limited and at [www.bseindia.com](http://www.bseindia.com)
7. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No. 31.
8. Members attending the Meeting through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. Relevant documents referred to in the accompanying Notice and the Explanatory Statement, Registers and all other documents will be available for inspection in electronic mode. Members can inspect the same by sending an email to the Company at [cs@spentasocks.com](mailto:cs@spentasocks.com).
10. Notice is also given under Section 91 of the Act read with Regulation 42 of the Listing Regulations, that the Register of Members and the Share Transfer Book of the Company will remain closed from Wednesday, 18<sup>th</sup> September, 2024 to Tuesday, 24<sup>th</sup> September, 2024 (both days inclusive).
11. Members are requested to intimate changes, if any, pertaining to their name, postal address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, to their Depository Participants ("DPs") in case the shares are held by them in dematerialized form and to the Registrar and Share Transfer Agents of the Company i.e. Link Intime India Private Limited, in case the shares are held by them in physical form.



12. The Company has designated an exclusive email id called [cs@spentasocks.com](mailto:cs@spentasocks.com) to redress Members' complaints/ grievances. In case you have any queries/complaints or grievances, then please write to us at [cs@spentasocks.com](mailto:cs@spentasocks.com).
13. Members holding equity shares of the Company as on cut-off date i.e. Tuesday, 17<sup>th</sup> September, 2024 and who would like to express their views or ask questions/queries during the AGM with regard to the Financial Statements or any other agenda item to be placed at the AGM, need to register themselves as a Speaker Shareholder by sending written request from their registered e-mail address mentioning their name, DP ID and Client ID number/ folio number and mobile number, to the Company's email id at [cs@spentasocks.com](mailto:cs@spentasocks.com) at least 5 days before the AGM i.e. by Friday, 20<sup>th</sup> September, 2024 3:30 p.m. (IST). Only those Members who have registered themselves as a Speaker will be allowed to speak/ express their views or ask questions/queries during the AGM. The Company reserves the right to restrict the number of speakers and time allotted to speak, as appropriate depending on the availability of time at the AGM for smooth conduct thereof.

**14. Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF):**

Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) consecutive years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") as amended to date, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

It is in the Members' interest to claim any un-encashed dividends and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to the Members' account on time.

Members who have not yet encashed the dividend warrants, from the Financial Year ended 31<sup>st</sup> March, 2017 onwards are requested to forward their claims to the Company's Registrar and Share Transfer Agents. Members are requested to contact the Company's Registrar and Share Transfer Agent at the following address, to claim the unclaimed/ unpaid dividends:

**Link Intime India Private Limited - (Share Transfer Agent)**

C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai - 400083

Tel: +91 22 49186000

Fax: +91 22 49186060

Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

Website: <https://www.linkintime.co.in>

15. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the Meeting.
16. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participant in case the shares are held in electronic form and to M/s. Link Intime India Private Limited, in case the shares are held in physical form.
17. Share transfer documents and all correspondence relating thereto, should be addressed to the Link Intime India Private Limited, at C 101, 247 Park, LBS Rd, Surya Nagar, Gandhi Nagar, Vikhroli West, Mumbai, Maharashtra - 400083 or at their designated email id i.e. [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
18. The Company, consequent upon introduction of the Depository System ("DS"), entered into agreements with National Securities Depository Limited ("NSDL") and CDSL. The Members, therefore, have the option of holding and dealing in the shares of the Company in dematerialised form through NSDL or CDSL.
19. The DS envisages elimination of several problems involved in the scrip-based system such as bad deliveries, fraudulent transfers, mutilation of share certificates etc. Simultaneously, DS offers several advantages like exemption from stamp duty on transfer of shares, elimination of concept of market lot, elimination of bad deliveries, reduction in transaction costs, improved liquidity, etc.
20. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified.

21. SEBI has mandated the submission of PAN by every participant of the securities market. Members holding shares in dematerialized form are, therefore, requested to submit their PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company Link Intime India Private Limited.
22. As mandated by SEBI, effective April 01, 2019 except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized mode with a depository. Accordingly, the Members of the Company were requested to open a demat account and submit physical securities to their DPs.
23. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risk associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents - M/s. Link Intime India Private Limited for assistance in this regard.
24. Pursuant to Section 72 of the Act, 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 Link Intime India Private Limited. 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 Link Intime India Private Limited. These forms will be made available on request, alternatively, member can also get in touch with Link Intime India Private Limited through their email id - [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
25. Since the Meeting will be held through VC/ OAVM, the Route Map and Attendance Slip are not annexed to this Notice.
26. The facility for voting through E-voting on the Resolutions shall be made available during the course of AGM for those who have not voted previously.
27. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the request of shareholders through E-mail at [cs@spentasocks.com](mailto:cs@spentasocks.com).

**28. Update KYC Details:**

In order to ensure that all communications and monetary benefits are received promptly by all Shareholders holding shares in physical form, the Company advises such shareholders to notify to the Company, any change in their address/ bank details/ email id etc. under the signatures of sole/ first named joint holder along with relevant supporting documents by using the KYC Forms.

SEBI vide its Circular dated 20th April, 2018 had also greatly emphasized on collection of the Bank Account details and the PAN details of the shareholders in order to enable Companies/RTA to raise standards and provide improved services to the Shareholders.

(Pursuant to the SEBI Circular dated November 03, 2021 and December 14, 2021, it is mandatory for every shareholder to update KYC i.e. Name, PAN, Email id, Address and Nomination.

**29. Update E-mails for receiving notice/ documents in e-mode:**

The shareholders who have not registered their email addresses are requested to kindly register their e-mail addresses so as to enable the Company to better service shareholder correspondence through e-mode.

In case of shares held in Physical mode: The shareholder may send a request quoting its Folio No. to RTA by email at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

In case of shares held in Demat mode: The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

In line with the General Circular No. 20/2020 dated May 05, 2020 read with Circular No. 14/2020 dated April 08, 2020 and Circular No.17/2020 dated April 13, 2020 and Circular No. 02/2021 dated January 13,

2021 and Circular No. 21/2021 dated December 14, 2021 and Circular No. 2/2022 dated May 05, 2022, 10/2022 dated December 28, 2022 issued by the Ministry of Corporate Affairs, your Company is sending the Notice calling the AGM along with the Annual Report to the shareholders in electronic mode at their email addresses.

**30. Encash Past Dividend Promptly:**

The shareholders are advised to encash their dividend declared in prior years which remains not encashed promptly and revalidate the same before losing right to claim dividend owing to transfer of unclaimed dividends beyond seven years to the Investor Education and Protection Fund.

**31. Information and other instructions relating to e-voting and joining the AGM are as under:**

- a) In compliance with the provisions of section 108 of the Act read with the Rule 20 of the Companies (Management and Administration) Rules, 2014 Regulation 44 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, members are provided with the facility to cast their votes electronically. The Company has made necessary arrangement with Link Intime India Private Limited, to facilitate the members to cast their votes electronically.
- b) The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. Tuesday, 17<sup>th</sup> September, 2024, may cast their vote electronically. The e-voting period will commence from Saturday, 21<sup>st</sup> September, 2024 at 09:00 a.m. (IST) and will end at 05:00 p.m. (IST) on Monday, 23<sup>rd</sup> September, 2024. 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 cutoff date, being Tuesday, 17<sup>th</sup> September, 2024.
- c) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member/beneficial owner (in case of electronic shareholding) as on the cut-off date, i.e., Tuesday, 17<sup>th</sup> September, 2024. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
- d) A person, whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e Tuesday, 17<sup>th</sup> September, 2024, only shall be entitled to avail the facility of e-voting.
- e) Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
- f) Members who are holding shares in physical form or who have not registered their email address with the Company/Depository or any person who acquires shares of the Company and becomes a Member of the Company after the Notice has been sent electronically by the Company, and holds shares as of the cut-off date, i.e. Tuesday, 17<sup>th</sup> September, 2024; such Member may obtain the User ID and password by sending a request at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) However, if a member is already registered with CDSL for e-voting then existing User ID and password can be used for casting vote.
- g) The Board of Directors of the Company has appointed Mr. Hemant Shetye, Partner of M/s. HSPN & Associates LLP (membership no. 2827, COP: 1483) of Mumbai as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- h) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e voting and make, not later than 2 working days of conclusion of the AGM prepare a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing.

The Scrutinizer will submit his report to the Chairman. The result of the voting on the Resolutions shall be announced by the Chairman or any other person authorized by him immediately after the results are declared.

Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting, i.e. 24<sup>th</sup> September, 2024.

The results declared along with the Scrutinizer's Report, will be placed on the website of the Company [www.spentasocks.com](http://www.spentasocks.com). The Result will also be communicated to the Stock Exchange i.e., BSE Limited.

**Remote e-Voting Instructions for shareholders:**

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

**Login method for Individual shareholders holding securities in demat mode is given below:****Individual Shareholders holding securities in demat mode with NSDL:****METHOD 1 - If registered with NSDL IDeAS facility****Users who have registered for NSDL IDeAS facility:**

- a) Visit URL: <https://eservices.nsdl.com> and click on "Beneficial Owner" icon under "Login".
- b) Enter user id and password. Post successful authentication, click on "Access to e-voting".
- c) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

**OR****User not registered for IDeAS facility:**

- a) To register, visit URL: <https://eservices.nsdl.com> and select "Register Online for IDeAS Portal" or click on <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided with Login ID and password.
- d) After successful login, click on "Access to e-voting".
- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

**METHOD 2 - By directly visiting the e-voting website of NSDL:**

- a) Visit URL: <https://www.evoting.nsdl.com/>
- b) Click on the "Login" tab available under 'Shareholder/Member' section.
- c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- d) Post successful authentication, you will be re-directed to NSDL depository website wherein you can see "Access to e-voting".
- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

**Individual Shareholders holding securities in demat mode with CDSL:****METHOD 1 – From Easi/Easiest****Users who have registered/ opted for Easi/Easiest**

- a) Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or [www.cdslindia.com](http://www.cdslindia.com).
- b) Click on New System Myeasi
- c) Login with user id and password
- d) After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period.
- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

**OR****Users not registered for Easi/Easiest**

- a) To register, visit URL: <https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration> / <https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration>
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided Login ID and password.
- d) After successful login, user able to see e-voting menu.
- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

**METHOD 2 - By directly visiting the e-voting website of CDSL.**

- a) Visit URL: <https://www.cdslindia.com/>
- b) Go to e-voting tab.

- c) Enter Demat Account Number (BO ID) and PAN No. and click on "Submit".
- d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- e) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

**Individual Shareholders holding securities in demat mode with Depository Participant:**

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility.

- a) Login to DP website
- b) After Successful login, members shall navigate through "e-voting" tab under Stocks option.
- c) Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.
- d) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

**Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:**

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Visit URL: <https://instavote.linkintime.co.in>
2. Click on "**Sign Up**" under '**SHARE HOLDER**' tab and register with your following details: -

**A. User ID:**

Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

**B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

**C. DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

**D. Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

*\*Shareholders holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*

*\*Shareholders holding shares in **NSDL form**, shall provide 'D' above*

▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter).

▶ Click "confirm" (Your password is now generated).

3. Click on 'Login' under '**SHARE HOLDER**' tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on '**Submit**'.

**Cast your vote electronically:**

1. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).

4. After selecting the desired option i.e. Favour / Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your vote, click on 'No' and accordingly modify your vote.

**Guidelines for Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund"):****STEP 1 – Registration**

- a) Visit URL: <https://instavote.linkintime.co.in>
- b) Click on Sign up under "Corporate Body/ Custodian/Mutual Fund"
- c) Fill up your entity details and submit the form.
- d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to [insta.vote@linkintime.co.in](mailto:insta.vote@linkintime.co.in).
- e) Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.
- f) While first login, entity will be directed to change the password and login process is completed.

**STEP 2 –Investor Mapping**

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on "Investor Mapping" tab under the Menu Section
- c) Map the Investor with the following details:
  - a. 'Investor ID' -
    - i. *Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678*
    - ii. *Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.*
  - b. 'Investor's Name - Enter full name of the entity.
  - c. 'Investor PAN' - Enter your 10-digit PAN issued by Income Tax Department.
  - d. 'Power of Attorney' - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.
- d) Click on Submit button and investor will be mapped now.
- e) The same can be viewed under the "Report Section".

**STEP 3 – Voting through remote e-voting.**

The corporate shareholder can vote by two methods, once remote e-voting is activated:

**METHOD 1 - VOTES ENTRY**

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on 'Votes Entry' tab under the Menu section.
- c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote evoting.
- d) Enter '16-digit Demat Account No.' for which you want to cast vote.
- e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).
- f) After selecting the desired option i.e., Favour / Against, click on 'Submit'.
- g) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

**OR****VOTES UPLOAD:**

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) You will be able to see the notification for e-voting in inbox.
- c) Select '**View**' icon for **SPENTA INTERNATIONAL LIMITED / Event number '240503'**. E-voting page will appear.
- d) Download sample vote file from 'Download Sample Vote File' option.
- e) Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.
- f) Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

**Helpdesk:**

**Helpdesk for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode:**

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 – 4918 6000.

**Helpdesk for Individual Shareholders holding securities in demat mode:**

Individual Shareholders holding securities in demat mode may contact the respective helpdesk 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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

**Forgot Password:**

**Individual shareholders holding securities in physical form has forgotten the password:**

If an Individual shareholders holding securities in physical form has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- o Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

*In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%\*), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

User ID for Shareholders holding shares in NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID

User ID for Shareholders holding shares in CDSL demat account is 16 Digit Beneficiary ID.

**Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund") has forgotten the password:**

If a Non-Individual Shareholders holding securities in demat mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- o Click on 'Login' under 'Corporate Body/ Custodian/Mutual Fund' tab and further Click 'forgot password?'
- o Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

*In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%\*), at least one numeral, at least one alphabet and at least one capital letter.*

**Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:**

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
  - During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

**Process and manner for attending the General Meeting through InstaMeet:**

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in> & Click on "Login".

- ▶ Select the "Company" and 'Event Date' and register with your following details: -
  - A. Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
    - Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
    - Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
    - Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company
  - B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
  - C. Mobile No.:** Enter your mobile number.
  - D. Email ID:** Enter your email id, as recorded with your DP/Company.
- ▶ Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

**Instructions for Shareholders/ Members to Speak during the General Meeting through InstaMeet:**

1. Shareholders who would like to speak during the meeting must register their request with the company.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

**Instructions for Shareholders/ Members to Vote during the General Meeting through InstaMeet:**

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.





## **Spenta International Limited**

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.

**EXPLANATORY STATEMENT**
**(Pursuant to Section 102 of the Companies Act, 2013)**

The following Explanatory Statement, as required under Section 102 of the Companies Act, 2013, set out all material facts relating to the business under Item No. 3 and 4 of the accompanying Notice dated August 28, 2024.

**Item No. 3**

This explanatory statement is in terms of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), however, the same is strictly not required as per Section 102 of the Act.

The Members at the thirty-second Annual General Meeting ("AGM") of the Company held on September 30, 2019, had approved the appointment of M/s. A K Kocchar & Associates, Chartered Accountants, Mumbai, with (Firm Registration No.: 120410W), as Statutory Auditors of the Company, to hold office till the conclusion of the thirty-seventh AGM.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company has, based on the recommendation of the Audit Committee, at its meeting held on Monday, August 05, 2024, proposed the Re-appointment of M/s. A K Kocchar & Associates, Chartered Accountants, Mumbai, with (Firm Registration No.: 120410W), as the Statutory Auditors of the Company, for a term of five consecutive years from the conclusion of thirty -seventh AGM till the conclusion of Forty-second AGM of the Company to be held in the year 2029. M/s. A K Kocchar & Associates, have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

The proposed remuneration to be paid to Auditors for the Financial Year 2024-25 is Rs. 2,50,000 p.a. (Rupees Two Lakh Fifty Thousands Only). The said remuneration excludes applicable taxes and out of pocket expenses. The remuneration for the subsequent year(s) of their term shall be fixed by the Board of Directors of the Company based on the recommendation of the Audit Committee.

**RE-APPOINTMENT OF STATUTORY AUDITORS OF THE COMPANY:**

Information as required under Regulation 36(3) of the Listing Regulations and SS-2 issued by the Institute of Company Secretaries of India is as follows:

<b>Particulars</b>	<b>Details</b>
<b>Reason for change viz. appointment, reappointment, resignation, removal, death or otherwise.</b>	Re-appointment.
<b>Date of appointment &amp; term of appointment.</b>	05 <sup>th</sup> August, 2024  M/s. A K Kocchar & Associates, Chartered Accountant, (FRN 120410W) is re-appointed as a Statutory Auditors of the Company w.e.f. 24 <sup>th</sup> September, 2024 for a tenure of 5 (Five) years effective from AGM 2024-2025 up to AGM 2028-2029.
<b>Brief profile (in case of appointment);</b>	M/s. A K Kocchar & Associates is a firm of Chartered Accountants, registered with ICAI since 05/09/2000 having an experience of almost 23 years. The firm is engaged in providing services such as Accounting Services, Audit and assurance Services, Tax Services, Company Law Matters and Management Consultancy.
<b>Disclosure of Relationships between Directors inter-se.</b>	Not related to any Directors/ Key Managerial Personnel of the Company.
<b>Proposed fees payable to the statutory auditor(s) along with terms of appointment</b>	Rs. 2,50,000 p.a. (Rupees Two Lakh Fifty Thousands Only) excludes applicable taxes and out of pocket expenses. The remuneration for the subsequent year(s) of their term shall be fixed by the Board of Directors of the Company based on the recommendation of the Audit Committee.
<b>Basis of recommendation for appointment including the details</b>	The Audit Committee has recommended to the Board for the proposed re-appointment of statutory auditors at a meeting

<p><b>in relation to and credentials of the statutory auditor(s) proposed to be appointed</b></p>	<p>held as on August 05, 2024 on the basis of the knowledge and experience in Accounting Services, Audit and assurance Services, Tax Services, Company Law Matters and Management Consultancy. Also the Management has received the Consent and the eligibility Certificate pertaining to the proposed statutory auditors received to the Company in advance as on July 30, 2024.</p>
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The Board recommends the **Ordinary Resolution** set out at Item No. 4 of the Notice for approval by the Members.

None of the Directors and Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise in the Resolution set out at Item No. 3 of the Notice

**Item No. 4**

At the Thirty-Fourth AGM of the Company held on September 27, 2021 a Special Resolution was passed approving re-appointment of Mr. Sanjay Shyamsunder Gadodia as the Whole Time Director for a period of 3 years w.e.f. July 1, 2021 to June 30, 2024.

The term of office of Mr. Sanjay Shyamsunder Gadodia, Whole Time Director and Chief Executive Officer of the Company has expired on 30<sup>th</sup> June, 2024. Accordingly, the Board of Directors of the Company, on the recommendation of Nomination and Remuneration Committee, re-appointed and subject to shareholders' approval, in their meeting held on 28<sup>th</sup> June, 2024 re-appointed Mr. Sanjay Shyamsunder Gadodia (DIN: 00203433) as Whole Time Director and Chief Executive Officer of the Company for the period of 3 (Three) years with effect from 1<sup>st</sup> July, 2024. The remuneration of Mr. Sanjay Shyamsunder Gadodia (DIN: 00203433) as Whole Time Director and Chief Executive Officer, shall comprise of salary, perquisites, other benefits & allowances as mentioned below:

- I. Salary: Rs. 2,50,000/- p.m. (Rupees Two Lakh Fifty Thousands Only) & the Board of Directors be authorized to determine the salary and grant such increases from time to time within the limits specified as per the Act.
- II. Minimum remuneration: In the absence of inadequacy of profits in any financial year, (a) subject to the approval of the necessary authorities, the remuneration payable to Mr. Sanjay Shyamsunder Gadodia by way of salary and perquisites shall be the maximum amount permitted as per Schedule V, as amended from time to time or as approved by the shareholders in the General Meeting.
- III. Perquisites: Mr. Sanjay Shyamsunder Gadodia as a Whole Time Director will be entitled for following perquisites, which shall not be part of the ceiling of remuneration.
  - a) Contribution to provident Fund, Superannuation Fund or Annuity Fund to the extent such contribution either singly or put together are not taxable under the Income Tax Act, 1961.
  - b) Gratuity: as per the rules of the Company, payable in accordance with the approved Gratuity Fund and which shall not exceed half a month's salary for each completed year of service.
  - c) Children's education allowance: In case of children studying in or outside India, an allowance limited to a maximum of Rs. 12,000/- per month per child or actual expenses incurred, whichever is less such allowance is admissible up to a maximum of two children.
  - d) Holiday passage for children studying outside India/family staying abroad: Return holiday passage once in a year by economy class or once in two years by first class to children and to the members of the family from the place of their study or stay abroad India if they are not residing in India with the managerial person.
  - e) Leave travel concession: Return passage for self and family in accordance with the rules specified by the Company where it is proposed that the leave be spent in home country instead of anywhere in India.
- IV. Salary and perquisites specified herein shall be payable to the Whole Time Director notwithstanding the inadequacy or no profits in any financial year during the currency of tenure of his office as such.

- V. The Whole Time Director shall not be paid any sitting fee for attending the meetings of the Board of Directors or committee thereof.
- VI. The terms and conditions of the said appointment and/or may be altered and varied from time to time by the board as it may, in its discretion, deem fit so as not to exceed the limits specified in the Act, or any amendment hereafter in that regard.
- VII. The Whole Time Director shall not become interested or otherwise concerned directly or through his wife or minor children in any selling agency of the Company as per the provisions of the Law in force as applicable to the Company.
- VIII. The Whole Time Director shall not be paid any sitting fees for attending the meeting of the Board of Directors or committee thereof from the date of his appointment however he shall be entitled to reimbursement of expenses in connection with the business of the company.
- IX. Subject to the provisions of the Act, Director shall not while he continues to hold office of the Whole Time Director be subject to retirement by rotation and he shall not be reckoned as a Director for the purpose of determining the rotation or retirement of the Director or in fixing the number of Directors to retire, but he shall ipso facto and immediately cease to be the Whole Time Director if he ceases to hold office of Director for any cause.
- X. The Whole Time Director shall not during the continuance of his employment or at any time thereafter divulge or disclose to any person whatsoever or make any use whatever for his own or for whatever purpose, of any confidential information or knowledge obtained by him during his employment as to the business or affairs of the company and the Whole Time Director shall during the continuance of his employment hereunder also use his best endeavors to prevent any other person from doing so.

Mr. Sanjay Shyamsunder Gadodia is interested in the resolution set out at item No. 3 of the Notice as it pertains to his re-appointment as Wholetime Director of the Company.

Information as required under Regulation 36(3) of the Listing Regulations and SS-2 issued by the Institute of Company Secretaries of India, is as follows:

<b>Name of Director</b>	Mr. Sanjay Shyamsunder Gadodia
Director Identification Number (DIN)	00203433
Date of birth	11 December 1964
Age	60 Years
Nationality	Indian
Qualifications	Bachelor's degree in Commerce
Date of first Appointment on the Board	10th April, 1992
Tenure with the Company	32 years
Nature of his expertise in specific functional areas;	Mr. Sanjay Shyamsunder Gadodia, Whole time Director of the Company, joined his family business of Textiles in 1981 and handled their power looms in Bhiwandi for a career spanning 12 years. His acumen and vast experience in Textile industry brings to Spenta good management systems that are essential for maintaining overall good practices. He is supported by well trained personnel in various areas. His ability to handle Production, Labour and Legal aspects of the company comes from the vast experience gathered in textile industry.
Relationships between Directors inter-se	None
List of the directorships held in other listed companies	None
Number of board Meetings attended during the year	9
Chairman/ Member in the Committees of the Boards of companies in which he is Director	None
Number of Shares held in the Company as on March 31, 2024	6,43,133 shares
Remuneration details	Proposed remuneration – Rs 2,50,000/- p.m.



## Spenta International Limited

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the aforementioned resolution.

The Board recommends the **Special Resolution** set out at Item No. 4 of the Notice for approval by the members.

By order of the Board of Directors  
**For Spenta International Limited**

**Registered Office:**

Plot No. 13 to 16,  
Dewan Industrial Estate,  
Village Navali,  
Palghar (West) - 401 404  
Email: [cs@spentasocks.com](mailto:cs@spentasocks.com)  
Website: [www.spentasocks.com](http://www.spentasocks.com)

Sd/-  
**Sudhir Kumar**  
Company Secretary & Compliance Officer  
ACS: 71594

Place: Palghar  
Date: 05th August, 2024

**Annexure to the Explanatory Statement**

**Item No. 3**

**Disclosure with respect to Re-appointment of Statutory Auditors under Regulation 30(A) and 36(5) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and amended from time to time read with Para A (7) of Part A of Schedule III of the Listing Regulations and SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13<sup>th</sup> July, 2023 and**

**RE-APPOINTMENT OF STATUTORY AUDITORS OF THE COMPANY:**

<b>Particulars</b>	<b>Details</b>
<b>Reason for change viz. appointment, reappointment, resignation, removal, death or otherwise.</b>	Re-appointment.
<b>Date of appointment &amp; term of appointment.</b>	05 <sup>th</sup> August, 2024  M/s. A K Kocchar & Associates, Chartered Accountant, (FRN 120410W) is re-appointed as a Statutory Auditors of the Company w.e.f. 24 <sup>th</sup> September, 2024 for a tenure of 5 (Five) years effective from AGM 2024-2025 up to AGM 2028-2029.
<b>Brief profile (in case of appointment);</b>	M/s. A K Kocchar & Associates is a firm of Chartered Accountants, registered with ICAI since 05/09/2000 having an experience of almost 23 years. The firm is engaged in providing services such as Accounting Services, Audit and assurance Services, Tax Services, Company Law Matters and Management Consultancy.
<b>Disclosure of Relationships between Directors inter-se.</b>	Not related to any Directors/ Key Managerial Personnel of the Company.
<b>Proposed fees payable to the statutory auditor(s) along with terms of appointment</b>	Rs. 2,50,000 p.a. (Rupees Two Lakhs Fifty Thooousands Only) excludes applicable taxes and out of pocket expenses. The remuneration for the subsequent year(s) of their term shall be fixed by the Board of Directors of the Company based on the recommendation of the Audit Committee.
<b>Basis of recommendation for appointment including the details in relation to and credentials of the statutory auditor(s) proposed to be appointed</b>	The Audit Committee has recommended to the Board for the proposed re-appointment of statutory auditors at a meeting held as on August 05, 2024 on the basis of the knowledge and experience in Accounting Services, Audit and assurance Services, Tax Services, Company Law Matters and Management Consultancy. Also the Management has received the Consent and the eligibility Certificate pertaining to the proposed statutory auditors received to the Company in advance as on July 30, 2024.

**Item No. 4**

**Details of Directors appointment/re-appointment/retiring by rotation, as required to be provided pursuant to the provisions of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India and approved by the Central Government are provided herein below:**

**I. INFORMATION ABOUT THE APPOINTEE**

Information as required under Section II of Part II of Schedule V of the Companies Act, 2013 and forming part of the explanatory statement to the Notice convening the Annual General Meeting.

**I. GENERAL INFORMATION**

- Nature of Industry: The Company is engaged in the Business of designing, manufacturing and exporting cotton socks for men, women and children of all ages.
- The Company was incorporated on 25 July, 1986.

- Financial Performance based on given indicators:-

Particulars	Rs. In Lakhs	
	31.03.2024	31.03.2023
Total Revenue	3514.68	5359.33
Less: Expenses	3368.70	5231.41
Profit / (loss) before tax	145.98	127.92
Less – Tax Expense	35.86	13.32
Profit / (Loss) after Tax	110.12	114.60

**II. GENERAL INFORMATION ABOUT THE APPOINTEE**

<b>Name of the Director</b>	<b>Mr. Sanjay Shyamsunder Gadodia</b>
Designation	Whole Time Director
Age	60 Years
Date of first appointment	10th April, 1992
Qualification	Bachelor's degree in Commerce
Expertise in specific area	Mr. Sanjay Shyamsunder Gadodia, Whole time Director of the Company, joined his family business of Textiles in 1981 and handled their power looms in Bhiwandi for a career spanning 12 years. His acumen and vast experience in Textile industry brings to Spenta good management systems that are essential for maintaining overall good practices. He is supported by well trained personnel in various areas. His ability to handle Production, Labour and Legal aspects of the company comes from the vast experience gathered in textile industry.
Recognition and Awards	Nil
Pecuniary relationship with other Director and Key Managerial Personnel of the Company	Not related to any Director/ Key Managerial Personnel's.
Director in other Listed Companies	No
Chairman / Member of Committee of the Board of other Listed Companies	Nil
Number of meeting of the Board attended during the F.Y. 2023-24	9 Meetings
Remuneration last drawn for the Financial Year ended 31 <sup>st</sup> March, 2024 (including sitting fees in Rs.)	Rs. 2.50 Lakhs per month
Remuneration proposed	The proposed remuneration is 2.50 Lakhs per month pursuant to provision of Companies Act, 2013 read with rules made thereunder and Schedule V of the Act.
Shares held in the Company as on date of Notice	6,43,133

By order of the Board of Directors  
**For Spenta International Limited**

**Registered Office:**

Plot No. 13 to 16,  
Dewan Industrial Estate,  
Village Navali,  
Palghar (West) - 401 404  
Email: [cs@spentasocks.com](mailto:cs@spentasocks.com)  
Website: [www.spentasocks.com](http://www.spentasocks.com)

Sd/-  
**Sudhir Kumar**  
Company Secretary & Compliance Officer  
(ACS: 71594)

Place: Palghar  
Date: 05th August, 2024

**DIRECTOR'S REPORT**

To,  
The Members,  
**Spenta International Limited**

Your Directors have great pleasure in presenting 37<sup>th</sup> Annual Report along with the Audited Balance Sheet and Profit and Loss Account, for the year ended 31<sup>st</sup> March, 2024.

**1. Financial Results**

The Company's performance during the year ended 31<sup>st</sup> March, 2024 as compared to the previous financial year, is summarized below:

Particulars	(Rs. in Lacs)	
	FY 2023-2024	FY 2022-2023
Total Income	3514.68	5359.33
Gross Profit (before Interest, Depreciation and tax)	423.72	405.57
Less: Interest	182.83	167.27
Less: Depreciation	94.91	110.38
Profit before Tax	145.98	127.92
Less: Current Tax	41.00	22.00
Less: Deferred Tax	-5.14	-8.68
Net Profit after tax	110.12	114.60
Less: Other Comprehensive Income	8.76	0.98
<b>Total Comprehensive Income</b>	<b>101.36</b>	<b>113.62</b>

**2. Dividend and Transfer to Reserves**

The Board has recommended a final Dividend of Rs. 1.00/- per equity share for the financial year ended 31<sup>st</sup> March, 2024. If the above recommendation is accepted by the Members of the Company at the ensuing Annual General Meeting, the total outflow on this account will be Rs. 27.64 Lacs.

Your Directors do not propose to transfer any amounts to the general reserves of the Company, instead have recommended retaining the entire profits for the financial year ended 31<sup>st</sup> March, 2024 in the profit and loss account.

**3. Future Prospects**

Company is in the process of optimising production on all the existing machines by manufacturing optimal product mix. Using better quality yarns and doing product innovation by using different finishes, which will enhance the overall quality and help to improve our margins.

**4. The Change in the Nature of Business, if any**

There was no change in the nature of business of the Company, during the year under review.

**5. Material changes and commitments affecting the Financial position of the Company:**

There were no material changes and commitments affecting the financial position of the Company between the end of the financial year of the Company to which the financial statements relate and the date of the report.

**6. Directors and Key Managerial Personnel**

During period under review, there were no changes took place in the Board Composition.

Mrs. Mamata Bajaj (ACS: 36682) acts as Compliance Officer of the Company for a period of May 15, 2023 to July 06, 2023 in the Financial Year 2023-2024 and ceased to be the Company Secretary and Compliance Officer pursuant to his resignation with effect from close of business hours on 06<sup>th</sup> July, 2023.

Mr. Sudhir Kumar (ACS: 71594) appointed and acts as Company Secretary and Compliance Officer with effect from October 06<sup>th</sup>, 2023 onwards in the Financial Year 2023-2024.



**7. Cash Flow and Standalone Financial Statements**

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

**8. Transfer of Unclaimed Dividend to Investor Education and Protection Fund**

During the Year, Unclaimed Dividend for FY 2015-16 amounting to Rs. 130,000/- (One Lakh Thirty Thousands only) has been transferred to the Investor Education Fund in terms of Section 125 of the Companies Act, 2013.

**9. Number of Board Meetings**

During the financial year under review, the Board had met Nine times on 15<sup>th</sup> May, 2023, 26<sup>th</sup> May, 2023, 07<sup>th</sup> July, 2023, 10<sup>th</sup> August, 2023, 06<sup>th</sup> October, 2023, 11<sup>th</sup> October, 2023, 07<sup>th</sup> November, 2023, 18<sup>th</sup> January, 2024, and 22<sup>nd</sup> March, 2024 respectively.

The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**10. 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.

The NRC has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178(3) of the Act and the SEBI Listing Regulations. The relevant information has been given in **Annexure D** which forms part of this Report. The policy on Company's Remuneration and Nomination is posted on Company's website at [www.spentasocks.com](http://www.spentasocks.com) and also annexed hereto as **Annexure E**.

**11. Declaration of Independent Directors**

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

**12. Meeting of Independent Directors**

The Independent Directors met once during the year on 18<sup>th</sup> January, 2024 to review the working of the Company, its Board and Committees. The meeting decided on the process of evaluation of the Board and Audit Committee. It designed the questionnaire on limited parameters and completed the evaluation of the Board by Non-Executive Directors and of the Audit committee by other members of the Board. The same was compiled by Independent authority and informed to the members.

**13. Familiarization Programme for Independent Directors**

The familiarization program aims to provide Independent Directors with the industry scenario, the socio-economic environment in which the Company operates, the business model, the operational and financial performance of the Company, significant developments so as to enable them to take well informed decisions in a timely manner. The familiarization program also seeks to update the Directors on the roles, responsibilities, rights and duties under the Act and other statutes. The policy on Company's familiarization program for Independent Directors is posted on Company's website at <http://www.spentasocks.com>.

**14. 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 on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

**15. Directors Responsibility Statement**

The Board of Directors hereby confirms:

- i) That in the preparation of the annual accounts, the applicable accounting standard had been followed along with proper explanation relating to material departures.
- ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Loss of the Company for that period.
- iii) That the Directors have taken proper and sufficient care for the maintenances of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) That the Directors have prepared the Annual accounts on a going concern basis.
- v) That the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi) That the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating.

**16. Subsidiaries and Associate Companies**

The Company does not have any subsidiaries and associate companies as on 31<sup>st</sup> March, 2024.

**17. Deposits**

Your Company did not accept any deposits from the public during the year. There are no deposits which have not been claimed by depositors or paid by the Company after the date on which the deposit became due for repayment or renewal, as the case may be, according to the contract with the depositors & there are no total amounts due to the depositors & remaining unclaimed or unpaid.

**18. Auditors****a) Internal Auditors**

As per section 138 of the Companies Act, 2013, the Company has appointed M/s. B. G. Dolar & Co., Internal Auditors for the year 2023-2024 to conduct the internal audit and to ensure adequacy of the Internal controls, adherence to Company's policies and ensure statutory and other compliance through, periodical checks and internal audit.

**b) Statutory Auditors**

The Company at its 32<sup>nd</sup> Annual General Meeting held on 30<sup>th</sup> September, 2019 appointed **M/s. A K Kocchar & Associates**, Chartered Accountants (FRN: 120410W) appointed as Statutory Auditors of the Company for a period of five consecutive years and who shall hold such office from the conclusion of 32<sup>nd</sup> Annual General Meeting till the conclusion of 37<sup>th</sup> Annual General Meeting at such remuneration as may be mutually decided by the auditors and the Board of Directors thereof. Further the ratification of their appointment pursuant to Section 139 of the Companies Act, 2013 is not required in terms of notification no. SO 1833(E) dated 7<sup>th</sup> May, 2018 issued by the Ministry of Corporate Affairs, and accordingly the item has not been included in the Ordinary Course of Business of this AGM Notice Further, they have confirmed that they are not disqualified as auditors of the Company under the

Companies Act, 2013, the Chartered Accountants Act, 1949 and the rules or regulations made thereunder.

Auditors' report is self-explanatory and therefore does not require further comments and explanation.

In Pursuant to the provisions of Section 139(8) and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), **M/s. A K Kocchar & Associates**, Chartered Accountants, (Firm Registration No. 120410W) be and is hereby re-appointed as Statutory Auditors of the Company for a period of five consecutive years and who shall hold such office from the conclusion of 37<sup>th</sup> Annual General Meeting till the conclusion of 42<sup>th</sup> Annual General Meeting at such remuneration as may be mutually decided by the auditors and the Board of Directors thereof.

#### **c) Secretarial Auditors**

The Board has appointed M/s. HSPN & Associates LLP as the Secretarial Auditor of the Company for the financial year 2023-2024 with effect from 01<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2024 consequent to the conversion from Partnership Firm (i.e M/s. HS & Associates, Company Secretaries) to Limited Liability Partnership (i.e M/s. HSPN & Associates LLP).

The secretarial Audit report (MR-3) of M/s. HSPN & Associates LLP for the period 2023-2024 is annexed herewith as **Annexure-F**.

#### **d) Cost Auditors**

As per Section 148 read with Companies (Audit & Auditors) Rules, applicable to cost auditors, the company was not liable to appoint Cost auditors for the financial year 2023-24.

### **19. Comments of the Board on Auditors' Report**

During the reporting period, The Statutory Auditors and the Secretarial Auditors have no observations or qualifications, reservations or adverse remarks or disclaimer made by the Statutory Auditors in respect of financial statements and by the Secretarial Auditors in respect of Secretarial Audit as on and for the year ended 31<sup>st</sup> March, 2024 respectively.

Provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, mandates to obtain Secretarial Audit Report from a Practicing Company Secretary. M/s. HSPN & Associates LLP were appointed to conduct Secretarial Audit and issue Report for the financial year 2023-24.

Secretarial Audit Report issued by M/s. HSPN & Associates LLP in Form MR-3 for the financial year 2023-24 forms part of this report. The Secretarial Audit Report is annexed herewith as **Annexure - F**.

### **20. Whistle Blower Policy/Vigil Mechanism Policy for the Directors and Employees**

The Board of Directors of the Company has, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Whistle Blower Policy" for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc.

The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Audit Committee.

The Whistle Blower Policy is available on the website of the Company at <http://www.spentasocks.com>.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations.

### **21. Reporting of Fraud by Auditors**

During the year under review, the 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.

**22. Annual Return**

Pursuant to provisions of Section 134 read with Section 92(3) of the Companies Act, 2013, as amended, the Annual Return of the Company e-Form MGT-7 for the Financial Year 2023-24 is uploaded on the website of the Company at <http://www.spentasocks.com>

**23. Particulars of Contracts or Arrangements made with Related Parties**

The particulars of contracts or arrangements with related parties referred to in Section 188(1), as prescribed in Form AOC - 2 of the rules prescribed under Chapter IX relating to Accounts of Companies under the Companies Act, 2013, is appended as **Annexure-B**.

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. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website at [www.spentasocks.com](http://www.spentasocks.com).

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

Details of Loans granted, Guarantees given or Investments made during the year under review, covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

**25. Conservation of Energy, Technology & Foreign Exchange**

Information on conservation of energy, technology absorption, foreign exchange earnings and out go, is required to be given pursuant to provision of Section 134 of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed hereto marked as **Annexure-A** and forms part of this report.

**26. Corporate Governance Report**

Report on Corporate Governance and Certificate of Practicing Company Secretary regarding compliance of the Conditions of Corporate Governance as stipulated in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, are enclosed as a separate section and forms part of this report marked as **Annexure-H**.

**27. Particulars of Employees**

The information pursuant to Section 197(12) of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 relating to median employee's remuneration is annexed hereto marked as **Annexure-C** and forms part of this report.

**28. Management's 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 Obligation and Disclosure Requirement) Regulation 2015, is annexed hereto marked **Annexure-G** and forms part of this report.

**29. 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.

**30. Risk Management Policy**

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives and thus in pursuance of the same it has formulated a Risk Management Policy to ensure compliance with regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Major risks identified by the businesses and functions are systematically addressed and also discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. Significant audit observations and follow up actions thereon are reported to the Audit Committee and the risk management policy is available on the website of the company: [www.spentasocks.com](http://www.spentasocks.com).

### **31. 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. However, The BSE had levied penalty of Rs. 5,900 (Five Thousands Nine Hundred only) for one day delay in appointment of Company Secretary and Compliance Office and Rs. 17,700 (Seventeen Thousands Seven Hundred Only) for the non compliance of Regulation 23 (9) of the Listing (Obligation and Disclosure Requirements) Regulations, 2015. The Company has paid the said penalty and made the default good during the reporting period.

### **32. 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 organizational vision is founded on the principles of good governance and delivering leading-edge products backed with dependable after sales services.

### **33. Cautionary Statement**

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operation include global and domestic demand and supply conditions affecting selling prices of Raw Materials, Finished Goods, input availability and prices, changes in government regulations, tax laws, economic developments within and outside the country and various other factors.

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 Obligation and Disclosure Requirement) Regulation 2015, is annexed to this report as **Annexure-G**.

### **34. Annual Evaluation of the performance of the Board, its Committees and of Individual Directors has been made**

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

### **35. Committees of the Board**

During the year, in accordance with the Companies Act, 2013, There are currently three Committees of the Board, as follows:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee

**36. Disclosure under the Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013**

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints, for the benefits of its employees. During the year under review, the Company has adopted a policy on prevention of sexual harassment of women at workplace. The Company has also constituted an Internal Complaints Committee/Anti-Sexual Harassment Committee as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Currently there are 13 women employees' working with the Company and a senior women employee has been designated to receive complaints and report such cases to the Anti-Sexual Harassment Committee in this behalf. During the year under review no complaints were received under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**37. 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 application has been made under Insolvency and Bankruptcy Code: hence requirement to disclose the details of application made or any proceedings pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the Financial Year is not applicable to the Company.

The requirement to disclose the details of difference between amount of valuation done at the time of onetime settlement and valuation done while taking loan from the Banks and Financial Institutions along with the reasons thereof is also not applicable.

**38. Acknowledgements**

Your Directors takes this opportunity to thank the Company's Members, Customers, Vendors and all other Stakeholders for their continued support throughout the financial year. The Directors also thank the Stock Exchange, Banks, Ministry of Corporate Affairs, State Governments, Government of India and all other Government agencies and Regulatory Authorities for the support extended by them and also look forward to their continued support in future.

Your Directors would also like to place on record their sincere thanks & appreciation for their contribution, consistent hard work, dedication and commitment of our employees at all levels for their contribution to the success achieved by the Company.

For and on behalf of the Board of Directors

Sd/-

**Sanjay Gadodia**  
(Chairman & Whole Time Director)  
DIN: 00203433

Sd/-

**Danny Hansotia**  
Managing Director & CFO  
DIN: 00203497

Place: Palghar

Date: 05<sup>th</sup> August, 2024

**Annexure A****DISCLOSURE ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO PROVISIONS OF SECTION 134 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014****A. CONSERVATION OF ENERGY**

- i. The steps taken or impact on conservation of energy:
  - Maintained the power factor in the range of 0.998 to 0.999 throughout the year and got rebate in electricity bills
  - By replacing to energy conservation equipment like air compressor, dryer, and motors for better consumption of electricity.
- ii. The steps taken by the company for utilizing alternate sources of energy – We are in talks for installation solar panels and using solar energy to reduce our electricity consumption.
- iii. The capital investment on energy conservation equipment. - NIL

**B. TECHNOLOGY ABSORPTION**

- i. the efforts made towards technology absorption:
  - a. Installation of ETP plant for treatment and conservation of waste water
  - b. Installation of Metal Detectors in Finishing Line to detect metal contamination in socks
  - c. In house repair of electronic parts in the Knitting machine, thus eliminating need to import spare parts frequently
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution:
  1. Improved safety measures and pollution control
  2. Quality and productivity improvement due to advanced Machinery
  3. Cost Reduction
- iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)
  - a. the details of technology imported - NIL
  - b. the year of import - NIL
  - c. whether the technology been fully absorbed - NIL
  - d. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof - NIL
- iv. the expenditure incurred on Research and Development – Non-Ascertainable

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

(Rs. in Lacs)

Particulars	31/03/2024	31/03/2023
<b>Foreign Exchange Earnings:</b>	328.32	442.18
<b>Foreign Exchange outgo:</b>	5.45	4.16
Travelling	0	0
Advances for Spares and Consumables	0	0.55
Plant and Machinery	0	0
Spares & Consumables	5.45	3.61

**A. POWER & FUEL CONSUMPTION**

Particulars	31.03.2024	31.03.2023
<b>Electricity</b>		
a) Purchased		
Units (in lacs) (in kwh)	16.22	16.23
Amount in Rupees (net of subsidy) (in lacs)	139.84	132.73
Rate per Unit (in rupees)	8.62	8.18

**B. CONSUMPTION PER UNIT OF PRODUCTION**

Particulars	31.03.2024	31.03.2023
	Number of pairs	
Product: Knitted Socks	37,33,455	40,57,964
Electricity (kwh/pair of socks)	0.434	0.400



**Annexure B**

**FORM NO. AOC - 2**

**[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]**

Form for disclosure of particulars of contracts / arrangements entered into by the Company with the related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms-length transactions under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

(a) Name(s) of the related party and nature of relationship	There were no transactions or arrangements which were not at arm's length and which were not in the ordinary course of business during financial year 2023-24.
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts / arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Justification for entering into such contracts or arrangements or transactions	
(f) date(s) of approval by the Board	
(g) Amount paid as advances, if any	
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

**2. Details of contracts or arrangements or transactions at arm's length basis:**

(a) Name(s) of the related party and nature of relationship	There were no material contracts or arrangements with related parties during financial year 2023-24.
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts / arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) ) Date(s) of approval by the Board, if any:	
(f) Amount paid as advances, if any	

For and on behalf of the Board of Directors

**Sd/-**  
**Sanjay Gadodia**  
 (Chairman & Whole Time Director)  
 DIN: 00203433

**Sd/-**  
**Danny Hansotia**  
 Managing Director & CFO  
 DIN: 00203497

Place: Palghar  
 Date: 05<sup>th</sup> August, 2024

**Annexure C**
**INFORMATION PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- a. **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:**

Name of the Directors	Ratio to median Remuneration
<b>Non-executive Directors</b>	
Mrs. Anita koti	0
Mr. Sashikant Newatia	0
Mr. Dilip Pawar	0
<b>Executive Directors</b>	
Mr. Sanjay Gadodia	8.17
Mr. Danny Hansotia	8.17

- b. **The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:**

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in Remuneration in the financial year
Mr. Sanjay Gadodia	--
Mr. Danny Hansotia	--
Mrs. Anita Koti	--
Mr. Sashikant Newatia	--
Mr. Dilip Pawar	--
Mrs. Mamata Bajaj	NA
Mr. Sudhir Kumar	NA

- c. **The percentage increase in the median remuneration of employees in the financial year: 10.0684%**
- d. **The number of permanent employees on the rolls of Company: 75**
- e. **Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The salary increases are a function of various factors like individual performance vis-à-vis industry trends, economic situation, future growth prospects, etc. besides the performance of the Company. There are no exceptional circumstances for increase in the managerial remuneration.

- f. **Affirmation that the remuneration is as per the remuneration policy of the Company:**

It is affirmed that the remuneration paid is as per the Remuneration Policy, applicable for Directors, Key Managerial Personnel and other employees, adopted by the Company. The policy is available on the company's website: [www.spentasocks.com](http://www.spentasocks.com).

## Annexure D

### **CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE OF DIRECTORS**

#### **Definition of Independence**

- A director will be considered as an 'Independent Director' ('ID') if the person meets with the criteria for 'Independent Director' as laid down in the Companies Act, 2013 ('the Act') and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').
- The definition of Independent Director is as provided in the Act and Listing Regulations.
- Current and ex-employees of the Company may be considered as independent only if he/she has or had no pecuniary relationship with the company during the two immediately preceding financial years or during the current financial year.

#### **Qualifications of Directors**

- Boards will ensure that a transparent board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender.
- It is expected that boards have an appropriate blend of functional and industry expertise.
- While recommending appointment of a director, it is expected that the Nomination and Remuneration Committee ('NRC') to consider the manner in which the function and domain expertise of the individual contributes to the overall skill-domain mix of the Board.
- IDs ideally should be thought/practice leaders in their respective functions/domains.

#### **Positive attributes of Directors**

Directors are expected to comply with duties as provided in the Act. For reference, the duties of the Directors as provided by the Act are as follows:

1. Act in accordance with the articles of the company.
2. Act in good faith in order to promote the objects of the company for the benefit of its members as a whole and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment.
3. Exercise duties with due and reasonable care, skill and diligence and exercise independent judgement.
4. Not be involved in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company
5. Not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates.
6. Not assign his office.

Additionally, the Directors on the Board of the Company are also expected to demonstrate high standards of ethical behavior, strong interpersonal and communication skills and soundness of judgement. IDs are also expected to abide by the 'Code for Independent Directors' as outlined in Schedule IV to Section 149(8) of the Act and adopted by the Board. The Code specifies the guidelines of professional conduct, role and function and duties of Independent Directors. The guidelines of professional conduct specified in the Code are as follows:

An Independent Director shall:

1. uphold ethical standards of integrity and probity;
2. act objectively and constructively while exercising his duties;
3. exercise his responsibilities in a bona fide manner in the interest of the company;
4. devote sufficient time and attention to his professional obligations for informed and balanced decision making;
5. not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
6. not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
7. refrain from any action that would lead to loss of his independence;
8. where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
9. assist the company in implementing the best corporate governance practices.

**Annexure E****POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT AND SUCCESSION PLANNING****Appointment and removal of Director, Key Managerial Personnel and Senior Management**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.
- d) Mrs. Mamata Bajaj (ACS: 36682) acts as Compliance Officer of the Company for a period of May 15, 2023 to July 06, 2023 in the Financial Year 2023-2024 and ceased to be the Company Secretary and Compliance Officer pursuant to his resignation with effect from close of business hours on 06<sup>th</sup> July, 2023.
- e) Mr. Sudhir Kumar (ACS: 71594) appointed and acts as Company Secretary and Compliance Officer with effect from October 06<sup>th</sup>, 2023 onwards in the Financial Year 2023-2024.

**Term / Tenure****a) Managing Director/Whole-time Director:**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

**b) Independent Director:**

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

**Evaluation**

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

**Removal**

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

**Retirement**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**Policy for Remuneration to Directors/KMP/Senior Management Personnel****1) Remuneration to Managing Director / Whole-time Directors:**

- a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

**2) Remuneration to Non-Executive / Independent Directors:**

- a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
  - i) The Services are rendered by such Director in his capacity as the professional; and
  - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

**3) Remuneration to Key Managerial Personnel and Senior Management:**

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.
- c) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

**Implementation**

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may Delegate any of its powers to one or more of its members.

**Annexure F****Secretarial Audit Report**

Form No. MR-3

For the financial year ended on 31<sup>st</sup> March, 2024

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

To,  
The Members,  
**SPENTA INTERNATIONAL LIMITED.**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SPENTA INTERNATIONAL 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 our opinion thereon.

Based on our limited verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31<sup>st</sup> March, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers and minute books, Forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2024, to the extent applicable provisions of:

- I. The Companies Act, 2013 ("The Act") and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") 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, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable to the Company during the period under review;**
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable to the Company during the period under review;**
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable to the Company during the period under review;**
  - f) The Securities and Exchange Board of India (Registrars to and Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not Applicable to the Company during the period under review;**
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable to the Company during the period under review; and**

- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable to the Company during the period under review;**

The Management has identified and confirmed the applicable Acts, Laws and Regulations specifically applicable to the Company as mentioned below:

- i) The Environment Protection Act, 1986;
- ii) Air (Prevention and Control of Pollution) Act 1981 and Rules issued by State Pollution Control Board; and
- iii) Water (Prevention and Control of Pollution) Act 1974 and Rules issued by State Pollution Control Board.

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

- i) Secretarial Standards 1 and 2 as issued and revised by the Institute of Company Secretaries of India with effect from 1<sup>st</sup> October, 2017.
- ii) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended and made effective from time to time.

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, and standards as mentioned above.

**We further report that:**

The Board of Directors of the Company have a balance of Executive Directors and Non-Executive Independent Directors.

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

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

We further report that during the audit period:

1. The Company has obtained shareholders' approval at the 36<sup>th</sup> Annual General Meeting of the Company held on Wednesday, 27<sup>th</sup> September, 2023 at 11:30 A.M. for the re-appointment of Mr. Danny Hansotia as Managing Director of the Company w.e.f. December 01<sup>st</sup>, 2023 for a term of Three consecutive years, in terms of Section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013.
2. The Company has confirmed and paid final dividend of Rs. 1.00/- per share for the year ended 31st March, 2023 which was in compliance with provisions of Section 123 of Companies Act, 2013 read with rule 3 of the Companies (Declaration and Payment of Dividend) Rules, 2014.
3. Mrs. Mamta Bajaj (ACS 36682) was appointed as Company Secretary and Compliance Officer w.e.f. Monday, 15<sup>th</sup> May, 2023 who subsequently resigned from the Office w.e.f. Thursday, 06<sup>th</sup> July, 2023. Further, Mr. Sudhir Kumar (ACS 71594) was appointed as Company Secretary and Compliance Officer w.e.f. Friday, 06<sup>th</sup> October, 2024 onwards. The BSE had levied a penalty of Rs. 5,900 (Five Thousands Nine Hundred only) for one day delay in appointment of Company Secretary and Compliance Office. The Company has paid the said penalty and made the default good during the reporting period.
4. During the year under review Company has transferred total number of shares 13,000 (Thirteen Thousands only) of nominal amount of Rs. 1,30,000 (One Lakh Thirty Thousands only) pursuant to section 124(6) of the Companies Act, 2013 to the IEPF Authority as on 24<sup>th</sup> February, 2024 for the Financial Year 2015-16.

5. The BSE levied penalty of Rs. 17,700 (Seventeen Thousands Seven Hundred Only) for the non-compliance of Regulation 23 (9) of the Listing (Obligation and Disclosure Requirements) Regulations, 2015. The Company paid the said penalty and made the default good during the reporting period.

**Date: 05<sup>th</sup> August, 2024**

**Place: Mumbai**

**ICSI UDIN: F002827F000903353**

**Peer Review: 2507/2022**

**For HSPN & ASSOCIATESLLP  
Company Secretaries**

**Sd/-**

**Hemant Shetye  
Designated Partner  
FCS No.: 2827  
CP No.: 1483**



**Annexure to the Secretarial Auditors Report for the financial year ended March 31, 2024.**

To,  
The Members,

**SPENTA INTERNATIONAL LIMITED**

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the 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 compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the 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 efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Date: 05<sup>th</sup> August, 2024**

**Place: Mumbai**

**ICSI UDIN: F002827F000903353**

**Peer Review: 2507/2022**

**For HSPN & ASSOCIATESLLP  
Company Secretaries**

**Sd/-**

**Hemant Shetye  
Designated Partner  
FCS No.: 2827  
CP No.: 1483**

**Annexure G****MANAGEMENT DISCUSSION AND ANALYSIS REPORT****GLOBAL ECONOMY OVERVIEW**

The global macro-economic scenario during the financial year 2023-24 was another period of subdued growth marked by high inflation and interest rates, geo-political tensions, concerns of recession and supply chain constraints. In spite of these challenges and risks, the global economic growth expectations can be viewed with cautious optimism – with a growth rate of 2.7 percent in financial year 2023-2024 as compared to 3 percent in financial year 2022-2023.

In spite of global economic risks, emerging India is poised to be the fastest growing economy for the next few years and a preferred market for investments. India has gained a strong presence in various global diplomatic and trade forums and made progress towards achieving its goal to be a global manufacturing hub. As global supply chains seek to diversify, India stands to gain as a stable destination for manufacturing and business. The Indian economy, bolstered by strong macro fundamentals, retained its growth momentum primarily driven by government investments in infrastructure, invitation to global and local players to boost local production and manufacturing in India. India has been a key growth engine for the world, contributing 16% to the global growth in 2023. The country's growth rate of 7.2% during the financial year 2022-2023 was the highest among the G20 countries and almost twice the average for emerging market economies that year.

India showed a remarkable performance, closing 2023 with a GDP of US\$ 3.73 trillion. With a projected GDP growth rate of 6.3 percent, India is geared to become a US\$ 5 trillion economy by 2027\*.

According to IMF estimates, both Foreign Direct Investment (FDI) and Foreign Portfolio Investment (FPI) inflows have increased in 2023, and are projected to be US\$ 44.4 billion and US\$ 33.9 billion respectively, in 2024. The increase in foreign investment is a testament to the fact that India is perceived as an emerging power that has the potential to generate a steady return on investment with a negligible risk premium.

Another key focus of the Government has been on sustainability and green growth. All these measures had a cascading effect on capacity utilization, and with the strong corporate balance sheet, private sector is at the threshold of resurgent investment cycle.

**INDIAN ECONOMIC OVERVIEW**

India's growth continues to be resilient despite some signs of moderation in growth, says the World Bank in its latest India Development Update, the World Bank India's biannual flagship publication.

After the pandemic-induced contraction in FY21, the Indian economy recorded two years of above-7 per cent growth and looks set to repeat it for the third year in FY24. In the first half of the current financial year, the economy has grown 7.7 per cent in real terms compared to the first half of FY23. Barring unforeseen global developments and based on historical patterns of growth in the second half, the overall growth rate for the year may even exceed the Reserve Bank of India (RBI) projection of 7 per cent. The National Statistical Office, in its First Advance Estimates, has estimated India's real GDP to grow at 7.3 per cent in FY24, higher than the forecast made by various national and international agencies.

India's real GDP is estimated to grow at an average of 7.9 per cent between FY22 and FY24. Very few economies in the world, if any, have maintained the post-Covid recovery as consistently as the Indian economy has done.

The share of manufacturing in total Gross Value Added (GVA), in volume terms, increased from 17.2 per cent in FY14 to 18.4 per cent in FY18 under the impact of the Make in India mission of the government. Based on the advance estimates released recently, the share has stayed robust at 17.7 per cent in FY24 on the back of the Production Linked Incentive (PLI) schemes rolled out by the government.

The World Bank has revised its FY23/24 GDP forecast to 6.3 percent from 6.6 percent (December 2022). Growth is expected to be constrained by slower consumption growth and challenging external conditions. Rising borrowing costs and slower income growth will weigh on private consumption growth, and government consumption is projected to grow at a slower pace due to the withdrawal of pandemic-related fiscal support measures.

**Indian Textile Industry**

The Textile Sector in India ranks next to Agriculture. Textile is one of India's oldest industries and has a formidable presence in the national economy in as much as it contributes to about 14 per cent of manufacturing value-addition, accounts for around one-third of our gross export earnings and provides gainful employment to millions of people. The textile industry occupies a unique place in our country. One of the earliest to come into existence in India, it accounts for 14% of the total Industrial production, contributes to nearly 30% of the total exports and is the second largest employment generator after agriculture.

IN Textile Industry India, the fifth largest economy globally, has a share of just about 5% of the international trade in textiles and apparel. The Indian textile industry has a vast potential waiting to be explored, which demands an integrated approach simultaneously focusing on greater value addition, enhanced competitiveness and sustainable industry practices

Further, the Gross Value Added (GVA) is expected to see a consistent growth rate of 9 per cent during the period 2021-2028, the report said.

The report said that the Indian textile industry is expected to achieve the 250 billion dollar milestone by 2030, along with textile and apparel exports expected to increase to USD 65 billion by FY 2026. In terms of segments, the report stated that technical textiles are expected to record a projected CAGR of 15 per cent. India's textile industry is also significant in a global context, ranking second to China in the production of both cotton yarn and fabric and fifth in the production of synthetic fibers and yarns.

In contrast to other major textile-producing countries, mostly mostly small-scale, nonintegrated spinning, weaving, cloth finishing, and apparel enterprises, many of which use outdated technology, characterize India's textile sector. Some, mostly larger, firms operate in the "organized" sector where firms must comply with numerous government labor and tax regulations. Most firms, however, operate in the small-scale "unorganized" sector where regulations are less stringent and more easily evaded.

The unique structure of the Indian textile industry is due to the legacy of tax, labor, and other regulatory policies that have favored small-scale, labor-intensive enterprises, while discriminating against larger scale, more capital-intensive operations. The structure is also due to the historical orientation towards meeting the needs of India's predominately low-income domestic consumers, rather than the world market. Policy reforms, which began in the 1980s and continued into the 1990s, have led to significant gains in technical efficiency and international competitiveness, particularly in the spinning sector. However, broad scope remains for additional reforms that could enhance the efficiency and competitiveness of India's weaving, fabric finishing, and apparel sectors

**INDUSTRY STRUCTURE AND DEVELOPMENT:**

The global textile industry has been facing exceptionally challenging conditions since the past two years due to the restrictions imposed because of the Covid-19 pandemic. Further, the global supply chain had seen unprecedented levels of pressure and disruption due to logistical impasse. This led to delayed delivery resulting into reduced product shelf life and increased inventory at importer / retailer level which resulted in reduction in export orders / delayed picking of confirmed orders, apart from sharp increase in vessel shipping cost. Further, prodigious liquidity globally led to a proliferation in commodity prices including Cotton, Dyes, Chemicals, Coal, etc.

The socks industry being majorly an unorganized and fragmented sector the entire industry size and figures cannot be estimated. The socks and accessories market in India has grown tremendously over the decade. Indian socks industry is maturing and with urban population evolving, demand for casuals, sports and fashion socks is picking up. Millenials are very brand conscious and demand for branded wear is on the rise. There is growth in the industry in tier I and II markets and brand awareness is growing significantly.

**OPPORTUNITIES AND THREATS:**

Accelerated reopening of activities have re-opened opportunities for the textile market which were quiet for a long time. Further, China plus one policy by USA and Europe will lead to increase in demand for the Indian Market. With an added advantage of high quality standards and globally renowned accreditations, our Company will be forging ahead with its sustainability vision to build potential so as to grab opportunities coming its way.

The demand for socks in India and other countries is on the rise. The flow of orders has been progressively increasing for last few years. Your Company is well poised to seize opportunities available in the sock knitting industry on account of its state-of-the-art production facilities, technical expertise, good quality culture and emphasis on product innovation and growth potential.

Market is shifting towards Branded Garment. Your Company has been ahead in making investment in plant and machinery to meet the growth and meet the huge demand creation in the market. Your company is working with international brands. We are constantly experimenting products made from innovative yarns and eco-friendly chemicals for manufacturing most comfortable socks especially for sports. These technically innovative socks are much in demand by international brands. Given the unrelenting spread of the second wave of pandemic and the large-scale impact on the lives of the people, the near-term outlook for the Indian economy is uncertain impacting the growth prospects, the threat of slow demand for few quarters is possible. Your company therefore is increasing the customer base and also shortly planning to venture into ecommerce selling to overcome this.

**SEGMENT-WISE OR PRODUCT WISE PERFORMANCE:**

The Company has one segment activity namely socks, in line with the definition of "segment" as per Accounting Standard 17 issued by the Institute of Chartered Accountants of India. The performance of the Company is discussed separately in the Directors' Report.

**OUTLOOK:**

Coming year will be challenging with respect to pricing. Due to constant investment in latest machinery your company is able to target a vast audience, enhancing product quality, improving delivery schedules and giving superior customer service. Expectations are high, prospects are bright, but capitalizing on the new emerging opportunities will be a challenge for the socks manufacturing Companies.

The Company's Socks Division is optimistic of growth through continued network expansion and innovation. The Business will continue to focus on increasing the premium and fashion quotient of its offerings on the basis of a deep understanding of consumer preferences and delivering products of world-class quality.

**INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The Company maintains adequate and effective Internal Control Systems commensurate with its size and complexity. It believes that these systems provide, among other things, a reasonable assurance that transactions are executed with management authorization. It also ensures that they are recorded in all material respect to permit preparation of financial statements in conformity with established accounting principles along with the assets of the Company being adequately safeguarded against significant loss or misuse. An independent Internal Audit function is an important element of Company's Internal Control System. This is supplemented through an extensive internal audit program and periodic review by the management and the Audit Committee of Board.

**DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

During the year under review, the total production of the socks was steady but margin were effected due to increase in input costs. The Profit before tax recorded during the year was Rs. 145.98 Lakhs as against Profit of Rs. 127.91 Lakhs in the previous financial year

**MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:**

At Spenta, we are committed to sustainable work practices and a transparent work culture. The year gone by brought many challenges owing to Covid led disruptions which posed serious threats to the entire mankind. Amidst all these thought-provoking scenarios, we leveraged use of digital assets to connect with various stakeholders, including our employees. IT tools were optimally utilised for skills enhancement and training of employees when most of the business activities were standstill everywhere.

Maintaining balance between safety of employees and business continuity, Work From Home (WFH) facility was accorded to people immediately post lockdown. As the things started to ease, proactive measures for employees were undertaken like, workplace SOPs, awareness sessions, etc. Similarly, our factories resumed operations with robust hygiene norms and considering all the social-distancing regulations.

As always, people development continues to be an extremely important area in your Company. Anchoring developmental conversations at every level and ensuring that all managers are skilled in holding developmental conversations has been an area of focus. The industrial relations remained cordial throughout the year. The employees of the Company have extended a very productive co-operation in the efforts of the management to carry the Company to greater heights.

The Company had on rolls total of 75 permanent employees as on 31<sup>st</sup> March, 2024 excluding employees on contract basis and job workers.

**CAUTIONARY STATEMENT:**

Statements in this report on Management Discussion and Analysis, describing the Company’s objectives, projections, estimates, expectations, or predictions may be forward looking, considering the applicable laws and regulations. These statements are based on certain assumptions and expectation of future events. Actual results could, however, differ materially from those expressed or implied. Important factors that could make a difference to the Company’s operations include finished goods prices, raw materials costs and availability, global and domestic demand supply conditions, fluctuations in exchange rates, changes in Government regulations and tax structure, economic developments within India and the countries with which the Company has business contacts. The Company assumes no responsibility in respect of the forward-looking statements herein, which may undergo changes in future based on subsequent developments, information, or events.

**RISK’S AND CONCERNS:**

The major challenge that the textile, apparel and hosiery industry faces is of ever-increasing production costs arising out of rising wages, power and other overheads.

Inflation is expected to remain elevated for the foreseeable future, driven by war-induced commodity price increases and broadening price pressures. In addition, the anticipated increase in interest rates by Central Banks in the coming year are also expected to lower growth and exert pressure on economies particularly those in emerging markets.

In these circumstances, the ability to successfully navigate cost pressures would have a significant bearing on the overall performance of your Company. Diminishing purchasing power and demand due to the economic circumstances could result in fundamental shifts in consumer behaviours and adversely impact the market for textiles and apparel.

Deterioration in supply chain and demand due to pandemic such as COVID-19 have emerged as a significant business risk. Strong supply chain system with robust digitization and interlinking of various divisions is the need of the hour to tackle similar situations in future.

**RATIO ANALYSIS:**

Particulars	2023-2024	2022-2023	Change
Debtors Turnover Ratio	3.00	3.67	-0.67
Inventory Turnover Ratio	1.28	2.27	-0.99
Interest coverage Ratio	2.32	2.42	-0.10
Current Ratio	1.77	1.78	-0.01
Debt Equity Ratio	0.80	0.75	0.05
Operating Profit Margin Ratio (%)	9.35%	5.58%	3.77%
Net Profit Margin Ratio (%)	3.13%	2.16%	0.97%
Return on Net worth (%)	3.92%	4.19%	-0.27%

Debtors Turnover Ratio: Significant Change due to drop in turnover and nonpayment of debts by a major group

Inventory Turnover Ratio: Significant Change due to increase in unsold inventory and decreased in turnover

Interest Coverage Ratio: Slight Change due to increase in borrowings but still on a healthy note

Current Ratio: No material Change is observed

Debt Equity Ratio: No material Change is observed

Operating Profit Margin: Significant Change due to decrease in prices of raw material and discontinuance of less paying clients

Net Profit Margin: Slight Change due to decrease in prices of raw material and better product mix reduced by increase in input costs like Power & Interest and decreased turnover

Return On Net Worth: Slight Change due to decreased turnover and competition from unorganised sector

**Annexure H****CORPORATE GOVERNANCE REPORT**

In terms of Regulation 34(3) read with Section C of Schedule V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance for the year ended 31<sup>st</sup> March, 2024 is presented below:

**1. A BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

The Company has a strong legacy of fair, transparent and ethical governance practices.

The Company has adopted a Code of Conduct for the Board and Senior Management of the Company. In addition, the Company has adopted a Code for Independent Directors which suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013 ("the Act"). The Company's corporate governance philosophy has been further strengthened through the Code of Conduct for Prevention of Insider Trading and the Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

**2. BOARD OF DIRECTORS:**

The Board of Directors ('the Board') plays a crucial role in overseeing how the management serves the short and long-term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board.

The Directors of your Company are persons of integrity and bring to the Board a wide range of knowledge, experience, diversity of thought and skills. The Board effectively carries out its responsibilities like providing strategic guidance to the Company, code of conduct for the executives, disclosure of information about their concerns and interests, adherence to the Code of Conduct etc. and the Board applies high ethical standards and acts with due diligence, care and in the best interest of the Company and its stakeholders.

The Board of Directors are entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties.

**a. Composition of the Board and category of the Director:**

The composition of the Board of the Company is in compliance with the provisions of Regulation 17 of the Listing Regulations. The Company has a judicious mix of Executive, Non- Executive and Independent Directors to ensure proper governance and management. As on 31<sup>st</sup> March 2024 the Board comprised of 5 (Five) Number of Directors of which, 2 (Two) Executive Directors, 3 (Three) Non-Executive - Independent Directors including one Woman Director. Further Mr. Sanjay Gadodia, Whole Time Director heading the Board as Chairman. As on 31<sup>st</sup> March 2024, the Independent Directors of the Company, have confirmed that they satisfy the criteria of independence as prescribed under Reg. 16 (1) (b) of SEBI (LODR) Regulations 2015 and Companies Act, 2013.

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company. In case of business exigencies, the Board's approval is taken through circular resolutions.

The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the Meeting with the approval of the Board. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company vis-à-vis the budgets/targets.

The Independent Directors do not have any material pecuniary relationship or transactions with the Company, Promoters or Management, which may affect their judgement in any manner. The Independent Directors provide a confirmation to the effect that they meet the criteria of independence as defined under the Companies Act, 2013. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies. All Directors are also in compliance with the limit on Independent Directorships of listed companies as prescribed under Regulation 17A of the Listing Regulations. The Board confirms that the Independent Directors fulfil the conditions specified in these regulations and that they are Independent of the management.

**b. Term of Board Membership**

The Board, on the recommendations of the Nomination and Remuneration Committee, considers the appointment and re-appointment of Directors.

Section 149 of the Companies Act, 2013, provides that an Independent Director shall hold office for a term of up to five consecutive years on the Board of a Company and shall be eligible for re-appointment on passing of a special resolution by the shareholders of the Company. However, the Independent Directors shall not retire by rotation.

The names and categories of the Directors on the Board, their attendance at Board meetings held during the year and the number of Directorships and committee chairmanships / memberships held by them in other public companies as on 31<sup>st</sup> March, 2024 are given herein below. Other Directorships do not include Directorships in private limited companies, Section 8 companies and of companies incorporated outside India. Chairmanships / memberships of Board committees includes only Audit Committee and Stakeholders' Relationship Committee of Public Limited Company (whether listed or not).

The details of each member of the Board as on 31<sup>st</sup> March, 2024 along with the number of Directorship(s)/ Committee Membership(s)/ Chairmanship(s) are provided herein below:

Name of the Director & DIN	Category	Number of Shares held	Number of Directorship in other Public Limited Companies*	Number of Membership/ Chairmanship in Committees of Boards of other Public Limited Companies#			Names of other Listed Companies in which he/she holds Directorship and category of Directorship	Inter-se Relationship between Directors
				As Chairman	As Member			
Mr. Sanjay Gadodia (DIN: 00203433)	Promoter, Chairman, Whole Time Director cum Chief Executive Officer	6,43,133	1	-	-		NIL	NIL
Mr. Danny Hansotia (DIN: 00203497)	Promoter, Managing Director cum Chief Financial Officer	6,90,277	1	-	-		NIL	NIL
Dr. Anita Koti (DIN: 08069112)	Independent and Non-Executive Director	-	-	-	-		NIL	NIL
Mr. Sashikant Newatia (DIN: 08793440)	Independent and Non-Executive Director	-	-	-	-		NIL	NIL
Mr. Dilip Pawar (DIN: 09279715)	Independent and Non-Executive Director	-	-	-	-		NIL	NIL

\* Excludes Private Companies, Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013.

# Includes only the membership of Audit and Stakeholders' Relationship Committees of Indian Public Limited Companies.



**c. Meetings of the Board**

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. It meets at least once in a quarter to review the Company's quarterly performance and financial results. Board meetings are governed with a structured agenda. The Agenda for the Board and Committee meetings covers items set out as per the guidelines in Listing Regulations to the extent it is relevant and applicable. The Agenda of the Board / Committee Meetings is set by the Company Secretary in consultation with the Managing Director & CFO of the Company. The agenda of the Board and Committee meetings are pre-circulated in advance with detailed notes and supporting documents. In case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which are noted and confirmed in the subsequent Board Meeting. The Board periodically reviews the compliance reports with respect to laws and regulations applicable to the Company.

During the financial year under review, the Board had met Nine times on 15<sup>th</sup> May, 2023, 26<sup>th</sup> May, 2023, 07<sup>th</sup> July, 2023, 10<sup>th</sup> August, 2023, 06<sup>th</sup> October, 2023, 11<sup>th</sup> October, 2023, 07<sup>th</sup> November, 2023, 18<sup>th</sup> January, 2024, and 22<sup>nd</sup> March, 2024 respectively. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The required quorum was present at all the above Board Meetings and all Resolutions are approved unanimously/ with requisite majority and recorded in the minutes. There was no instance of Adjournment of any of the said Meetings. The Board periodically reviews and discussed the performance of the Company, its future plans, strategies and other pertinent issues relating to the Company.

The minutes of proceedings of each Board Meetings are maintained in terms of statutory provisions. Meetings of various committees are held properly. The minutes of the Committee Meetings were periodically placed before the Board.

**Attendance of Directors at Board Meetings and at last Annual General Meeting (AGM) are given in the table below:**

Name of the Director & DIN	Attendance at Board Meeting during FY 2023-24		Attendance at Last AGM held on 27 <sup>th</sup> September, 2023
	Number of Board Meetings held	Number of Meetings attended	
Mr. Sanjay Gadodia (DIN: 00203433)	9	9	Yes
Mr. Danny Hansotia (DIN: 00203497)	9	9	Yes
Dr. Anita Koti (DIN: 08069112)	9	9	Yes
Mr. Sashikant Newatia (DIN: 08793440)	9	9	Yes
Mr. Dilip Pawar (DIN: 09279715)	9	9	Yes

**Date-wise attendance at Board Meeting:**

Name of the Director & DIN	Mr. Sanjay Gadodia (DIN: 00203433)	Mr. Danny Hansotia (DIN: 00203497)	Dr. Anita Koti (DIN: 08069112)	Mr. Sashikant Newatia (DIN: 08793440)	Mr. Dilip Pawar (DIN: 09279715)
<b>May 15, 2023</b>	Yes	Yes	Yes	Yes	Yes
<b>May 26, 2022</b>	Yes	Yes	Yes	Yes	Yes
<b>July 07, 2023</b>	Yes	Yes	Yes	Yes	Yes
<b>August 10, 2023</b>	Yes	Yes	Yes	Yes	Yes
<b>October 06, 2023</b>	Yes	Yes	Yes	Yes	Yes
<b>October 11, 2023</b>	Yes	Yes	Yes	Yes	Yes
<b>November 07, 2023</b>	Yes	Yes	Yes	Yes	Yes
<b>January 18, 2024</b>	Yes	Yes	Yes	Yes	Yes
<b>March 22, 2024</b>	Yes	Yes	Yes	Yes	Yes

The Board Meetings were conveyed after sufficient days of Notice to the Board Members along with the Agenda for the meeting with necessary documents with all the required information pursuant to provisions of Companies Act, 2013 and SEBI Listing Regulations.

**d. Shares and Convertible Instruments held by Non-Executive Directors:**

No any share and Convertible Instruments are held by non-executive directors during the reporting period.

**e. Familiarization Programme for Independent Directors:**

The Company has adopted a structured programme for orientation of Independent Directors at the time of their joining so as to familiarise them with the Company’s operations, business, industry and environment in which it functions and the regulatory environment applicable to it. The Company updates the Board Members on a continuing basis on any significant changes therein and provides them an insight to their expected roles and the responsibilities so as to be in a position to take well-informed and timely decisions and contribute significantly to the Company. The details of the familiarization programmes imparted to Independent Directors is available on the Company’s website of the Company at: <http://www.spentasocks.com>.

**f. Matrix setting out the skills/expertise/competence required in the context of its business for it to function effectively and those actually available with the Board:**

In terms of requirement of Listing Regulations, 2015, the Board has identified the following core skills / expertise /competencies of the Directors in the context of the Company’s business for effective functioning as given below:

Sr. No.	Areas of expertise required	Description	Skill areas actually available with the Board
1.	Experience of crafting Business Strategies	Experience in developing long-term strategies to grow consumer business, consistently, profitably, competitively and in a sustainable manner in diverse business environments and changing economic conditions.	Yes
2.	Governance, Risk and Compliance	Experience in the application of Corporate Governance principles. Ability to identify key risks to the Company in a wide range of areas including legal and regulatory compliance.	Yes
3.	Finance and Accounting experience	Comprehensive understanding of financial accounting, reporting and controls and analysis.	Yes
4.	Sales, Marketing & Brand building	Experience in developing strategies to grow sales and market share, build brand awareness and equity, and enhance enterprise reputation.	Yes
5.	Understanding of Consumer and Customer Insights in diverse environments and conditions	Experience of having managed organisations with large consumer / customer interface in diverse business environments and economic conditions which helps in leveraging consumer insights for business benefits.	Yes

**Expertise/ Skills of Directors**

Name of the Director & DIN	Expertise / Skills				
	Experience of crafting Business Strategies	Governance, Risk and Compliance	Finance and Accounting experience	Sales, Marketing & Brand building	Understanding of Consumer and Customer Insights in diverse environments and conditions
Mr. Sanjay Gadodia (DIN: 00203433)	Yes	Yes	Yes	Yes	Yes
Mr. Danny Hansotia (DIN: 00203497)	Yes	Yes	Yes	Yes	Yes
Dr. Anita Koti (DIN: 08069112)	Yes	Yes	--	--	Yes
Mr. Sashikant Newatia (DIN: 08793440)	Yes	--	Yes	Yes	Yes
Mr. Dilip Pawar (DIN: 09279715)	Yes	Yes	Yes	--	Yes

**g. Board Evaluation**

The Board has carried out an annual performance evaluation of its own performance and that of its Committees as well as of performance of the Directors individually. The Nomination and Remuneration Committee laid down the criteria for such performance evaluation. The evaluation process was carried out internally in FY 2023-24. Each Board member completed a questionnaire on other Board members for peer evaluation and a questionnaire to provide feedback on Board, its Committees and their functioning. The performance evaluation of the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The performance evaluation of the Chairman of the Company was also carried out by the Independent Directors, taking into account the views of the Executive Director and Non-Executive Directors. The Directors expressed their satisfaction with the evaluation process. The contribution and impact of individual members was evaluated on parameters such as level of engagement, independence of judgment, conflicts resolution and their contribution in enhancing the Board's overall effectiveness. The peer ratings on certain parameters, positive attributes and improvement areas for each Board member were also provided to them in a confidential manner.

**h. Separate Meeting of Independent Directors:**

The terms and conditions of appointment of the independent directors are disclosed on the website of the Company.

As stipulated by the Code for Independent Directors under the Companies Act, 2013 and Regulation 25(3) of the Listing Regulations, a separate meeting of Independent Directors was held on 18<sup>th</sup> January, 2024 to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors of the Company attended the Meeting of Independent Directors held on 18<sup>th</sup> January, 2024. The Independent Directors expressed their satisfaction to the desired level on the governance of the Board.

**i. Reasons for the Resignation of Independent Directors:**

No any Independent Director has been resigned during the financial year 2023-2024.

In the opinion of the Board, the Independent Directors fulfills the conditions specified in SEBI (LODR) Regulations, 2015 and are independent of the Management.

**COMMITTEES OF THE BOARD:**

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The minutes of the meetings of all Committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as appropriate.

The Board has currently established the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee.

**3. Audit committee:**

The Audit Committee acts as a link between the Independent Auditors, Internal Auditors, the Management and the Board of Directors and entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The Audit committee interacts with the Internal Auditors, Statutory Auditors and reviews and recommends their appointment and remuneration. The Audit Committee is provided with all necessary assistance and information for enabling them to carry out its function effectively.

**a. Terms of Reference of the Committee**

Your Company has an Audit Committee in compliance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. The terms of reference & powers of the Audit Committee are prescribed under Part C of Schedule II of The SEBI (LODR) Regulations, 2015 which inter alia, include the following:

**Powers of the Audit Committee**

- i. To investigate any activity within its terms of reference.
- ii. To seek information from any employee.
- iii. To obtain outside legal or other professional advice.
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.

**Terms of reference / role of the Audit Committee**

- i. Oversight of the Company's Financial Reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- ii. Recommendation for appointment, remuneration and terms of appointment of auditors of the company.
- iii. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- iv. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a) Matters required being included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub section 3 of section 134 of the Companies Act, 2013.
  - b) Changes, if any, in accounting policies and practices and reasons for the same.
  - c) Major accounting entries involving estimates based on the exercise of judgments by the management.
  - d) Significant adjustments made in the financial statements arising out of Audit findings.
  - e) Compliance with the listing and other legal requirements relating to financial statements.
  - f) Disclosure of Related Party Transactions.
  - g) Review of the Draft Statutory Audit Report.
- v. Review with the management, the quarterly financial statements before submission to the Board for approval.
- vi. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc., the statement of fund utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- vii. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- viii. Approval or any subsequent modification of transactions of the company with related parties.
- ix. Scrutiny of inter-corporate loans and investments.
- x. Valuation of undertakings or assets of the company, whenever it is necessary.
- xi. Evaluation of internal financial controls and risk management systems.
- xii. Review with the management, the performance of Statutory and Internal Auditors, adequacy of Internal Control Systems.
- xiii. Review the adequacy of Internal Audit function, including the structure of the internal audit department,

- staffing and seniority of the officials heading the department, coverage and frequency of the Internal Audit.
- xiv. Discussion with Internal Auditors, any significant findings and follow up thereon.
  - xv. Reviewing the finding 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.
  - xvi. 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.
  - xvii. To look into the reasons for substantial defaults, if any, in payment to the depositors, debenture holders, shareholders (in case of dividend) and creditors.
  - xviii. To review the functioning of the Whistle Blower Mechanism.
  - xix. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that functions after assessing the qualifications, experience and background, etc. of the candidate.
  - xx. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
  - xxi. To review the following information:
    - a) The management discussion and analysis of financial conditions and results of operations.
    - b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management.
    - c) Management letters/letters of internal control weaknesses issued by the Statutory Auditors.
    - d) Internal Audit Reports relating to internal controls and weaknesses, and
    - e) The appointment, removal and terms of remuneration of Chief internal auditors shall be subject to review by the Audit Committee.

In addition to the aforesaid, the Committee also looks into the matters as are specifically referred to it by the Board of Directors besides looking into the mandatory requirements of the Listing Regulations as amended from time to time and that of the Act.

**b. Composition of Committee, Meetings and Attendance**

The Audit Committee of the Company is constituted in accordance with the provisions of Regulation 18 of the Listing Regulations and the provisions of Section 177 of the Act. All members of the Committee are financially literate, with Mr. Sashikant Newatia, as Chairman of the Committee, having the relevant accounting and financial management expertise.

The composition of the Audit Committee and the details of the meetings attended by its members during the Financial Year ended 31<sup>st</sup> March, 2024 are as under:

Name of the Member	Category	Position	Audit Committee Meetings	
			Held	Attended
Mr. Sashikant Newatia	Independent Non-Executive	Chairperson	4	4
Dr. Anita Koti	Independent Non-Executive	Member	4	4
Mr. Dilip Pawar	Independent Non-Executive	Member	4	4

The Company Secretary acts as the Secretary to the Committee. Audit Committee met 4 (Four) times during the financial year 2023-24 on May 26, 2023, August 10, 2023, November 07, 2023, January 18, 2024. The gap between two Audit committee meetings was not more than one hundred and twenty days between any two consecutive meetings. Requisite quorum was present at the above Meetings.

The key risks and mitigating actions are also placed before the Audit Committee of the Company. Significant audit observations and follow up actions thereon are reported by the Committee. The Committee reviews adequacy and effectiveness of the Company's Internal Control Environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems.

Audit Committee meetings were also attended by the Managing Director and Chief Financial Officer, Company Secretary, partner of Internal Auditors and partner of Statutory Auditors of the Company. The minutes of the meetings of the Audit Committee were periodically placed before the Board.

**4. Nomination and Remuneration Committee**

The Nomination and Remuneration Committee (NRC) is constituted in accordance with provisions of sub section (1) of Section 178 of the Companies Act, 2013 and Regulation 19 (4) read with Part-D of Schedule-II of Listing Obligations and Regulations.

The Company Secretary acts as the Secretary to the Committee.

**a. Terms of Reference of the Nomination and Remuneration Committee**

- i. Recommend to the Board, the set up and composition of the Board and its committees, including the "formulation of the criteria and for determining qualifications, positive attributes and independence of a director." The Committee will consider periodically reviewing the composition of the Board with the objective of achieving an optimum balance of size, skills, Independence, knowledge, age, gender and experience.
- ii. Recommend to the Board the appointment or reappointment of directors.
- iii. Recommend to the Board the Appointment of Key Managerial Personnel ("KMP" as defined by the Act) and executive team members of the Company (as defined by the committee).
- iv. Carry out an evaluation of every director's performance and support the Board, its committees and individual directors in evaluation of the performance of the Board, its committees and individual directors. This shall include "Formulation of criteria for evaluation of Independent Directors and the Board". Additionally the Committee may also oversee the performance review process of the KMP and executive team of the Company.
- v. Recommend to the Board the Remuneration Policy for directors, executive team or Key Managerial Personnel as well as the rest of the employees.
- vi. On an annual basis, recommend to the Board the remuneration Policy for directors, and oversee the remuneration to executive team or Key Managerial Personnel of the Company.
- vii. Oversee the familiarization programmes for directors.
- viii. Oversee the Human Resource philosophy, Human Resource and People strategy and Human Resource practices including those for leadership development, rewards and recognition, talent management and succession planning (specifically for the board, Key Managerial Personnel and executive team).
- ix. Performing such other duties and responsibilities as may be consistent with the provisions of the committee charter.

**b. Composition of Committee, Meetings and Attendance**

The composition of the NRC and details of meetings attended by its members during the Financial Year ended 31<sup>st</sup> March, 2024, are given below:

Name of the Member	Category	Position	Nomination and Remuneration Committee Meetings	
			Held	Attended
Mr. Dilip Pawar	Independent Non-Executive	Chairperson	3	3
Dr. Anita Koti	Independent Non-Executive	Member	3	3
Mr. Sashikant Newatia	Independent Non-Executive	Member	3	3

The NRC met 3 (Three) times during the financial year 2023-24 on May 15, 2023, July 07, 2023, October 06, 2023.

**c. Remuneration policy:**

Remuneration policy of the Company is designed to create a high-performance culture. It enables the Company to attract, retain and motivate employees to achieve results. Our business model promotes customer centricity and requires employee mobility to address project needs. The remuneration policy supports such mobility through pay models that are compliant to local regulations. The remuneration structure is tailored to the regulations, practices and benchmarks prevalent in the industry.

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and (variable component) to its managing director and the executive directors.

The Remuneration policy of the Company is available on the website of the Company at <http://www.spentasocks.com>.

**d. Criteria for Performance Evaluation of Independent Directors:**

Pursuant to the provisions of the Companies Act, 2013 and the applicable provisions of the Listing Regulations, the Annual Performance Evaluation was carried out for the financial year 2023 - 24 by the Board in respect of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration, Stakeholders' Relationship Committee.

A structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance was prepared after taking into consideration the Guidance note issued by SEBI vide circular no, CMD/CIR/P/2017/004 dated 05.01.2017.

The criteria for performance evaluation of Independent Directors cover the areas relevant to the functioning of the Independent Director such as preparation, participation, conduct and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors and during the evaluation the Director(s) who is subject to evaluation did not participate.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as guidance/ support to management outside Board/ Committee meetings, degree of fulfilment of key responsibilities, effectiveness of meetings etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The Directors expressed their satisfaction with the evaluation process.

**5. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The composition of the Stakeholders Relationship Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

The Committee is responsible for addressing the investor complaints and grievances. The Committee meets on a periodic basis to address the investor complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc.

**a. Terms of Reference of the Stakeholders Relationship Committee:**

- a. 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.
- b. Review of measures taken for effective exercise of voting rights by shareholders.
- c. 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.
- d. 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.
- e. Review of corporate actions, if any.
- f. Review of documents submitted to Stock Exchanges.
- g. Any other matters assigned to it with relation to the Companies Act, 2013 and Listing Regulations.

**b. Composition of Committee, Meeting and Attendance:**

The composition of the SRC and details of meetings attended by its members during the Financial Year ended 31<sup>st</sup> March, 2024, are given below:

Name of the Member	Category	Position	Stakeholders Relationship Committee Meetings	
			Held	Attended
Mrs. Anita Koti	Independent Non-Executive	Chairperson	4	4
Mr. Dilip Pawar	Independent Non-Executive	Member	4	4
Mr. Danny Hansotia	Executive Director	Member	4	4

The Stakeholder Relationship Committee met 4 (Four) times during the financial year 2023-24 on May 26, 2023, August 10, 2023, November 07, 2023 and January 18, 2024.

The necessary quorum was present for all the meetings. The minutes of the meetings of the Committee were periodically placed before the Board.

**c. Name and designation of Compliance Officer:**

Mrs. Mamata Bajaj (ACS: 36682) acts as Compliance Officer of the Company for a period of May 15, 2023 to July 06, 2023 in the Financial Year 2023-2024 and ceased to be the Company Secretary and Compliance Officer pursuant to his resignation with effect from close of business hours on 06<sup>th</sup> July, 2023.

Mr. Sudhir Kumar (ACS: 71594) appointed and acts as Company Secretary and Compliance Officer with effect from October 06<sup>th</sup>, 2023 onwards in the Financial Year 2023-2024.

As on the date of signing this report Mr. Sudhir Kumar, Company Secretary and Compliance Officer of the Company acting as a Company Secretary and Compliance Officer of the Company. He can be reached out at the corporate office of the Company at:

B/1303, Naman Midtown,  
Senapati Bapat Marg,  
Next to India Bulls Financial Centre,  
Elphinstone Road (W), Mumbai – 400013.  
Tel: 022-24300050/10  
Email:- [cs@spentasocks.com](mailto:cs@spentasocks.com)

The Company has appointed M/s. Link Intime India Private Limited as the Registrar and Share Transfer Agent to handle the investor grievances in co-ordination with the Compliance Officer. All grievances can be addressed to the Registrar and Share Transfer Agent. The Company monitors the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

**d. Details of Shareholder Complaints:**

Details of Shareholder Complaints [including SEBI Complaints Redress System (SCORES) complaints] received by the Company and Resolved during the year 2023-24:

Particulars	No of Complaints
No. of complaints pending as on April 1, 2023	Nil
Number of Investors Complaints received during financial year 2023-24	00
Number of complaints resolved during the financial year 2023-24	00
Number of pending complaints as on 31 <sup>st</sup> March 2024	Nil

Number of Complaints not solved to the satisfaction of shareholders - Nil

**e. Unclaimed Dividend and shares**

In terms of the provisions of the Companies Act, 2013, dividends remaining unpaid/ unclaimed for a period of seven years have to be statutorily transferred to the Investor Education and Protection Fund (IEPF) and such shares in respect of which dividend entitlements remained unclaimed for seven consecutive years or more are also required to be transferred by the Company to the Investor Education and Protection Fund, administered by the Central Government.

Unclaimed Dividend in respect of the financial year 2015-16 (Final) amounting to Rs. 130,000/- (One Lakh Thirty Thousands only) and the shares in respect of which dividend entitlements remain unclaimed has been transferred to the Investor Education and Protection Fund in terms of Section 125 of the Companies Act, 2013.

Unclaimed Dividend in respect of the financial year 2016-17 (Final) and the shares in respect of which dividend entitlements remain unclaimed for seven consecutive years will be due for transfer to the IEPF on 31st October, 2024 in terms of Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. Members who have not encashed their Final Dividend in respect of the financial year ended 31st March, 2017 or any subsequent year(s) are requested to lodge their claims with the Company.

In respect of Final Dividend for the financial year ended 31st March, 2017, it will not be possible to entertain claims which are received by the Company after 31st October, 2024. Members are advised that in terms of the provisions of Section 124 of the Companies Act, 2013, once unclaimed dividend and shares are transferred to IEPF, no claim shall lie against the Company in respect thereof. However, members may apply for the same with the IEPF authority by making an application in the prescribed Form No. IEPF-5.



The following table gives information relating to outstanding dividend accounts and the dates when due for transfer to IEPF:

Financial Year	Dividend Type	Dividend per share	Date of Declaration	Unclaimed Dividend as 31 March, 2024	Due date of transfer of Dividend to IEPF
2016-2017	Final	Rs. 1.30/-	25-09-2017	Rs. 3,36,056.70	31-10-2024
2017-2018	Final	Rs. 1.50/-	27-09-2018	Rs. 3,65,572.50	02-11-2025
2018-2019	Final	Rs. 1.50/-	30-09-2019	Rs. 3,92,301.00	05-11-2026
2019-2020	Final	Rs. 0.80/-	29-09-2020	Rs. 2,12,379.60	04-11-2027
2021-2022	Final	Rs. 1.50/-	28-09-2022	Rs. 3,84,875.76	03-11-2029
2022-2023	Final	Rs. 1.00/-	27-09-2023	Rs. 1,02,405.09	02-11-2030

Directors have not declared any Dividend for the year 2020-21 due to losses incurred in the year on account of ongoing pandemic and macroeconomic environment.

Shareholders are requested to get in touch with Registrar and Transfer Agent (RTA) for encashing the unclaimed dividend amount, if any, standing to the credit of their account.

**5A. RISK MANAGEMENT COMMITTEE:**

In reference to the Regulation 21(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the provisions related to Risk Management Committee is not applicable to the Company.

**5B. SENIOR MANAGEMENT:**

S. No.	Name of Officers and Personnel	Designation	Remarks
1	Mr. Danny Hansotia	Chief Financial Officer	-
2	Mrs. Mamta Bajaj (ACS: 36682)	Company Secretary and Compliance Officer	(From May 15, 2023 to July 06, 2023)
3	Mr. Sudhir Kumar (ACS: 71594)	Company Secretary and Compliance Officer	(w.e.f. October 06, 2023 onwards)

**6. REMUNERATION OF DIRECTORS:**

**a. Formulation of Nomination and Remuneration Policy:**

The Nomination and Remuneration Committee shall ensure that—

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to directors, KMPs and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

**b. Pecuniary transactions with Non-Executive Directors**

During the year under review, there were no pecuniary transactions with any of the Non-Executive Director of the Company. A declaration to this effect is also submitted by all the Directors at the beginning of each financial year. The register of Contracts is maintained by the Company under Section 189 of the Companies Act, 2013. The register is signed by all the directors present at the respective Board meetings.

**c. 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 under review.

The details of remuneration paid to Non-Executive Directors during the financial year 2023-24 are as under:

(Amount in Rs.)

Name of Director	Mrs. Anita Koti	Mr. Sashikant Newatia	Mr. Dilip Pawar
Designation	Independent Non-Executive Director	Independent Non-Executive Director	Independent Non-Executive Director
Sitting Fee	-	-	-
Remuneration	-	-	-
No. of Equity shares	-	-	-
Commission	-	-	-

Directors are not provided with any performance linked incentives.

None of the Directors have service contracts, apart from agreements made towards their appointment as Whole Time Director / Managing Director. The notice period for resignation is 30 days however due to certain unavoidable circumstances notice of resignation can be served without the mandatory period of 30 days.

The Company has not issued any Stock Options either to its Directors or to its Employees.

#### d. Details of Remuneration Paid to Directors/KMP during the year 2023-2024

Executive directors of the Company are appointed by the Board of Directors subject to the approval of shareholders in the general meeting. The remuneration package of the executive directors is determined by the Nomination and Remuneration Committee within the permissible limits, subject to approval by the Board and shareholders in their respective meetings as per applicable provisions of the Companies Act, 2013.

The details of remuneration paid to Executive Directors/KMP during the financial year 2023-24 are as under:

(Amount in Rs.)

Name of Director	Mr. Danny Hansotia	Mr. Sanjay Gadodia	Mrs. Mamta Bajaj (From May 15, 2023 to July 06, 2023)	Mr. Sudhir Kumar (w.e.f. October 06, 2023 onwards)
Designation	Managing Director	Whole Time Director	Company Secretary	Company Secretary
Salary	INR 30,00,000	INR 30,00,000	INR 41,453	INR 1,46,000
Performance bonus	-	-	-	-
PF & Gratuity	-	-	-	-

#### 7. GENERAL BODY MEETINGS:

Details of previous 3 Annual General Meetings (AGM) are as under:

AGM No.	Financial Year	Venue	Day & Date of AGM	Time	No. of Special Resolution(s) passed	Details of Special Resolution(s) passed
36 <sup>th</sup>	2022-23	Through Video Conferencing /Other audio-visual means	Wednesday, September 27 <sup>th</sup> , 2023	11.30 AM	1	To re-appoint Mr. Danny Hansotia as Managing Director of the Company for a period of three years, from December 1, 2023 to November 30, 2026 and payment of remuneration to him.
35 <sup>th</sup>	2021-22	Through Video Conferencing /Other audio-visual means	Wednesday, September 28 <sup>th</sup> , 2022	11.30 AM	1	Re-appointment of Mrs. Anita Koti (DIN: 08069112) as an Independent Director of the Company for a second term of 5 (five) years.

34 <sup>th</sup>	2020-21	Through Video Conferencing /Other audio-visual means	Monday, September 27 <sup>th</sup> , 2021	11.30 AM	3	<p>To re-appoint Mr. Danny Hansotia as Managing Director of the Company for a period of three years, from December 1, 2020 to November 30, 2023 and payment of remuneration to him.</p> <p>To re-appoint Mr. Sanjay Gadodia as Whole Time Director of the Company for a period of Three years, from July 1, 2021 to June 30, 2024 and payment of remuneration to him.</p> <p>To approve grant of loan to Spenta Woolens Limited</p>
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All Special Resolutions set out in the notices for the Annual General Meeting were passed by shareholders at the respective meeting with requisite majority. In the above Annual General Meetings necessary quorum was present. There was no request by members for voting by poll and all the businesses were unanimously approved by Members.

**Extraordinary general meeting:**

No Extra Ordinary General Meeting of Members or Meetings of Creditors was held during the year and there was no instance of Court convened meeting.

**Postal Ballot:**

During the financial year 2023-24, no special resolution was passed by the Company through postal ballot.

**8. MEANS OF COMMUNICATION**

The Company, from time to time and as and when required, communicates with its shareholders and investors through multiple channels of communications such as dissemination of information on the on-line portal of the Stock Exchange, press releases, the Annual Reports and uploading relevant information on its website etc.

The quarterly and annual financial results of the Company are uploaded on BSE Listing Centre in accordance with the requirements of Listing Regulations. The financial results are displayed on BSE and Company Website.

The financial results are disseminated to the Stock Exchanges within thirty minutes from the close of the Board Meeting at which these were considered and approved. The results are generally published in English and one Marathi daily newspaper, i.e The Free Press Journal & Navshakti respectively.

The Annual Report of the Company, the quarterly and the annual financial statements other information required to be disseminated on Company's website are regularly posted on the Company's website [www.spentasocks.com](http://www.spentasocks.com) and can be downloaded.

The Company has not made any official news releases nor it has made any presentations to Institutional Investors or to the analysts hence the same is not disclosed to BSE or on the website of the Company.

The Company discloses to the Stock Exchange, all information required to be disclosed under Regulation 30 read with Part A of Schedule III of the SEBI (LODR) Regulations, 2015 including material information having a bearing on the performance / operations of the listed entity or other price sensitive information. All information are filed electronically on BSE's online Portal i.e. 'BSE Corporate Compliance & Listing Centre (Listing Centre)' and all disclosures made to the stock exchange are also made available on Company website.

**9. GENERAL SHAREHOLDER INFORMATION:**
**a) General Details**

i.	AGM (Date, Time and Venue)	:	The 37 <sup>th</sup> Annual General meeting (AGM) of the Company will be held on Tuesday 24 <sup>th</sup> September, 2024 at 11:30 am through video conferencing/ other audio visual means.
ii.	Financial Year	:	April 1, 2023 to March 31, 2024
iii.	Dividend Recommended	:	Final Dividend of Rs. 1.00/- per share
iv.	Dividend Payment Date	:	It will be paid on or after Sunday, 29 <sup>th</sup> September, 2024
v.	Date of Annual Book Closure	:	18 <sup>th</sup> September, 2024 to 24 <sup>th</sup> September, 2024 (Both days inclusive)
vi.	CIN	:	L28129MH1986PLC040482
vii.	Website	:	<a href="http://www.spentasocks.com">www.spentasocks.com</a>
viii.	E-mail Id	:	<a href="mailto:cs@spentasocks.com">cs@spentasocks.com</a>
ix.	Corporate Office	:	B/1303, Naman Midtown, Senapati Bapat Marg, Next to One International Centre, Prabhadevi, Mumbai – 400013. Tel: 022-24300050/10
x.	Registered Office	:	Plot No. 13 to 16, 40 (PART) & 40/2, Dewan Industrial Estate, Village Navali, Palghar (West), Maharashtra – 401404
xi.	Listing Details	:	BSE Limited, Mumbai Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001. The Company has paid Annual Listing Fees up to 31 <sup>st</sup> March 2024 to the Bombay Stock Exchanges (BSE Limited).
xii.	Scrip Code	:	526161
xiii.	Trading Group	:	"XT" Group
xiv.	ISIN	:	INE175C01018

**b) Compliance Officer**

As on the date of signing this report Mr. Sudhir Kumar, (ACS: 71594) Company Secretary and Compliance officer of the Company acting as a Compliance officer of the Company. He can be reached out at the corporate office of the Company at:

B/1303, Naman Midtown,  
Senapati Bapat Marg,  
Next to One International Centre,  
Prabhadevi, Mumbai – 400013.  
Tel: 022-24300050/10  
Email:- cs@spentasocks.com

**c) Description of Voting Rights**

All shares issued by the Company carry equal voting rights.

**d) Calendar of Financial Year 2024-2025**

The Company follows April-March as the financial year. The meetings of Board of Directors for approval of quarterly financial results during the financial year 2024-25 will be tentatively held on the following dates:

Financial reporting for the quarter ending June 30, 2024:	On or before August 14, 2024
Financial reporting for the quarter ending September 30, 2024:	On or before November 14, 2024
Financial reporting for the quarter ending December 31, 2024:	On or before February 14, 2025
Financial reporting for the quarter and year ending March 31, 2025 :	On or before May 30, 2025
AGM for the year ending 31 March 2025:	On or before 30 <sup>th</sup> September, 2025

**e) Market Price Data**

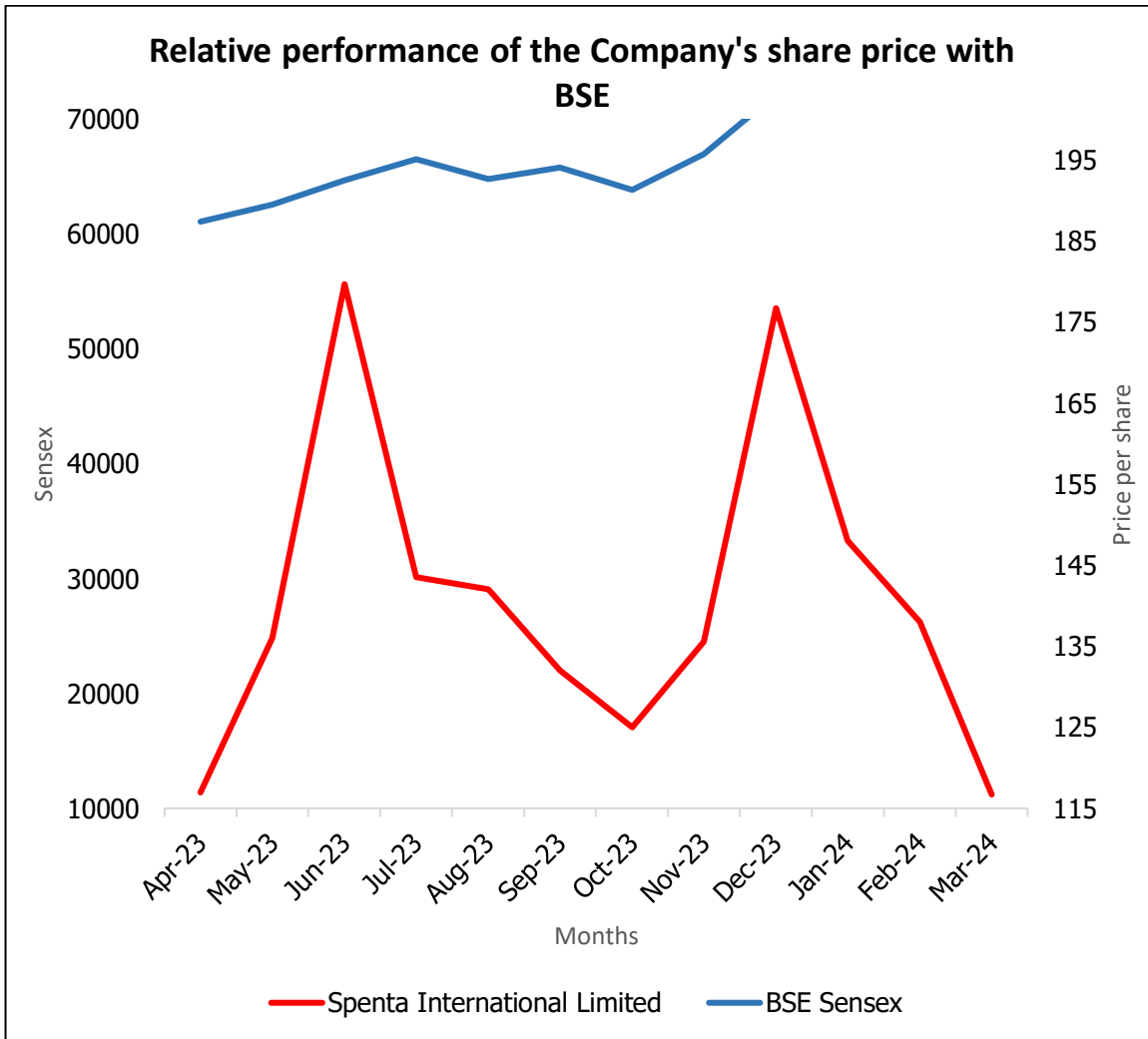
Market Price and Volume of the Company's Shares of face value of Rs 10 each traded in the Stock Exchanges where Company's shares are listed during the financial year 2023-24:

Month	BSE		
	Share Price (in Rs)		Total number of Equity Shares Traded
	High	Low	
Apr-23	119.99	84.99	9740
May-23	156.5	112	83465
Jun-23	185	142.25	17612
Jul-23	180	135.70	12085
Aug-23	149.8	120.60	7304
Sep-23	139.2	128.75	3658
Oct-23	143.3	117.60	6802
Nov-23	138.05	119.50	5092
Dec-23	177	126.40	44673
Jan-24	200	148	25653
Feb-24	160	127.40	15928
Mar-24	150.9	103.25	24364

**f) Performance in comparison to broad based indices such as BSE SENSEX Index:**

Share price of Spenta International Limited vis-à-vis BSE SENSEX Index for the year 2023-2024:

Month	Spenta International Limited Share Price (Rs.)	BSE SENSEX
Apr-23	116.95	61112.44
May-23	136	62622.24
Jun-23	179.7	64718.56
Jul-23	143.55	66527.67
Aug-23	142	64831.41
Sep-23	132	65828.41
Oct-23	125	63874.93
Nov-23	135.6	66988.44
Dec-23	176.75	72240.26
Jan-24	148.05	71752.11
Feb-24	138	72500.3
Mar-24	116.7	73651.35



Source – Websites: BSE Ltd. (www.bseindia.com)

**g) In case the securities are suspended from trading, the director's report shall explain the reason thereof:** N.A.

**h) Registrar & Transfer Agents: -**

**M/s. Link Intime India Pvt. Ltd.**

C 101, 247 Park,  
L B S Marg, Vikhroli West,  
Mumbai 400 083  
Tel No: +91 22 49186000 Fax: +91 22 49186060  
Email – [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

They are also the depository interface of the Company with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

**i) Share Transfer System:**

Share transfers are processed and duly endorsed share certificates are dispatched within a period of fifteen days from the date of receipt, subject to documents being valid and complete in all respects. A summary of transactions so approved by the committee is placed at the Board Meeting held quarterly. The Company obtains a yearly certificate from Practicing Company Secretaries as per the requirement of Regulation 40 (9) of Listing Regulation and the same is filed with the Stock Exchanges and available in the website of

the Company. In terms of requirements to amendments to Regulation 40 of Listing Regulations w.e.f. April 01, 2019, transfer of securities in physical form shall not be processed unless the securities are held in the dematerialised form with a depository.

**j) Distribution of Shareholding as on 31<sup>st</sup> March, 2024:**

Share holding	Shareholders		Shares		
	No. of Equity Shares	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
1 to 500		1635	90.1323	198692	7.1877
501 to 1000		83	4.5755	66895	2.4199
1001 to 2000		36	1.9846	55689	2.0146
2001 to 3000		14	0.7718	34513	1.2485
3001 to 4000		7	0.3859	24893	0.9005
4001 to 5000		6	0.3308	26586	0.9618
5001 to 10000		12	0.6615	82895	2.9987
10001 to above		21	1.1577	2274163	82.2683
<b>Total</b>		<b>1814</b>	<b>100</b>	<b>2764326</b>	<b>100</b>

**k) Distribution of Shareholding on the basis of Ownership as on 31<sup>st</sup> March, 2024:**

Category	No. of Shares	% of Shareholding
Corporate Bodies (Promoter Co)	1600	0.0579
Other Bodies Corporate	4074	0.1474
Directors	1497717	54.1802
Hindu Undivided Family	48818	1.7660
Non Resident Indians	3200	0.1158
Non Resident (Non Repatriable)	2505	0.0906
Public	615139	26.6198
Promoters	149500	5.4082
Relatives Of Director	140072	5.0671
Body Corporate - Ltd Liability Partnership	1500	0.0543
Investor Education and Protection Fund (IEPF)	179381	6.4891
<b>Total</b>	<b>2764326</b>	<b>100</b>

Note: As per the SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2017/128 dated December 19, 2017, the number of shareholders mentioned here are consolidated on a PAN basis.

**l) Bifurcation of Shares held in physical and demat form as on 31<sup>st</sup> March, 2024**

The Company has availed connectivity for both the Depositories i.e. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) with ISIN - INE175C01018.

As on 31<sup>st</sup> March 2024, 26,43,506 Equity shares of the Company, representing 95.63% of its issued capital, were held in dematerialized form and the balance 4.37% representing 1,20,800 equity shares were held in physical form. All shares of the company are liquid and traded in normal volume on BSE.

Particulars	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	No. of Shares	% of Total Capital	No. of Shares	% of Total Capital
Held in Demat form with NSDL	21,77,839	78.78	21,83,280	78.98
Held in Demat form with CDSL	4,65,667	16.85	4,38,526	15.86
Holdings in Physical Mode	1,20,820	4.37	1,42,520	5.16
<b>Total</b>	<b>27,64,326</b>	<b>100.00</b>	<b>27,64,326</b>	<b>100.00</b>

**m) Outstanding GDRs/ADRs/Warrants or any convertible instruments:**

As on date, the Company has not issued any GDR/ADR/Warrants or any other convertible instruments.

**n) Disclosure of commodity price risks and commodity hedging activities:**

The Company has price review mechanism to protect against material movement in price of raw materials.

**o) Plant Locations**

The Company's plant is located as under:

Plot No. 13 to 16, Dewan Industrial Estate, Village Navali, Palghar (West), Maharashtra – 401404.

**p) Address for Correspondence**

Shareholders of the company can send correspondence at company's share & Transfer Agent's Office or the Registered office of the Company situated at following address:

Spenta international Limited, Plot # 13-16, Dewan Industrial estate Village Navali, Palghar (West) 401404.

**And/ or**

**Compliance Officer**

B/1303, Naman Midtown,  
Senapati Bapat Marg,  
Next to One International Centre,  
Prabhadevi, Mumbai – 400013.  
Tel: 022-24300050/10  
Email:- [cs@spentasocks.com](mailto:cs@spentasocks.com)

To allow us to serve shareholders with greater speed and efficiency, the Company strongly recommends email-based correspondence on all issues, which do not require signature verification for being processed.

SEBI vide its circular dated 26<sup>th</sup> March, 2018 issued new policy measures w.r.t. SEBI Complaints Redress System (SCORES). As per the new process, SEBI has requested the Members to approach the Company directly at the first instance for their grievance.

**q) List of Credit Ratings obtained**

The Company has obtained SME Grading from CRISIL Limited as under:

Name of Rating Agency	Grading	Creditworthiness	Validity
CRISIL Limited	CRISIL BB-/Stable	The rating reflects SIL's extensive industry experience of the promoters in Socks manufacturing Industry and healthy capital structure. These strengths are partially offset by its moderate scale of operations in a highly fragmented industry and working capital intensive operations.	June 05, 2023 to June 04, 2024

**10. OTHER DISCLOSURES:**

**a) Report on Corporate Governance**

The Company regularly submits to the Stock Exchanges, within the prescribed period, quarterly reports on Corporate Governance. A certificate from the Company Secretary in Practice of the Company on Corporate Governance is attached to the report.

**b) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company:**

As otherwise disclosed in Audited Financial Statement, there are no materially significant transactions with



the related parties viz. Promoters, Directors or the Management or their relatives or that had potential conflict with the Company's interest and which require shareholders' approval. Suitable disclosure as required by the Accounting Standard (AS 18) and AOC-2 have been made in the Annual Report. The Related Party Transactions Policy as approved by the Board is available on the Company's website [www.spentasocks.com](http://www.spentasocks.com)

**c) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange(s) or the board or any statutory authority, on any matter related to capital markets:**

The Company has complied in general with the requirements of the Stock Exchanges/SEBI/and other Statutory Authorities on all matters related to Capital Markets during the year except as provided hereunder:

- (i) During the year, The BSE has levied penalty of Rs. 5,900 (Five Thousands Nine Hundred only) which was levied for One-day delay in appointment of Company Secretary and Compliance Officer as per Reg. 6(1) of SEBI the Listing (Obligation and Disclosure Requirements) Regulations, 2015.
- (ii) The BSE has levied penalty of Rs. 17,700 (Seventeen Thousands Seven Hundred Only) for the non-compliance of Regulation 23 (9) of the Listing (Obligation and Disclosure Requirements) Regulations, 2015.

**d) Vigil Mechanism:**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 27(2) of Security and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015., the Company has a Whistle-Blower Policy for establishing a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics policy. The said mechanism also provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. The Company also affirms that no employee of the Company was denied access to the Audit Committee. During the year under review, the Company has the Whistle Blower Policy. The said Whistle-Blower Policy has been hosted on the website of the Company at [www.spentasocks.com](http://www.spentasocks.com)

During FY 2023-24, there were no complaints received under the Whistle Blower mechanism. Your Company further affirms that no person has been denied access to the Audit Committee.

**e) Compliance of Mandatory and Non- Mandatory Requirements**

The Company has complied with all mandatory requirements laid down under the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The details of adoption of non-mandatory requirements are given below;

Sr. no.	Particulars	Remarks
1	Shareholders' Rights	Quarterly & half-yearly status of financial performance in the form of Financial Results of the Company are furnished to the Stock Exchanges and are also published in the newspapers and uploaded on website of the Company. Significant events are also posted on the Company's website under the Investors Section. A complete Annual Report is sent to every shareholder of the Company.
2	Audit qualifications	There are no audit qualifications in the annual financial statement for the period 2023-24. Standard practices and procedures are in place to ensure unqualified financial statements.
3	Reporting of Internal Auditor	The Internal Auditor reports to the Audit Committee.

**f) Proceeds from Public Issues, Rights Issue, Preferential Issue, Bonus Issue etc.**

During the year, the Company has not raised any money through Public Issue, Rights Issue, Preferential Issue, Bonus Issue etc.

No funds were raised through preferential allotment or Qualified Institutional Placement as per the Regulation 32(7A) of Listing Regulations.

**g) Certificate from Company Secretary in practice**

The Company has received a certificate from Mr. Hemant Shetye, Practising Company Secretaries, Mumbai that none of the Directors on the board of the company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Board/Ministry of Corporate Affairs or any such statutory authority. The Certificate of Company Secretary in practice is annexed herewith as a part of the report.

During the financial year 2023-2024, the Board has accepted all the recommendations of its Committees.

**h) Total fees for all services paid by the listed entity, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part Rs. 2,50,000/-**

**i) Details of workplace sexual harassment complaints reported as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company is committed to ensuring that all employees work in an environment that not only promotes diversity and equality but also mutual trust, equal opportunity and respect for human rights. The Company is also committed to provide a work environment that ensures every woman employee is treated with dignity, respect and afforded equal treatment.

The Company has formulated a Policy on prevention of Sexual Harassment in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder which is aimed at providing every woman at the workplace a safe, secure and dignified work environment.

During the year under review, the Company has its policy on prevention of sexual harassment of women at workplace. The same is disclosed on the Company's website at [www.spentasocks.com](http://www.spentasocks.com)

Sr. No.	Particulars	No. Of. Complaints
1.	Number of complaints filed during the financial year 2023-24	Nil
2.	Number of complaints disposed of during the financial year 2023-24	Nil
3.	Number of complaints pending as on end of the financial year 2023-24	Nil

**j) Non- compliance of any requirement of Corporate Governance Report, with reasons thereof:**

The Company has complied with the requirements specified in Regulations 17 to 27 and clauses (b) to (i) of the Regulation 46(2) of the Listing Regulations except Regulation 6(1) and 23(9) of the Listing Regulations.

**k) Code of Conduct**

The Board has adopted the Code of Conduct for members of the Board and Senior Management personnel of the Company. The Code lays down, in detail, the standards of business conduct, ethics and governance.

It is the responsibility of all Directors and employees to familiarize themselves with this Code and comply with its standards. The Board and the senior management of the Company annually affirm compliance with the Code.

A certificate from Mr. Sanjay Gadodia, Chief executive Officer to this effect is annexed to this report. The Code of Conduct has also been posted on the Company's Website at [www.spentastocks.com](http://www.spentastocks.com)

**l) CEO/CFO Certification:**

The Managing Director and Chief Financial Officer (CFO) have issued certificate pursuant to the provisions of Regulation 17(8) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed to this Report.

**m) Company Secretary in Practice's Certificate on Corporate Governance**

As stipulated in Para E of Schedule V of the Listing Regulations, the Certificate from Practicing Company Secretary regarding compliance of conditions of corporate governance is attached herewith.

**n) Details of Demat/ Unclaimed Suspense Account**

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: NIL

Number of shareholders who approached listed entity for transfer of shares from suspense account during the year: NIL

Number of shareholders to whom shares were transferred from suspense account during the year; aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: NIL

That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: NIL

**o) E-Voting Facility to Members**

In view of the massive outbreak of Covid-19 pandemic, social distancing is the norm to be followed and pursuant to the Ministry of Corporate Affairs ("MCA") vide its Circular No. 20/2020 dated May 05, 2020 read with Circular No. 14/2020 dated April 08, 2020 and Circular No.17/2020 dated April 13, 2020 and Circular No. 02/2021 dated January 13, 2021 and Circular No. 21/2021 dated December 14, 2021 and Circular No. 2/2022 dated May 05, 2022, No 10/2022 dated December 28, 2022 and all other relevant circulars issued from time to time (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular number SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and January 05, 2023 (collectively referred to as "SEBI Circulars") permitted the holding of the Annual General Meeting ("the Meeting") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), MCA Circulars and SEBI Circulars, the Meeting of the Company is being held through VC / OAVM.

Pursuant to Section 113 of the Act representatives of Corporate Members may be appointed for the purpose of voting through remote e-voting or for participation and voting in the Meeting to be conducted through VC/OAVM.

**11. OTHER INFORMATION**

As at March 31, 2024 none of the Promoter has pledged their shareholdings, the Company does not have any outstanding GDRs/ ADRs/Warrants/ESOP or any convertible instruments and the Company does not have any balance with respect to Demat Suspense Account.

**Certificate pursuant to clause 40(9) of SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015:**

The Company has obtained yearly Certificates pursuant to Clause 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, from Mr. Hemant Shetye, Designated Partner of M/s HSPN Associates LLP, Practicing Company Secretaries, Mumbai the year ended March 31, 2024 were placed before the Committee for review. The certificates obtained during the year 2023-24 did not contain any reservation or qualification.

**Annual Secretarial Compliance Report**

The Company has undertaken an audit for the financial year 2023-24 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report has been submitted to the stock exchanges within 60 days of the end of the financial year.

**Secretarial Audit**

The Company has obtained quarterly Reports from Mr. Hemant Shetye, Partner of HSPN & Associates LLP, Practicing Company Secretaries, Mumbai for Reconciliation of Share Capital Audit Reports as per Regulation

76 of SEBI (Depositories and Participants) Regulations, 2018, who carried out a Share Capital Audit to reconcile the total admitted Equity Share Capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed Equity Share Capital. The audit report confirms that the total issued/Paid up Capital is in agreement with the total number of shares in physical form and the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. The same were periodically placed before the Stakeholders' Relationship Committee for review.

In addition to the above and pursuant to Section 204 of the Companies Act, 2013 and corresponding Rule 9 of The Companies (Appointment and Remuneration Personnel) Rules, 2014, a secretarial audit for FY 2023-24 was carried out by him. The secretarial audit report forms a part of this annual report.

### **Management Discussion and Analysis**

A statement of Management Discussion and Analysis is appearing elsewhere in this Annual Report in terms of the requirement of the Code of Corporate Governance.

### **Prevention of Insider Trading**

In order to regulate trading in securities of the Company by the Directors and designated employees, your Company has adopted a Code of Conduct for trading in listed or proposed to be listed securities of your Company which has also been published on the website of the Company – [www.spentasocks.com](http://www.spentasocks.com). Insider Trading Code prevents misuse of unpublished price sensitive information and it also provides for periodical disclosures and obtaining pre-clearance for trading in securities of your Company by the Directors, Designated Employees and Connected Persons of your Company.

### **Management Disclosures**

Senior management of the Company (Senior Director level and above, as well as certain identified key employees) make annual disclosures to the Board relating to all material financial and commercial transactions in which they may have personal interest, if any, and which may have a potential conflict with the interest of the Company. Transactions with Key Managerial Personnel are listed in the financial section of this annual report under Related Party Transactions.

### **Internal Control Systems**

The Company has both external and internal audit systems in place. Auditors have access to all records and information of the Company. The Board recognizes the work of the auditors as an independent check on the information received from the management on the operations and performance of the Company. The Board and the management periodically review the findings and recommendations of the statutory and internal auditors and takes corrective actions, whenever necessary.

### **Internal Controls**

The Company maintains a system of internal controls designed to provide reasonable assurance regarding:

- Effectiveness and efficiency of operations.
- Adequacy of safeguards for assets.
- Reliability of financial controls.
- Compliance with applicable laws and regulations.

### **Statutory Audit**

For FY 2023-24, M/s. A K Kocchar & Associates., Chartered Accountants, audited the financial statements prepared under the Indian Accounting Standards.

The independent statutory auditor's render an opinion regarding the fair presentation in the financial statements of the Company's financial condition and operating results. Their audits are made in accordance with generally accepted auditing standards and include a review of the internal controls, to the extent necessary, to determine the audit procedures required to support their opinion.

No transaction of a material nature has been entered into by the Company with the related parties that may have a potential conflict with the interests of the Company at large. The Register of contracts containing transactions, in which directors are interested, is placed before the Board of Directors regularly. The transactions with the related parties are disclosed in the Financial Statements. All transactions entered into with related parties as defined under the Companies Act, Listing Agreement and Listing Regulations during the financial year were in the ordinary course of business and at Arm's length. These have been approved



**Spenta International Limited**

by the audit committee. The board has approved a policy for related party transactions which has been uploaded on the Company's website at [www.spentasocks.com](http://www.spentasocks.com) .

**By order of the Board  
For Spenta International Limited**

**Sd/-  
Sanjay Gadodia  
Chairman  
DIN: 00203433**

Place: Palghar  
Date: 05<sup>th</sup> August, 2024

**Annexure-I****CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Shareholders  
**SPENTA INTERNATIONAL LIMITED**  
Plot # 13 – 16, Dewan Industrial Estate,  
Village Navali, Palghar West,  
Thane - 401404

The Corporate Governance Report prepared by Spenta International Limited ("the Company"), contains details as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") with respect to Corporate Governance for the year ended March 31, 2024 pursuant to the Listing Agreement of the Company with the BSE Limited (referred to as the "Stock Exchange").

**Management's Responsibility**

The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

**Auditor's Responsibility**

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether for the year ended March 31, 2024 the Company has complied, with the conditions of Corporate Governance as stipulated in the Listing Regulations.

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

**Opinion**

In our opinion, based on our examination of the relevant records and to the best of our information and according to explanations given to us, and representations provided by the management, we certify that, the Company, has complied with the conditions of Corporate Governance as stipulated, in the above-mentioned Listing Regulations.

**Other Matters and Restriction on use**

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

The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, for the year ended March 31, 2024, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**Date: 05<sup>th</sup> August, 2024**  
**Place: Mumbai**  
**ICSI UDIN: F002827F000903386**  
**Peer Review: 2025/2022**

**For HSPN & ASSOCIATESLLP**  
**Company Secretaries**

Sd/-

**Hemant Shetye**  
**Designated Partner**  
**FCS No.: 2827**  
**CP No.: 1483**

**Annexure-3**
**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)

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **SPENTA INTERNATIONAL LIMITED** having CIN L28129MH1986PLC040482 and having registered office at Plot # 13-16, Dewan Industrial estate Village Navali, Palghar (West) Thane MH 401404 (hereinafter referred to as "Company") produced before us 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 our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to me by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended 31st March, 2024 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.

<b>SR. NO.</b>	<b>NAME OF DIRECTOR</b>	<b>DIN</b>	<b>DATE OF APPOINTMENT</b>
1.	SANJAY SHYAMSUNDER GADODIA	00203433	10/04/1992
2.	DANNY FIROZE HANSOTIA	00203497	01/10/2010
3.	ANITA PRASHANT KOTI	08069112	16/02/2018
4.	SASHIKANT NARAYAN PRASAD NEWATIA	08793440	17/07/2020
5.	DILIP RAMDAS PAWAR	09279715	13/08/2021

\*Date of appointment of Directors is based on MCA Director's Details.

Ensuring the eligibility 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.

**Date: 05<sup>th</sup> August, 2024**  
**Place: Mumbai**  
**ICSI UDIN: F002827F000903408**  
**Peer Review: 2025/2022**

**For HSPN & ASSOCIATESLLP**  
**Company Secretaries**

**Sd/-**

**Hemant Shetye**  
**Designated Partner**  
**FCS No.: 2827**  
**CP No.: 1483**

**CEO & CFO CERTIFICATE TO THE BOARD**  
**(Pursuant to Regulation 17(8) of the Listing Regulations)**

To,

**The Board of Directors,**

**Spenta International Limited.,**

Plot No. 13 to 16,  
Dewan Industrial Estate,  
Village Navali, Palghar-401404

We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Spenta International ("the Company"), to the best of our knowledge and belief hereby certify as stipulated in SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, that:

1. We have reviewed the financial statement and the cash flow statements for the year and that to the best of our knowledge and belief:
  - a. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
  - b. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct adopted by the Company.
4. We accept responsibility for establishing and maintaining Internal Controls. We have evaluated the effectiveness of the Internal Control Systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee the deficiency, if any, in the design or operation of the Internal Control Systems, of which we were aware and the steps we have taken or propose to take to rectify those deficiencies.

We further certify that:

- a. There have been no significant changes in Internal Control Systems during the year.
- b. There have been no significant changes in Accounting Policies during the year.
- c. There have been no instances of significant fraud of which we were aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's Internal Control Systems.

By order of the Board

**For Spenta International Limited**

Sd/-

**Sanjay Gadodia**  
Whole Time Director & CEO  
DIN: 00203433

sd/-

**Danny Hansotia**  
Managing Director & CFO  
DIN: 00203497

Place: Palghar

Date: 05<sup>th</sup> August, 2024



**DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT**

To  
**The Members of Spenta International Limited**

I, Sanjay Gadodia, Chief Executive Officer of the Spenta International Limited ("the Company") hereby confirm pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 that:

- The Board of Directors of Spenta International Limited ("the Company") has laid down a Code of Conduct for all the Board members and senior management of the Company. The said Code of Conduct has also been posted on the Investors page of the Company website i.e [www.spentasocks.com](http://www.spentasocks.com)
- I declare that, to the best of my information, all the Board Members and senior management personnel have affirmed their compliance with the said Code of Conduct for the year ended March 31, 2024.

**For Spenta International Limited**

**Sd/-**

Place: Palghar  
Date : 05<sup>th</sup> August, 2024

**Sanjay Gadodia**  
**(Chief Executive Officer)**  
**DIN: 00203433**

**INDEPENDENT AUDITOR'S REPORT****TO THE MEMBERS OF  
SPENTA INTERNATIONAL LIMITED****Report on the Standalone Financial Statements**

We have audited the accompanying financial statements of **Spenta International Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024 and the Statement of Profit and Loss (Including other Comprehensive Income), Statement of change in Equity and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

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

**Management's Responsibility for the Financial Statements**

Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and 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 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 were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or

conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements. We remain solely responsible for our audit opinion

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

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

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

#### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Company Act, 2013, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure, a statement on the matters specified in the said Order.

As required by Section 143(3) of the Act, based on our audit, we report to the extend applicable, that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 and the Statement of Profit and Loss (including other comprehensive income), statement of change in equity and cash flow dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of financial statement.
- d) In our opinion, the Balance Sheet and the Statement of Profit and Loss comply with the Ind AS specified under section 133 of the Act, read with Rule 7 of the companies (Account) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, 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 with reference to financial statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report.
- g) With respect to the other matters to be included in the Auditors' 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.

1. The Company does not have any pending litigation which would impact its financial position in its financial statements;

2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March, 2024.
4. a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries  
  
b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement  
  
h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.  
  
i) As stated in Note 2.12.3 to the standalone financial statements  
  
(a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.  
  
(b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.  
  
j) The Company has used accounting software for maintaining its books of account for the year ended 31st March, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1st April, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March, 2024.

**For M/s. A K Kocchar & Associates**  
**Chartered Accountants**  
**FRN: 120410W**

**Sd/-**  
**(Abhilash Darda.)**  
Partner  
Membership No: 423896  
Date: 28th May, 2024  
UDIN – 24423896BKDAAC7835

**Annexure to Independent Auditors' Report**

**(Referred to in paragraph of audit report on "Other Legal and Regulatory Requirements" of even date)**

**1. In respect of Company's Property, Plant and Equipment and Intangible Assets:**

- a. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of right of use assets.
- b. According to the information and explanation given to us, the Property, Plant and Equipment are being physically verified by the management according to a phased program designed to cover all the items over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets.

Pursuant to this program, some of the fixed assets have been physically verified by the management during the year, and no material discrepancies were noticed on such verification.

- c. In our opinion the Company has not disposed of a substantial part of fixed assets during the year and the going concern status of the Company is not affected.

**2. In respect of its inventories:**

- a. As explained to us, inventories have been physically verified by the management at regular intervals during the year. In our opinion, the frequency of such verification is reasonable.
- b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. The Company has maintained proper records of inventories. As explained to us, the discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in books of account.

**3. In our opinion and to the best of our information and according to explanations given to us, in respect of Investments, provided any guarantee, Security or granted any loans and advances, secured or unsecured, to the Companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Act:**

- a. The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.
- b. In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are prima facie, not prejudicial to the Company's interest.
- c. In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest have generally been regular as per stipulation.
- d. In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- e. No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
- f. The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

4. In The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
5. In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.
6. In our opinion and as per the explanations given to us the company is not required to maintain accounts and records as prescribed by the Central Government under Section 148(1) of the Companies Act, 2013.
7. In respect of statutory dues :

- a. According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, and Income Tax, Goods and Service Tax, Customs duty, Works Contract tax, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> March, 2024 for a period of more than six months from the date of becoming payable.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Goods and Service Tax, duty of Excise, Income tax, duty of customs and other material statutory dues were in arrears at the yearend for a period of more than six months from the date they became payable.

- b. According to the information and explanations given to us, there are no dues of GST, Income tax and duty of customs as at the yearend which have not been deposited with the appropriate authorities on account of any dispute.
  - c. According to the information and explanations given to us, the Company has no liabilities which are required to be transferred to the investor education and protection fund within the prescribed time.
8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
  9. whether the company has defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender, if yes, the period and the amount of default to be reported as per the format below
    - (a) The Company has taken any loans or other borrowings from Bank as Term loan, Cash Credit, Over Draft.
    - (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
    - (c) The Company has taken any term loan during the year and applied for the purpose for which obtained.
    - (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
    - (e) On an overall examination of the financial statements of the Company, the Company does not have any subsidiary company; hence the reporting on this clause is not applicable.
    - (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

- 10.** (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- 11.** (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and up to the date of this report), while determining the nature, timing and extent of our audit procedures.
- 12.** The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- 13.** In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards
- 14.** a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date in determining the nature, timing and extent of our audit procedures.
- 15.** According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of Companies Act, 2013.
- 16.** (a) As the company is not engaged in business of non-banking financial institution, accordingly the company is not required to register under section 45-IA of Reserve Bank of India Act, 1934.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- 17.** The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- 18.** There has been no resignation of the statutory auditors of the Company during the year.
- 19.** 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 and 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 indicating that 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. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- 20.** The company is not liable towards Corporate Social Responsibility (CSR) and not required to transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5)

of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

**For M/s. A K Kocchar & Associates**  
**Chartered Accountants**  
**FRN: 120410W**

**Sd/-**  
**(Abhilash Darda)**  
Partner  
Membership No: 423896  
Date: 28th May, 2024  
UDIN – 24423896BKDAAC7835



**ANNEXURE "2" TO THE INDEPENDENT AUDITOR'S REPORT**

referred to in paragraph 1(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Spenta International Limited ("the Company")** as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statement and such internal financial controls with reference to financial statement were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**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 as specified 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 Institute of Chartered Accountants of India. 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 with reference to financial statement was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statement.

**Meaning of Internal Financial Controls over Financial Reporting**

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

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**For M/s A K Kocchar & Associates  
Chartered Accountants  
FRN: 120410W**

**Sd/-**  
**(Abhilash Darda)**  
Partner  
Membership No: 423896  
Date: 28th May, 2024  
UDIN – 24423896BKDAAC7835

**Statement of Assets and Liabilities as at March 31, 2024**
**(Amount in Rs)**

Standalone Statement of Assets & Liabilities	Note No.	As at year ended 31 /03/ 2024	As at year ended 31 /03/ 2023
<b>ASSETS</b>			
<b>1. Non-current assets</b>			
(A) Property, Plant and Equipment	2	14,54,85,901	15,48,96,126
(B) Capital work-in-progress			-
(C) Investment Property	3	1,17,89,683	1,15,89,683
(D) Goodwill			-
(E) Other Intangible assets			-
(F) Intangible assets under development			-
(G) Biological Assets other than bearer plants			-
(H) Financial Assets			-
(i) Investments			-
(ii) Trade receivables			-
(iii) Loans	4	19,43,342	19,50,000
(iii) Others			-
(I) Deferred tax assets (net)	5	16,54,449	8,02,639
(J) Other non-current assets	6	31,00,570	31,00,570
		<b>17,39,73,945</b>	<b>17,23,39,019</b>
<b>2. Current assets</b>			
(A) Inventories	7	14,81,58,133	14,59,60,391
(B) Financial Assets			
(i) Investments	8	1,44,17,566	1,06,75,417
(ii) Trade receivables	9	10,51,83,200	12,90,42,398
(iii) Cash and cash equivalents	10	96,51,943	53,24,185
(iv) Bank balances other than(iii) above	11	8,72,00,548	5,58,65,352
(v) Loans	12	20,23,943	28,49,543
(vi) Others	13	77,86,932	67,64,670
(C) Current Tax Assets (Net)			-
(D) Other current assets	14	2,76,47,017	3,08,31,302
		<b>40,20,69,283</b>	<b>38,73,13,258</b>
<b>TOTAL ASSETS</b>		<b>56,60,43,230</b>	<b>55,96,52,277</b>

<b>EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity Share Capital	15	2,76,43,260	2,76,43,260
(b) Other Equity	16	25,32,42,619	24,58,35,492
		<b>28,08,85,879</b>	<b>27,34,78,752</b>
<b>2. Liabilities</b>			
<b>(I) Non-current liabilities</b>			
(A) Financial Liabilities			
(i) Long-term Borrowings	17	4,05,49,616	5,59,35,254
(i) Trade payables			-
(i) Other financial liabilities			-
(B) Provisions	18	1,68,78,095	1,26,03,039
(C) Deferred Tax Liabilities (Net)			-
(c) Other non-current liabilities			-
		<b>5,74,27,711</b>	<b>6,85,38,293</b>
<b>(II) Current liabilities</b>			
(A) Financial Liabilities			
(i) Short-term Borrowings	19	18,42,65,659	14,83,97,124
(ii) Trade payables	20	1,50,40,044	3,00,76,270
(iii) Other financial liabilities	21	89,49,839	83,42,979
(B) Other current liabilities	22	1,71,78,085	2,81,96,499
(C) Provisions	23	9,14,473	21,34,722
(D) Current Tax Liabilities (Net)	23	13,81,540	4,87,640
		<b>22,77,29,640</b>	<b>21,76,35,234</b>
		<b>56,60,43,230</b>	<b>55,96,52,277</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			
<b>Significant Accounting Policies</b>			
1		0	0
The notes referred to above form an integral part of Financial Statements			

As per our attached report of even date

**For M/s. A K Kochar & Associates**  
**Chartered Accountants**

**(CA Abhilash Darda)**  
**Partner**

**Membership No.: 423896**

**Firm Registration No. 120410W**

UDIN - 24423896BKDAAC7835

Place :- Mumbai

Date : 28th May, 2024

**For and behalf of the Board of Director**

**Sanjay S. Gadodia**  
(Chairman)

**DIN - 00203433**

Place :- Palghar

Date : 28th May, 2024

**Danny F. Hansotia**  
(Managing Director)

**DIN - 00203497**

**Sudhir Kumar**

(Company Secretary)

**Statement of Standalone Financial Results as at March 31, 2024**

(Amount in Rs.)

Standalone Statement of Financial Results	Note No.	As at year ended 31 /03/ 2024	As at year ended 31 /03/ 2023
<b>INCOME</b>			
Revenue from operations	24	35,14,67,953	52,86,95,271
Other income	25	1,30,45,414	72,37,869
<b>Total Income (1+2)</b>		<b>36,45,13,368</b>	<b>53,59,33,140</b>
<b>OPERATING EXPENDITURE</b>			
(a) Cost of materials consumed	26	18,85,67,434	33,30,78,761
(b) Purchases of stock-in-trade	27	4,42,55,217	6,22,67,025
(c) Changes in inventories of finished goods, Work in Progress & Stock in Trade	28	(1,78,12,694)	(84,41,715)
(d) Employee benefits expense	29	5,77,30,789	5,77,79,983
(g) Finance charges	30	1,82,82,513	1,67,27,352
(e) Depreciation and amortization expense		94,91,395	1,10,38,088
(f) Power & Fuel Cost	32	1,39,84,172	1,32,91,471
(h) Other expenses	33	3,54,16,214	3,74,01,425
<b>Total Expenses</b>		<b>34,99,15,040</b>	<b>52,31,42,391</b>
<b>PROFIT BEFORE TAX</b>		<b>1,45,98,328</b>	<b>1,27,90,749</b>
<b>Tax expense:</b>			
(a) Current tax	34	41,00,000	22,00,000
(b) Deferred tax		(5,14,131)	(8,68,368)
<b>Profit / (Loss) after tax</b>		<b>1,10,12,459</b>	<b>1,14,59,117</b>
<b>Other Comprehensive Income</b>			
A (i) Items that will not be reclassified to profit or loss		(12,13,799)	(1,35,061)
(ii) Income tax relating to items that will not be reclassified to profit or loss		3,37,679	37,575
B (i) Items that will be reclassified to profit or loss		-	-

(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
		<b>(8,76,120)</b>	<b>(97,486)</b>
<b>Total Comprehensive Income for the Period</b>		<b>1,01,36,339</b>	<b>1,13,61,631</b>
<b>Earnings per share (of Rs.10/- each):</b>			
(a) Basic (incl./excl. exceptional items)	35	3.98	4.15
(b) Diluted (incl./excl. Exceptional items)		3.98	4.15
<b>Significant Accounting Policies</b>	1		
The notes referred to above form an integral part of Financial Statements			

As per our attached report of even date

**For M/s. A K Kochar & Associates**  
**Chartered Accountants**

**For and behalf of the Board of Director**

**(CA Abhilash Darda)**

**Partner**

**Membership No.: 423896**

**Firm Registration No. 120410W**

UDIN - 24423896BKDAAC7835

Place :- Mumbai

Date : 28th May, 2024

**Sanjay S. Gadodia**

(Chairman)

**DIN - 00203433**

Place :- Palghar

Date : 28th May, 2024

**Danny F.**

**Hansotia**

(Managing  
Director)

**DIN - 00203497**

**Sudhir Kumar**

(Company Secretary)

**Cash Flow Statement**
**Annexed to the Balance Sheet for the year ended March 31, 2024**
**(Amount in Rs)**

Particulars		For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit/(Loss) before tax and extraordinary items		1,45,98,328	1,27,90,749
Adjustments for :			
Depreciation		94,91,395	1,10,38,088
Amortisation		-	-
Non Cash and operating Items - others		17,97,715	14,46,491
Interest income		(57,76,036)	(33,80,261)
Finance Cost		1,82,82,513	1,67,27,352
Dividend income		(84,048)	(1,04,682)
Rental Income		-	(15,12,333)
Establishment Charges		(15,60,000)	-
Unrealised foreign exchange (gain)/loss		23,783	21,566
(Profit) / Loss on Sale of Fixed Assets		-	-
(Gain)/Loss on Fair value of investments		(37,42,149)	7,32,952
		1,84,33,172	2,49,69,174
Operating Profit before Working Capital Changes		3,30,31,500	3,77,59,923
Adjustments for :			
(Increase) / decrease in inventories		(21,97,742)	17,58,885
(Increase) / decrease in Trade receivable		2,38,59,198	3,00,78,694
(Increase) / decrease in Financial assets		(1,96,662)	(13,72,326)
(Increase) / decrease in other current assets		(31,84,285)	(40,75,461)
Increase / (decrease) in trade payable		(1,50,36,226)	(2,55,15,849)
Increase / (decrease) in financial liabilities		6,06,860	6,81,321
Increase / (decrease) in provisions		30,54,807	17,99,879
(Increase) / decrease in other current liabilities		(1,10,18,413)	(83,96,413)
		3,52,87,607	3,27,18,653
<b>Cash generated from / used in operations</b>			
Direct Taxes paid		(41,00,000)	(22,00,000)
<b>Net cash generated from / (used in) operating activities</b>	<b>(A)</b>	3,11,87,607	3,05,18,653

<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>					
Purchase of Fixed Assets including CWIP		(81,169)		(12,34,943)	
Sale of Fixed Assets		-		-	
Advance for Fixed Assets		-		-	
Movement in Non Current Investments		(2,00,000)		-	
Movement in Current Investments		-		-	
(Increase) / decrease in Long term loans and advances		6,658		50,49,811	
(Investment in)/Maturities of Fixed Deposits		(3,13,35,196)		(1,03,48,409)	
Dividend income		84,048		1,04,682	
Interest income		52,53,536	(2,62,72,123)	33,80,261	(30,48,599)
<b>Net cash (used) in investing activities</b>	<b>(B)</b>		(2,62,72,123)		(30,48,599)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>					
Interest paid		(1,82,82,513)		(1,67,27,352)	
Dividends paid		(27,64,326)		(41,46,489)	
Net increase / (decrease) in long term borrowings		(1,53,85,638)		(1,37,41,690)	
Net increase / (decrease) in Short term Borrowings		3,58,68,535	(5,63,941)	80,88,716	(2,65,26,815)
Net cash (used in) from financing activities	<b>(C)</b>		(5,63,941)		(2,65,26,815)
Effect of exchange rate changes	<b>(D)</b>		(23,783)		(21,566)
Net Cash Flow for the year			43,27,760		9,21,672
Cash and cash Equivalents as at 31.03.2023			53,24,186		44,02,513
Cash and cash Equivalents as at 31.03.2024			96,51,945		53,24,186

Note : 1) The Cash Flow Statements has been prepared under the "Indirect Method" as set out in Ind AS - 7 on Cash Flow Statement

2) Previous year figures have been regrouped /rearranged wherever necessary.

As per our attached Report of even date

**For M/s. A K Kochar & Associates  
Chartered Accountants**

**For and behalf of the Board of Director**

**(CA Abhilash Darda)**  
**Partner**  
**Membership No.: 423896**  
**Firm Registration No. 120410W**  
UDIN - 24423896BKDAAC7835  
Place :- Mumbai  
Date : 28th May, 2024

**Sanjay S. Gadodia**  
(Chairman)  
**DIN:00203433**

**Danny F. Hansotia**  
(Managing Director)  
**DIN:00203497**

Place :- Palghar  
Date : 28th May, 2024



**Statement of change in Equity for the year ended March 31, 2024**
**A. Equity Share Capital**

Particulars	Balance at the beginning of the Reporting period	Changes in equity share capital during the year	Balance at the end of the Reporting period	Figures as at the beginning of the previous Reporting period (dd-mm-yy)*
For the year ended 31st March 2023	2,76,43,260	-	2,76,43,260	2,76,43,260
For the year ended 31st March 2024	2,76,43,260	-	2,76,43,260	2,76,43,260

**B. Other Equity**

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt instruments through Other comprehensive Income	Equity instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surpluses	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income	Money received against share warrants
			(i) Capital Reserve	(ii) Securities Premium Reserve	(iii) Other Reserves	(iv) Retained Earnings							
Balance at the beginning of the Reporting period						24,67,56,068						(9,20,576)	
Profit for the Year						1,10,12,459						-	
Other Comprehensive Income / (Loss) (Net of Tax)						-						(8,76,120)	
Changes in accounting policy or prior period errors						-						-	
Restated balance at the beginning of the reporting period						-						-	
Total comprehensive income for the year						-						(8,76,120)	
Dividends including DDT						(27,64,236)						-	
Transfer to retained earning						-						-	
Excess / Short Provision for Income Tax						35,114						-	
Balance at the end of the Reporting period						25,50,39,315						(17,96,696)	
Figures as at the beginning of the previous Reporting period						23,93,74,221						(8,23,090)	

As per our attached report of even date  
**For M/s. A K Kochar & Associates**  
**Chartered Accountants**

**For and behalf of the Board of Directors**

**(CA Abhilasha Dadra)**  
**Partner**  
**Membership No.: 423896**  
**Firm Registration No. 120410W**

**Sanjay S. Gadodia**  
 (Chairman/CEO)  
 DIN - 00203433

**Danny F. Hansotia**  
 (Managing Director/CFO)  
 DIN - 00203497

**Sudhir Kumar**  
 (Company Secretary)

**Place: Mumbai**  
**Date: 28<sup>th</sup> May, 2024**

**Place: Palghar**  
**Date: 28<sup>th</sup> May, 2024**

**Company Overview**

Spenta International Limited (The Company) is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is engaged in manufacturing and trading of socks.

**1 Significant Accounting Policies****a) Basis for preparation of financial Statements**

These financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other relevant provisions of the Act and other accounting principles generally accepted in India.

**b) Basis of measurement**

The Company maintains accounts on accrual basis following the historical cost convention, except for followings:

- Certain Financial Assets and Liabilities is measured at Fair value/ Amortized cost (refer accounting policy regarding financial instruments);
- Defined Benefit Plans – Plan assets measured at fair value.

**c) Functional and Presentation Currency**

The Financial Statements are presented in Indian Rupee (INR), which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

**d) Use of Estimates and Judgements**

The preparation of financial statements in conformity with Ind AS requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

**e) Presentation of Financial Statements**

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Indian Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

**f) Operating Cycle for current and non-current classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1. The Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

**g) Measurement of Fair Values**

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities.

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

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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A

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

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

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

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

**h) New Standards / Amendments to Existing Standard issued and effective upto the date of issuance of the Company's Financial Statement are disclosed below:**

On 28th March, 2018, the Ministry of Corporate Affairs (MCA) has notified Ind AS 115 - Revenue from Contracts with Customers and certain amendment to existing Ind AS. These amendments have been applicable to the Company from 1st April 2018.

➤ **Ind AS 115-Revenue from Contracts with Customers**

Ind AS 115 supersedes Ind AS 11, Construction Contracts and Ind AS 18, Revenue. Ind AS 115 requires an entity to report information regarding nature, amount, timing and uncertainty of revenue and cash flows arising from contract with customers. The principle of Ind AS 115 is that an entity should recognize revenue that demonstrates the transfer of promised goods and services to the customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

Based on preliminary assessment performed by the Company, the impact of the application of the standard is not expected to be material.

➤ **Amendment to Existing issued Ind AS**

Ind AS 12 - Income Taxes

Ind AS 21 - The Effects of Changes in Foreign Exchange Rates

Ind AS 28 - Investment in Associates and Joint Ventures

Ind AS 112 - Disclosure of Interests in Other Entities

The impact of the above standards on the financial statements, as assessed by the Company, is not expected to be material.

**i) Inventories**

Inventories are valued at the lower of cost and net realizable value (NRV). Cost is measured by including, unless specifically mentioned below, cost of purchase and other costs incurred in bringing the inventories to their present location and condition. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. NRV 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. Cost is ascertained on First in First out basis for all inventories except for by products and scrap materials which are valued at net realizable value.

**j) Cash and Cash Equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

For the purpose of the statement of cash flows, cash and cash equivalents includes cash on hand, cash at banks, term deposits and other short-term highly liquid investment.

**k) Income Tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Current and deferred tax is recognized in the statement of profit & loss, except to the extent that it

relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

**l) Current Tax**

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.

**m) Deferred Tax**

- Deferred Tax assets and liabilities is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.
- Deferred tax assets are recognized to the extent that 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 tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

**n) Property, plant and equipment (including Capital work-in-progress)**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent cost are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance expenses are charged to profit or loss during the reporting period in which they are incurred.

Assets acquired but not ready for use are classified under Capital work in progress and are stated at cost comprising direct cost and related incidental expenses.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 01 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

**o) Depreciation and Amortization**

- Depreciation on Property, Plant & Equipment is provided on Straight Line Method in terms of life span of assets prescribed in Schedule II of the Companies Act, 2013 or as reassessed by the Company based on the technical evaluation.
- In case the cost of part of tangible asset is significant to the total cost of the assets and useful life of that part is different from the remaining useful life of the asset, depreciation has been provided on straight line method based on internal assessment and independent technical evaluation carried out by external valuers, which the management believes that the useful lives of the component best represent the period over which it expects to use those components
- Depreciation on Fixed Assets has been provided on Straight - Line Method (SLM) in accordance with the rates prescribed under Schedule II of the Companies Act, 2013 over the life of the assets.

p) **Revenue recognition**

Revenue is recognized based to the extent it is probable that the economic benefit will flow to the company and revenue can be reliably measured regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, and excludes taxes & duties collected on behalf of the Government and is reduced for estimated customer returns, rebates and other similar allowances.

q) **Sale of Product**

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and significant risk and reward incidental to sale of products is transferred to the buyer, usually on delivery of the goods.

r) **Revenue from rendering of services**

Revenue from rendering of services is recognized on pro-rata basis over the period of contract and when the performance of agreed contractual task has been completed.

s) **Other Income**

- **Interest Income:** For all debt instruments measured either at amortized cost or at fair value through other comprehensive income (FVTOCI), interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.
- **Dividend Income:** Dividend income is accounted in the period in which the right to receive the same is established.
- **Other Income:** Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

t) **Employee Benefits**

- **Short Term Benefits:** Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.
- **Other Long Term Employee Benefits:** The liabilities for earned/privilege leave that are not expected to be settled wholly within twelve months are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation. Remeasurements as the result of experience adjustment and changes in actuarial assumptions are recognized in statement of profit and loss.
- **Post-Employment Benefits:** The Company operates the following post-employment schemes

**Defined Contribution Plan:** Defined contribution plans such as Provident Fund, Employee State Insurance etc. are charged to the statement of profit and loss as and when incurred and paid to Authority.

**Defined Benefit Plans:** The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method. The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is

calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation.

Re-measurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Re-measurements recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss.

**u) Foreign Currency Transactions:**

- Foreign currency (other than the functional currency) transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchanges at the reporting date.
- Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in profit or loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs.
- Non-monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).

**v) Borrowing Costs:**

- Borrowing Costs consists of interest and other costs that an entity incurs in connection with the borrowings of funds. Borrowing costs also includes foreign exchange difference to the extent regarded as an adjustment to the borrowing costs.
- Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of that asset that necessarily takes a substantial period of time to complete and prepare the asset for its intended use or sale.
- Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

**w) Financial Instruments:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity

➤ **Financial Assets :**

1. **Recognition and Initial Measurement:**

All financial assets are initially recognized when the company becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

2. **Classification and Subsequent Measurement:**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Measured at Amortized Cost
- Measured at Fair Value Through Other Comprehensive Income (FVTOCI)
- Measured at Fair Value Through Profit or Loss (FVTPL); and
- Equity Instruments designated at Fair Value through Other Comprehensive Income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets

- Measured at Amortized Cost: A debt instrument is measured at the amortized cost if both the following conditions are met

- The asset is held within a business model whose objective is achieved by both collecting 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 (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade receivables, cash and bank balances, loans and other financial assets of the company

- Measured at FVTPL: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss. Equity instruments which are, held for trading are classified as at FVTPL.

3. **Derecognition:**

The Company derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity

4. **Impairment of Financial Assets:**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The company recognizes impairment loss for trade receivables that do not constitute a financing transaction using expected credit loss model, which involves use of a provision matrix constructed on the basis of historical credit loss experience. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

➤ **Financial Liabilities:**

1. **Recognition and Initial Measurement:**

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2. **Subsequent Measurement:**

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

3. **De-recognition:**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

**x) Earnings Per Share:**

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders adjusted for the effects of potential equity shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

**y) Impairment of Non-Financial Assets:**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).

An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

**z) Provisions, Contingent Liabilities and Contingent Assets****➤ Provisions**

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

**➤ Contingent Liabilities**

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in Other Notes to Financial Statements.

- **Contingent Assets:** Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

**aa) Intangible Assets:****➤ Recognition and Measurement**

Intangible asset are stated at cost on initial recognition and subsequently measured at cost less accumulated amortization and accumulated impairment loss, if any.

**➤ Amortization**

1. Software's are amortized over a period of three years.
2. The amortization period and the amortization method are reviewed at least at the end of each financial year. If the expected useful life of the assets is significantly different from previous estimates, the amortization period is changed accordingly.

**bb) Operating Segment**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker of the Company is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the chief operating decision maker.



The Company has identified one reportable segment “Knitted Socks” based on the information reviewed by the CODM.

cc) **Significant Judgments and Key Sources of Estimation in Applying Accounting Policies**

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- **Recognition of Deferred Tax Assets:** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company’s future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.
- **Classification of Leases:** The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee’s option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset’s economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.
- **Defined Benefit Obligation (DBO):**

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.
- **Provisions and Contingencies:**

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, ‘Provisions, Contingent Liabilities and Contingent Assets’. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.
- **Impairment of Financial Assets:**

The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- **Allowances for Doubtful Debts:**

The Company makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.
- **Fair value measurement of financial Instruments:**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

**Note 2: Property, Plant and Equipment**

(Amount in Rs.)

Sr. No.	Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01/04/2023	Addition	Deductions	As at 31/03/2024	As at 01/04/2023	Sales / Adjustments	For the year	As at 31/03/2024	As at 31/03/2024	As at 31/03/2023
	<b>Tangible Assets (A)</b>										
1	Freehold Land	62,36,894	-	-	62,36,894	-	-	-	-	62,36,894	62,36,894
2	Buildings & Civil Works	1,30,76,760	-	-	1,30,76,760	49,89,220	-	7,12,745	57,01,965	73,74,795	80,87,540
3	Old Factory Shed	4,30,636	-	-	4,30,636	1,47,542	-	21,078	1,68,619	2,62,017	2,83,094
4	New Factory Shed	7,30,639	-	-	7,30,639	2,08,144	-	29,735	2,27,878	4,92,761	5,22,495
5	Office Premises	2,46,94,211	-	-	2,46,94,211	56,62,502	-	8,08,929	64,71,431	1,82,22,780	1,90,31,709
6	Plant & Machinery	6,13,15,399	-	-	6,13,15,399	4,25,33,326	-	47,66,156	4,72,99,482	1,40,15,917	1,87,82,073
7	Office Equipments	5,70,362	-	-	5,70,362	4,66,233	-	25,627	4,91,860	78,501	1,04,128
8	Computer	4,46,859	48,974	-	4,95,833	3,83,036	-	42,184	4,25,220	70,613	63,823
9	Furniture and Fixtures	67,18,459	32,195	-	67,50,654	42,30,469	-	6,13,121	48,43,591	19,07,064	24,87,990
10	Misc. Fixed Assets	84,55,337	-	-	84,55,337	48,87,753	-	6,60,323	55,48,076	29,07,261	35,67,584
11	Vehicles	14,87,965	-	-	14,87,965	3,54,652	-	1,20,180	4,74,833	10,13,132	11,33,313
11	Company Guest House - Flat at Palghar	5,67,870	-	-	5,67,870	1,96,198	-	28,248	2,24,446	3,43,424	3,71,672
12	Company Guest House - Flat at Lodha Evoq	8,35,94,885	-	-	8,35,94,885	77,53,246	-	13,52,111	91,05,357	7,44,89,528	7,58,41,639
12	Company Guest House - Flat at Lodha Belmondo	1,93,72,184	-	-	1,93,72,184	9,90,013	-	3,10,956	13,00,969	1,80,71,215	1,83,82,171
	<b>Total</b>	<b>22,76,98,460</b>	<b>81,169</b>	<b>-</b>	<b>22,77,79,629</b>	<b>7,28,02,334</b>	<b>-</b>	<b>94,91,395</b>	<b>8,22,93,728</b>	<b>14,54,85,901</b>	<b>15,48,96,126</b>
	<b>Previous year</b>	<b>22,64,63,517</b>	<b>12,34,943</b>	<b>-</b>	<b>22,64,63,517</b>	<b>6,17,64,245</b>	<b>-</b>	<b>1,10,38,088</b>	<b>7,28,02,334</b>	<b>15,48,96,126</b>	<b>16,46,99,271</b>
	<b>Capital Work-In-Progress (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Previous year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Note 3: Investment in Property**

Particulars	Amt in Rs.	
	31-Mar-24	31-Mar-23
Flats at Palghar*	1,17,87,983	1,15,87,983
Naman Midtown - Share Application Money	1,100	1,100
Lodha Belmondo - Share Application Money	600	600
<b>TOTAL</b>	<b>1,15,89,683</b>	<b>1,15,89,683</b>

\*Company has received partial possession of properties and it is still work-in-progress. Hence, there is no depreciation provided on investment property.

**Fair value**

As at 31 March 2017	1,05,85,253
As at 31 March 2018	1,07,44,032
As at 31 March 2019	1,08,22,000
As at 31 March 2020	1,12,30,000
As at 31 March 2021	1,14,33,500
As at 31 March 2022	1,15,90,000
As at 31 March 2023	1,21,53,000
As at 31 March 2024	1,44,97,000

**Valuation Process**

The best evidence of fair value is current price in an active market for similar properties. Where such information is not available, Company considers current price in an active market for properties of different nature or recent prices of similar properties in less active market, adjusted to reflect those differences. We have considered rates available from property market websites to arrive at fair value. They are classified as level 1 fair values in the fair value hierarchy.

**Note 4: Long term Loans and Advances**

Particulars	Amt in Rs.	
	31-Mar-24	31-Mar-23
<b>Unsecured, considered good unless otherwise stated</b>		
Advance to Job Workers	19,43,342	19,50,000
<b>TOTAL</b>	<b>19,43,342</b>	<b>19,50,000</b>

**Note 5: Deferred Tax Assets (Net)**

Particulars	Amt in Rs.	
	31-Mar-24	31-Mar-23
Deferred Tax Asset - Opening	<b>8,02,639</b>	<b>1,03,304</b>
<b>Deferred Tax Asset for the year</b>	(8,51,810)	(9,05,943)
<b>Total</b>	(16,54,449)	(8,02,639)
Deferred Tax Liability / (Assets)( Net)	(16,54,449)	(8,02,639)
<b>TOTAL</b>	<b>(16,54,449)</b>	<b>(8,02,639)</b>

**Note 6: Other Non-Current Asset**

Amt in Rs.

Particulars	31-Mar-24	31-Mar-23
Deferred Expenses not written off	-	-
Advance Tax - AY 2003-04 to AY 2020-21 Net of Provision for Tax	-	-
Capital Advance - Purchase of Fixed Assets	31,00,000	31,00,000
Others	570	570
<b>TOTAL</b>	<b>31,00,570</b>	<b>31,00,570</b>

**Current Assets**
**Note 7: Inventories**

Amt in Rs.

Particulars	31-Mar-24	31-Mar-23
<b>Stock in Hand</b>		
Raw Materials	3,77,63,576	4,02,39,131
Raw Materials - Job Work	1,62,44,767	2,79,62,724
Raw Materials - Goods in Transit	13,10,152	16,09,455
Finished Goods	8,80,92,928	7,05,80,234
Packing Materials	32,46,710	43,68,847
Stores & Spares (Including Consumables)	15,00,000	12,00,000
<b>TOTAL</b>	<b>14,81,58,133</b>	<b>14,59,60,391</b>

**Financial Assets**
**Note 8: Current Investments**

Amt in Rs.

Particulars	31-Mar-24	31-Mar-23
<b>Investment in Equity shares of Domestic Companies</b>		
<b>(a) Traded, Quoted</b>		
i) ACC Ltd	7,47,510	5,00,160
300 (Previous Year 300) Equity		
Shares of face value of Rs.10 each fully paid up		
ii) Century Textile Ltd	1,62,990	63,400
100 (Previous Year 100) Equity		
Shares of face value of Rs.10 each fully paid up		
iii) Ultra Tech Cement Ltd	1,16,990	91,466
12 (Previous Year Nil) Equity		
Shares of face value of Rs.10 each fully paid up		
iv) Tata Consumer Products Ltd (formerly Tata Global Beverages Ltd)	48,60,551	31,43,041

4434 (Previous Year 4434) Equity			
Shares of face value of Rs.1 each fully paid up			
v) Engineers India Ltd		4,03,900	1,48,900
2000 (Previous Year 2000) Equity			
Shares of face value of Rs. 5 each fully paid up			
vi) Tata Motors Ltd		14,89,200	6,31,200
1500 (Previous Year 1500) Equity			
Shares of face value of Rs.2 each fully paid up			
vii) Tata Steel Ltd		16,36,425	10,97,250
10500 (Previous Year 10500) Equity			
Shares of face value of Rs. 1 each fully paid up			
		<b>94,17,566</b>	<b>56,75,417</b>
<b>(b) Inter-corporate Deposit</b>		50,00,000	50,00,000
		<b>50,00,000</b>	<b>50,00,000</b>
		<b>1,44,17,566</b>	<b>1,06,75,417</b>

**Note 9: Trade Receivables**

Amt in Rs.

Particulars	31-Mar-24	31-Mar-23
<b>(Unsecured and Considered Good)</b>		
Over 6 months & above	2,64,24,122	3,09,47,731
Others	7,93,57,233	9,92,41,165
Provision for doubtful debts	(5,98,155)	(11,46,498)
<b>TOTAL</b>	<b>10,51,83,200</b>	<b>12,90,42,398</b>

**Note:** Trade Receivables Over 6 months & above include amounts receivable from Future Enterprises Ltd, Future Retail Ltd and Future Lifestyle Fashion Ltd amounting to Rs. 1,08,52,590/-, Rs. 50,43,248/- and Rs. 88,23,286/- respectively for which no provision is done in books of accounts, awaiting decision from The National Company Law tribunal (NCLT) (previous year figures are Rs. 1,08,52,590/-, Rs. 50,43,248/- and Rs. 88,23,286/- respectively).

**The trade receivables ageing schedule for the years ended as on March 31, 2024 is as follows :**

Particulars	Trade receivables ageing schedule as on 31 <sup>st</sup> March 2024					
	(Amount in Rs.)					
	Outstanding for following periods from due date of payment#					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	79357233	1106843	-	-	-	80464076

(ii) Undisputed Trade Receivables – considered doubtful	-	122983	-	8823286	15895838	24842107
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	17955	-	457217	475172
	79357233	1229826	17955	8823286	16353055	<b>105781355</b>

**The trade receivables ageing schedule for the years ended as on March 31, 2023 is as follows:**

Particulars	Trade receivables ageing schedule as on 31 <sup>st</sup> March 2023					
	(Amount in Rs.)					
	Outstanding for following periods from due date of payment#					Total
Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years		
(i) Undisputed Trade receivables – considered good	99241165	5082109	-	-	-	104323274
(ii) Undisputed Trade Receivables – considered doubtful	-	564679	24719124	-	-	25283803
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	124602	-	457217	581819
	99241165	564678	24843726	-	457217	<b>130188896</b>

**Note 10: Cash and Cash Equivalent**

**Amt in Rs.**

Particulars	31-Mar-24	31-Mar-23
Cash on hand	25,64,047	25,38,117
Balances with banks		
i) In current accounts	52,94,305	7,86,219
ii) Earmarked balances	17,93,591	19,99,849
<b>TOTAL</b>	<b>96,51,943</b>	<b>53,24,184</b>

**Note 11: Bank Balance other than Above**

**Amt in Rs.**

Particulars	31-Mar-24	31-Mar-23
ii) In Fixed Deposit Account		
- Maturity with more than 12 months balances with banks	4,92,68,861	5,15,83,509
- Maturity within 12 months	3,79,31,687	42,81,843
<b>TOTAL</b>	<b>8,72,00,548</b>	<b>5,58,65,352</b>

**Note 12: Short Term Loans and Advances**

Amt in Rs.

Particulars	31-Mar-24	31-Mar-23
Advances to Employees		
- Unsecured Considered good	13,80,223	14,41,636
Loans And Advances To Corporate And Others	6,43,720	14,07,907
<b>TOTAL</b>	<b>20,23,943</b>	<b>28,49,543</b>

**Note 13: Other Financial Assets**

Amt in Rs.

Particulars	31-Mar-24	31-Mar-23
Deposits	23,68,062	20,41,170
Interest Receivable	54,13,510	47,23,500
Other Receivable	53.60	-
<b>TOTAL</b>	<b>77,86,932</b>	<b>67,64,670</b>

**Note 14: Other Current Assets**

Amt in Rs.

Particulars	31-Mar-24	31-Mar-23
Advance To Suppliers	52,39,658	84,61,617
Other Receivables	10,68,112	9,25,816
Statutory & Other Receivables (GST / Export Incentives / MSEDCL Subsidy)	1,98,58,575	1,99,77,143
Prepayments	14,80,672	14,66,727
<b>TOTAL</b>	<b>2,76,47,017</b>	<b>3,08,31,302</b>

**EQUITY**
**Note 15: Equity Share Capital**

Amt in Rs.

Particulars	31-Mar-24		31-Mar-23	
	Number of Shares	(Amt. in Rs.)	Number of Shares	(Amt. in Rs.)
<b>Authorised Capital</b>				
Equity shares of Rs.10 each with voting rights	35,00,000	3,50,00,000	35,00,000	3,50,00,000
<b>Issued Share Capital</b>				
Equity shares of Rs.10 each	27,64,326	2,76,43,260	27,64,326	2,76,43,260
<b>Subscribed and fully paid - up</b>				
Equity shares of Rs.10 each	27,64,326	2,76,43,260	27,64,326	2,76,43,260
<b>TOTAL</b>	<b>27,64,326</b>	<b>2,76,43,260</b>	<b>27,64,326</b>	<b>2,76,43,260</b>

## a) Reconciliation of equity shares and amounts outstanding

Particulars	31-Mar-24		31-Mar-23	
	Number of Shares	(Amt. in Rs.)	Number of Shares	(Amt. in Rs.)
At the beginning of the year	27,64,326	2,76,43,260	27,64,326	2,76,43,260
Add : Allotment money received	-	-	-	-
Less : Shares cancelled on buy back of Equity Shares	-	-	-	-
<b>At the end of the year</b>	<b>27,64,326</b>	<b>2,76,43,260</b>	<b>27,64,326</b>	<b>2,76,43,260</b>

## b) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10. The equity shares have rights, preferences and restrictions which are in accordance provisions of law, in particular the Companies Act, 2013.

## c) Details of shareholders holding more than 5% shares in the Company.

Particulars	31-Mar-24		31-Mar-23	
	Number of Shares	% of Holding	Number of Shares	% of Holding
1. Danny Hansotia	6,90,277	24.97%	6,90,277	24.97%
2. Sanjay Gadodia	6,43,133	23.27%	6,43,133	23.27%
3. IEPF Authority, MCA	1,79,381	6.49%	-	-
4. Sandeep Gadodia	1,64,307	5.94%	1,64,307	5.94%

**Note 16: Other Equity**
**Amt in Rs.**

Particulars	31-Mar-24	31-Mar-23
a) Retained earnings	25,50,39,315	24,67,56,068
b) Other comprehensive income	(17,96,696)	(9,20,576)
<b>TOTAL</b>	<b>25,32,42,619</b>	<b>24,58,35,492</b>

**Amt in Rs.**

Particulars	31-Mar-24	31-Mar-23
<b>a) Retained earnings</b>		
Balance at the beginning of the year	24,67,56,068	23,93,74,221
Add: Profit for the year	1,10,12,459	1,14,59,117
Less: Excess / Short Provision for Income Tax	35,114	69,219
Less: Dividend including Dividend Distribution Tax	(27,64,326)	(41,46,489)
<b>Balance at the end of the year</b>	<b>25,50,39,315</b>	<b>23,93,74,221</b>



Amt in Rs.

Particulars	31-Mar-24	31-Mar-23
<b>b) Other comprehensive income</b>		
Balance at the beginning of the year	(9,20,576)	(8,23,090)
Add: Remeasurement of Defined Benefit Obligation (Net of tax)	(8,76,120)	(97,486)
<b>Balance at the end of the year</b>	<b>(17,96,696)</b>	<b>(9,20,576)</b>

**Notes forming part of the Financial Statements as at and for the Year ended March 31st, 2024.**  
**LIABILITIES - NON CURRENT LIABILITIES**

## a) FINANCIAL LIABILITIES

**Note 17: BORROWINGS**

Amt in Rs.

Particulars	31-Mar-24	31-Mar-23
a) Secured loan From Banks		
Term Loan from Kotak Bank - TLFLT	3,56,95,379	4,03,01,234
WCTL fom Kotak Bank under ECLGS	40,52,039	1,22,18,449
WCTL fom Kotak Bank under ECLGS	8,02,198	34,15,571
<b>TOTAL</b>	<b>4,05,49,616</b>	<b>5,59,35,254</b>

**Term Loan From Kotak Bank Ltd: (takeover from DCB Bank Ltd.)**

Details of Security:-

First and exclusive mortgage charge on immoveable properties in name of the Company situated at: a) Factory L and B on Plot nos. 13-16, Dewan, Palghar, Thane, b) Flat no. 302, Shree Raj apartment, Janaki nagar, Palghar and c) Office no. B-1303, Naman Midtown, Elphinstone road, Mumbai 400013.

Second charge on property in name of the Company situated at a) Flat No 802, 8th Floor, A Wing, Lodha Evoq, New Cuffe Parade, Wadala East, Mumbai

Personal Guarantee of Promoter Director of the Company, Mr. Danny Hansotia

Terms of Re-payment:- Loan to be repaid in 116 equated monthly instalment beginning from 05.05.2022 and ending till 05.11.2031

**WCTL from Kotak Bank under ECLGS1 : (takeover from DCB Bank Ltd.)**

DCB Bank, in terms of Government of India's Emergency Credit Line Guarantee Scheme (ECLGS) has sanctioned a Guaranteed Emergency Credit Line (GECL) by way of Working Capital Term Loan, which has been subsequently taken over by Kotak Bank Ltd w.e.f 07.04.22

Details of Security :- WCTL under ECLGS is taken from Kotak Bank for Working Capital purposes and secured by Extension of charge over existing primary and collateral securities, including mortgage created in favour of the bank, on second charge basis and personal guarantee of promoter director of the Company, Mr. Danny Hansotia

Terms of Repayment :- Loan to be repaid in 26 equated monthly instalment beginning from 05.05.2022 and ending till 05.06.2024

**Notes forming part of the Financial Statements as at and for the Year ended March 31<sup>st</sup>, 2024.**
**WCTL from Kotak Bank under ECLGS2 : (takeover from ICICI Bank Ltd.)**

ICICI Bank, in terms of Government of India's Emergency Credit Line Guarantee Scheme (ECLGS) has sanctioned a Guaranteed Emergency Credit Line (GECL) by way of Working Capital Term Loan, which has been subsequently taken over by Kotak Bank Ltd w.e.f 07.04.22

Details of Security :- WCTL under ECLGS is taken from Kotak Bank for Working Capital purposes and secured by Extension of charge over existing primary and collateral securities, including mortgage created in favour of the bank, on second charge basis and personal guarantee of promoter director of the Company, Mr. Danny Hansotia

Terms of Repayment :- Loan to be repaid in 26 equated monthly instalment beginning from 05.05.2022 and ending till 05.06.2024

**Note 18: Long Term Provisions**
**Amt in Rs.**

Particulars	31-Mar-24	31-Mar-23
Provision for employee benefits		
- Provision for Gratuity	1,68,78,095	1,26,03,039
<b>TOTAL</b>	<b>1,68,78,095</b>	<b>1,26,03,039</b>

Provision for Gratuity is made on the assumption that such benefits are payable on termination of employment and method adopted for its calculation has been worked on Actuarial Valuation basis.

**CURRENT LIABILITIES**
**FINANCIAL LIABILITIES**
**Note 19: Short Term Borrowings**
**Amt in Rs.**

Particulars	31-Mar-24	31-Mar-23
<b>a) Secured:</b>		
Working Capital Loans - CC/OD/STL	13,08,09,698	12,97,98,201
- Overdraft against FD	5,34,55,961	1,85,98,923
- Overdraft against Property	-	-
<b>TOTAL</b>	<b>18,42,65,659</b>	<b>14,83,97,124</b>

Details of Security:-

**1) Working capital - CC/OD taken from Kotak Bank Ltd. is secured by:**

- a) First pari-passu hypothecation charge to be shared with DCB Bank on all existing and future receivables / current assets of the Company
- b) First and exclusive hypothecation charge on all moveable fixed assets of the Company
- c) First and exclusive mortgage charge on immovable properties situated at:
  - i. Factory L and B on plot no.13-16, Dewan, Palghar, Thane, in the name of the Company
  - ii. Flat no.302, Shree Raj Apartment, Janaki Nagar, Bhausaheb Dabdekar Marg, Tal. Palghar, Dist. Thane, in the name of the Company

iii. Office no. 1303-B wing, Elphinstone, Naman Midtown, Off Senapati Bapat Marg, Mumbai-400013, owned by the Company

d) Second Charge on Flat no.802, 8th floor, A wing, Lodha EVOQ, New Cuffe Parade, Wadala (E), Mumbai, in the name of the Company. The security is currently held with DCB Bank Limited.

e) Personal guarantee of promoter director of the Company, Mr. Danny Hansotia

**2) Working capital - CC/STL taken from DCB Bank Ltd. is secured by:**

- a) First pari-passu hypothecation charge to be shared with Kotak Bank on all existing and future receivables / current assets of the Company
- b) Equitable Mortgage of Flat no.802, 8th floor, A wing, Lodha EVOQ, New Cuffe Parade, Wadala (E), Mumbai, in the name of the Company.

**3) Working capital - Overdraft against FD from DCB Bank Ltd. & ICICI Bank Ltd. is secured by:**

- a) 100% Lien on Fixed Deposit with respective Banks.

**Note 20: Trade Payables**

Amt in Rs.

Particulars	31-Mar-24	31-Mar-23
Micro and small enterprise	85,27,195	66,94,109
Others	65,12,849	2,33,82,161
<b>TOTAL</b>	<b>1,50,40,044</b>	<b>3,00,76,270</b>

**DISCLOSURES UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT 2006.**

Amt in Rs.

Particulars	31-Mar-24	31-Mar-23
Principal amount remaining unpaid to suppliers as at the end year.	-	30,64,044
Interest due on the above mentioned principal amount remaining unpaid to any supplier as at the year end.	-	-
Amount of the interest paid by the Company in terms of Section 16	-	-
Amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the MSM Act.	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of intimation received from the "suppliers" regarding their status under the Micro, small and Medium Enterprises Development Act, 2006.

Trade Payables ageing schedule for the year ended as on March 31, 2024 is as follows.

Amt in Rs.

Particulars	Trade payables ageing schedule as on 31st March 2024				
	Outstanding for following periods from due date of payment#				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	85,27,195	-	-	-	85,27,195
(ii) Others	65,12,849	-	-	-	65,12,849
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-
<b>TOTAL</b>	<b>1,50,40,044</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,50,40,044</b>

Trade Payables ageing schedule for the year ended as on March 31, 2023 is as follows:

Amt in Rs.

Particulars	Trade payables ageing schedule as on 31st March 2023				
	Outstanding for following periods from due date of payment#				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	66,94,109	-	-	-	66,94,109
(ii) Others	2,30,68,849	6330	3,06,982	-	2,33,82,161
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-
<b>TOTAL</b>	<b>2,97,62,958</b>	<b>6330</b>	<b>3,06,982</b>	<b>-</b>	<b>3,00,76,270</b>

**Note 21: Other Financial Liabilities**

Amt in Rs.

Particulars	31-Mar-24	31-Mar-23
Employee Related Liabilities	71,56,248	63,43,130
Others	17,93,591	19,99,849
<b>TOTAL</b>	<b>89,49,839</b>	<b>83,42,979</b>

**Note 22: Other Current Liabilities**

Amt in Rs.

Particulars	31-Mar-24	31-Mar-23
Other Current liabilities*	1,11,85,999	2,25,08,079
Statutory dues payable	19,88,902	23,63,584
Advance against Sales	40,03,185	33,24,836
<b>TOTAL</b>	<b>1,71,78,085</b>	<b>2,81,96,499</b>

**\*Other Current Liabilities**
**Amt in Rs.**

<b>Particulars</b>	<b>31-Mar-24</b>	<b>31-Mar-23</b>
Micro and Small Enterprises	89,61,135	1,86,97,870
Others	22,24,864	38,10,902
<b>TOTAL</b>	<b>1,11,85,999</b>	<b>2,25,08,079</b>

**DISCLOSURES UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT 2006.**
**Amt in Rs.**

<b>Particulars</b>	<b>31-Mar-24</b>	<b>31-Mar-23</b>
Principal amount remaining unpaid to suppliers as at the end year.	-	-
Interest due on the above mentioned principal amount remaining unpaid to any supplier as at the year end.	-	-
Amount of the interest paid by the Company in terms of Section 16	-	-
Amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the MSM Act.	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of intimation received from the "suppliers" regarding their status under the Micro, small and Medium Enterprises Development Act, 2006.

**Note 23: Short term provisions**
**Amt in Rs.**

<b>Particulars</b>	<b>31-Mar-24</b>	<b>31-Mar-23</b>
Provision for Employee benefits	9,14,473	21,34,722
Provision for Tax (Net)	13,81,540	4,87,640
<b>TOTAL</b>	<b>22,96,013</b>	<b>26,22,362</b>

**Note 24: Revenue from operations**
**Amt in Rs.**

<b>Particulars</b>	<b>31-Mar-24</b>	<b>31-Mar-23</b>
<b>Sale of products</b>		
Domestic sale - Socks	29,12,52,809	44,78,83,021
Export sale & Entitlement - Third party Exports - Socks	3,28,32,238	4,42,18,478
Yarn Sale for Socks Purchase/Re-processing	2,73,53,542	3,65,49,801
Sale of Wastage	29,365	43,971
<b>TOTAL</b>	<b>35,14,67,953</b>	<b>52,86,95,271</b>

**Note 25: Other Income**

Amt in Rs.

Particulars	31-Mar-24	31-Mar-23
Interest Income	57,76,036	33,80,261
Dividend	84,048	1,04,682
Profit / (Loss) on sale of Fixed Assets	-	-
Cash Discount Received	-	-
Rent Income	-	15,12,333
Establishment Charges	15,60,000	
Miscellaneous Income	-	-
Net gain/(loss) on Fair value of Equity instruments	37,42,952	-7,32,952
Duty Drawback on Export Sales	4,85,893	8,44,259
Other Export Incentives and Benefits	13,97,288	21,29,286
<b>TOTAL</b>	<b>1,30,45,414</b>	<b>72,37,869</b>

**Note 26: Cost of Materials Consumed**

Amt in Rs.

Particulars	31-Mar-24	31-Mar-23
<b>(a) Raw Material Consumed</b>		
Opening Stocks	4,02,39,131	4,00,25,828
Add: Purchases	12,22,56,249	22,54,77,673
	<b>16,24,95,380</b>	<b>26,55,03,501</b>
Less: Closing Stocks	3,77,63,576	4,02,39,131
Less: Goods in Transit	8,69,484	-
<b>(a)</b>	<b>12,38,62,320</b>	<b>22,52,64,370</b>
<b>(b) Packing Material Consumed</b>		
Opening Stocks	59,78,302	55,14,226
Add: Purchases	1,68,87,955	3,25,14,053
	<b>2,28,66,277</b>	<b>3,80,28,279</b>
Less: Closing Stocks	32,46,710	59,78,302
Less: Goods in Transit	66,934	-
<b>(b)</b>	<b>1,95,52,633</b>	<b>3,20,49,977</b>
<b>(c) Job Work Material Consumed</b>		
Opening Stocks	2,79,62,724	3,88,40,703
Add: Job Work charges	3,38,08,259	6,48,86,435
	<b>6,17,70,983</b>	<b>10,37,27,138</b>

Less: Closing Stocks	1,62,44,767	2,79,62,724
Less: Goods in Transit	3,73,734	-
<b>(c)</b>	<b>4,51,52,482</b>	<b>7,57,64,414</b>
<b>TOTAL (A+B+C)</b>	<b>18,85,67,434</b>	<b>33,30,78,761</b>

**Note 27: Purchase of stock in trade**

Amt in Rs.

Particulars	31-Mar-24	31-Mar-23
Traded Goods - Socks	4,42,55,217	6,22,67,025
<b>TOTAL</b>	<b>4,42,55,217</b>	<b>6,22,67,025</b>

**Note 28: Changes in inventories of Finished Goods, WIP and Stock in Trade**

Amt in Rs.

Particulars	31-Mar-24	31-Mar-23
<b>Opening Stocks</b>		
Finished Goods	7,05,80,234	6,21,38,519
Spares & Consumables	12,00,000	12,00,000
	<b>7,17,80,234</b>	<b>6,33,38,519</b>
Less:		
<b>Closing Stocks</b>		
Finished Goods	8,80,92,928	7,05,80,234
Spares & Consumables	15,00,000	12,00,000
	<b>8,95,92,928</b>	<b>7,17,80,234</b>
<b>TOTAL (A+B+C)</b>	<b>(1,78,12,694)</b>	<b>(84,41,715)</b>

**Note 29: Employee Benefits Expenses**

Amt in Rs.

Particulars	31-Mar-24	31-Mar-23
Employees Salary & wages	2,75,49,003	2,50,28,927
Contractors' Payments	2,48,08,694	2,64,07,321
Provident Fund Employer's Contribution	17,42,578	17,09,397
Gratuity to Employees	18,41,008	16,64,818
Bonus to Employees	13,70,291	25,65,122
ESIC Employer's Contribution	4,19,215	4,04,338
<b>TOTAL</b>	<b>5,77,30,789</b>	<b>5,77,79,983</b>

**Note 30: Finance Cost**

Particulars	Amt in Rs.	
	31-Mar-24	31-Mar-23
Bank charges		-
Interest paid		
1) To Banks		
- On Term Loan	44,49,443	51,48,359
- On Working Capital	1,19,94,184	1,08,88,907
- On Overdraft against FD	18,38,886	6,90,086
2) To Others	-	-
- On Fixed Deposits	-	-
- On Unsecured Loans	-	-
- On Car Loans	-	-
- On Others	-	-
3) For Bill Discounting	-	-
<b>TOTAL</b>	<b>1,82,82,513</b>	<b>1,67,27,352</b>

**Note 32: Power & Fuel Cost**

Particulars	Amt in Rs.	
	31-Mar-24	31-Mar-23
Power Cost - MSEDCL	1,39,84,172	1,32,72,853
Diesel Cost - DG Set	-	18,618
<b>TOTAL</b>	<b>1,39,84,172</b>	<b>1,32,91,471</b>

**Note 33: Other Expenses**

Particulars	Amt in Rs.	
	31-Mar-24	31-Mar-23
<b>A. MANUFACTURING EXPENSES</b>		
Carriage Inward	16,74,645	28,86,237
Commission on Purchase	-	-
Consumables Stores & Spares	16,31,470	16,22,296
Yarn Dying Charging	6,90,659	41,93,542
Embroidery Charges	1,28,554	4,37,210
Factory Expenses	36,281	58,107
Hamali Charges	1,47,776	1,08,989
Oil Purchases	1,42,580	1,49,420
Repair and Maintenance - Plant & Machinery	5,38,798	6,34,506
Testing Charges	1,83,716	2,61,910
Washing Charges	1,74,710	14,13,880
Printing Charges	-	-
<b>TOTAL (A)</b>	<b>53,49,189</b>	<b>1,17,66,097</b>
<b>B. SELLING AND DISTRIBUTION EXPENSES</b>		
Business Promotion Expenses	5,05,897	4,01,825
Carriage Outward	56,75,186	39,80,027
Carriage Outward	28,26,415	-



Claims & Shortages	7,82,740	8,74,471
Rent on Warehouse	7,92,022	7,81,000
Sales Promotion & Commission Expenses	12,08,980	11,12,754
<b>TOTAL (B)</b>	<b>1,17,91,219</b>	<b>71,50,076</b>
<b>C. ADMINISTRATIVE AND OTHER EXPENSES</b>		
Advertisement & Publicity	59,088	56,592
Annual General Meeting Exp Acc	-	-
Payment to Auditors	2,50,000	2,00,000
Bank Charges	6,52,454	9,67,900
Bad Debts	6,21,657	6,30,745
Car Insurance	64,186	81,348
Cash Discount	12,77,166	14,88,066
Communication Expenses	1,81,262	1,83,027
Conveyance	84,500	97,750
Courier & Postage Charges	1,48,639	1,81,898
Donation	17,400	19,551
Director's remuneration	60,00,000	60,00,000
Director Sitting Fees	-	90,000
Electricity Expenses	1,83,270	1,53,385
Forex Exchange Loss	23,783	21,566
Insurance	5,09,828	4,77,991
Legal & Professional Fees	5,24,278	8,07,315
Legal License Fees	6,61,648	9,90,403
Listing Fees	3,25,000	3,00,000
Membership & Subscription	1,85,753	1,11,907
Miscellaneous Expenses	61,239	2,91,660
Municipal Tax	-	2,78,862
Office Expenses	1,34,739	1,32,757
Printing & Stationery	2,24,470	2,44,982
Professional Tax	2,500	5,000
Rent, Rates and Taxes	8,91,217	-
Repair & Maintenance	17,76,981	16,62,607
Taxes Ineligible	-	80,505

Security Charges	12,29,687	8,56,324
Info Tech Expenses	1,66,873	2,68,568
Transfer Agent Fees	2,46,227	2,65,767
Travelling Expenses	1,07,862	1,41,727
Vehicles Running Expenses	4,78,646	6,18,574
Wellfare - Employees' benefits	11,85,452	7,78,472
<b>TOTAL (C)</b>	<b>1,8,275,805</b>	<b>1,84,85,252</b>
<b>TOTAL (A+B+C)</b>	<b>3,54,16,214</b>	<b>3,74,01,425</b>

**Note 34: Tax Expenses**
**Amt in Rs.**

Particulars	31-Mar-24	31-Mar-23
Current Tax	41,00,000	22,00,000
Deferred Tax	(5,14,131)	(8,68,368)
<b>Total</b>	<b>35,85,869</b>	<b>13,31,632</b>

**Note 34.1: Reconciliation of estimated Income Tax expenses at Indian statutory Income tax rate to income tax expense reported in statement of Profit & Loss**
**Amt in Rs.**

	31-Mar-24	31-Mar-23
Profit before income tax expense	14598328	1,27,90,749
Estimated income tax expense	4061255	21,35,032
<i>Tax effect of adjustments to reconcile expected Income tax expense to reported Income tax expense</i>		
Expenses not Deductible	85,22,490	4,75,700
Expenses deductible	-	-
Exempt income	(10,41,066)	1,22,344
Others	-	-
<b>Total tax expense</b>	<b>35,85,869</b>	<b>13,31,632</b>

**Note35: Earnings Per Share**
**Amt in Rs.**

Particulars	31-Mar-24	31-Mar-23
<b>Basic earning per share</b>		
Profit after tax (Amt in Rs.)	1,10,12,459	1,14,59,117
Weighted average no. of equity shares	27,64,326	27,64,326
Nominal value of each equity shares	10	10
<b>Basic earning per share (in Rs.)</b>	<b>3.98</b>	<b>4.15</b>
<b>Diluted earnings per share (in Rs.)</b>	<b>3.98</b>	<b>4.15</b>

**Note 36: Contingent Liabilities**
**i) Claims against the Company not acknowledgement as debts**
**a) Income tax matters TDS Default on Traces**

There is old TDS default towards Short deduction, Interest, Late Fees etc. of Rs. 3,68,056/-not yet claimed by TDS department (previous year - Rs. 364,429/-)

**ii) Bank guarantee**
**Amt in Rs.**

<b>Particulars</b>	<b>31-Mar-24</b>	<b>31-Mar-23</b>
a) Guarantee issued to Customs Department towards import of Capital goods under EPCG scheme for which the Company is hopeful to meet its obligations as per schedule	39,15,000	39,15,000
b) Guarantee issued to Maharashtra Pollution Control Board towards renewal of Licence	4,00,000	4,00,000
<b>Total</b>	<b>43,15,000</b>	<b>43,15,000</b>

**Note 37: Director Remuneration**
**Amt in Rs.**

<b>Director Remuneration (Salaries and Allowances)</b>	<b>31-Mar-24</b>	<b>31-Mar-23</b>
Managing Director	30,00,000	30,00,000
Whole time Directors	30,00,000	30,00,000
<b>Total</b>	<b>60,00,000</b>	<b>60,00,000</b>

**Note 38: Auditors Remuneration**
**Amt in Rs.**

<b>Payment to Auditor</b>	<b>31-Mar-24</b>	<b>31-Mar-23</b>
Audit Fees	2,50,000	2,00,000
Taxation Matters	-	-
Certification and other charges	-	-
<b>Total</b>	<b>2,50,000</b>	<b>2,00,000</b>

39. Some of the sundry debtors, sundry creditors and loans & advances are subject to confirmation and reconciliation. Consequential adjustment thereof, if any, will be given effect into the books of accounts in the year of such adjustment.

40. In the opinion of the Board, the Current Assets, Loans & Advances are approximately of the value stated and are realizable in the ordinary course of business

41. The items of inventories are measured at lower of cost or net realizable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. Raw material comprises of Yarn and packing material at cost, Wastage is valued at net realizable value. Cost of Raw material, finished goods, Spare and Consumables are determined on First in First out basis. (FIFO)

42. Previous year figure have been regrouped / reclassified to confirm with current year presentation, whenever considered necessary.

**Note 43: Capacities and Production**
**Amt in Rs.**

<b>Capacities and Production</b>	<b>Number of Pairs</b>	
	<b>31-Mar-24</b>	<b>31-Mar-23</b>
Installed Capacity - Own	1,11,60,000	1,13,59,500
Actual Production	69,82,370	1,12,37,264
Actual Socks Purchase	17,56,991	21,34,810

Installed capacity for the year has been calculated on the basis of machines in use and running in production. As of March 31, 2024, out of the 267 machines, 178 machines have been put to use in production. Installed capacity of machines in production during the year is taken on a pro rata basis based on the number of days machines were put to use. (Previous year figures are 270 and 227 respectively)

43. a) Insurance claim of Rs. 89.35 Lacs along with interest thereon upto date of settlement is filed by the company on account of fire occurred at the Company's Godown at Aliyali - Palghar, Maharashtra on 26 th August, 2008 damaging complete Building and Stock in hand and the same is still pending with the insurance company. The Company has filed a case against the insurance company in the National Consumer Court, New Delhi. The case is under hearing as on March 31, 2024.

i) The Company had filed an Appeal before Income Tax Appellate Tribunal, Mumbai against Income Tax Demand of Rs. 74,46,117/- for A.Y. 2005-06 and A.Y. 2006-07 and paid Rs. 28,61,057/- had been paid by the Company in 2012. The said ITAT appeal decided in favor of company vide consolidated ITAT Appeal order dated 15/09/2016 and refund of Rs. 32,81,628/- received in May'2022. Interest on the said amount is short received, and Company has filed an appeal with CP Gram for recovery of said amount - Rs. 23,36,863/- which is outstanding on 31/03/2024.

45. The Company has to fulfil export obligations under EPCG licence granted to the same on conversion from EOU status to DTA status. Since the Machineries required for completion of the said obligation has destroyed in fire in Dec' 2004, the Company has taken up the matter with the relevant authorities for cancellation of the said Licence. The matter is still pending with relevant Authority as on March 31, 2024

**Note 46: Additional Information**

C.I.F. Value of Imports	Amt in Rs	
	31-Mar-24	31-Mar-23
Spares & Consumables	5,45,412	3,82,945
Plant & Machinery	-	-

Foreign Exchange Earning & Outgo	Amt in Rs.	
	31-Mar-24	31-Mar-23
Foreign Exchange Earning (F.O.B. Value of Exports)	3,28,32,238	4,42,18,478
Foreign Exchange Outgo		
- Travelling	-	-
- Advance for Spares and Consumables	-	54,804
- Plant & Machinery	-	-
- Spares & Consumables	5,45,412	3,61,325

**Quantitative Details:**
**Amt in Rs.**

Raw Material (Yarn)	As at March 31, 2024		As at March 31, 2023	
	Qty. (kgs.)	Amount (Rs.)	Qty. (kgs.)	Amount (Rs.)
Opening Stock	91,823.682	4,02,39,131	95,021.158	4,00,25,829
Purchased during the year (Net of returns)	3,32,377.220	12,22,56,249	5,41,077.575	22,54,77,673
Yarn Sales	61,963.725	2,73,54,542	87,508.965	3,65,49,801
Issued for Job Work during the year (Net of Returns)	97,010.803	3,44,08,248	2,73,638.285	11,16,81,470
Consumption during the year	1,74,891.079	6,21,00,530	1,83,127.801	7,70,33,099
Goods In Transit	2,646.920	8,69,484	-	-
Closing Stock	87,688.375	3,77,63,576	91,823.682	4,02,39,131

**Amt in Rs.**

<b>Raw Material (Packing Material)</b>	<b>31-Mar-24</b>	<b>31-Mar-23</b>
	Amount (Rs.)	Amount (Rs.)
Opening Stock	43,68,847	55,14,226
Purchased during the year	1,68,88,000	3,25,14,053
Consumption during the year	1,80,70,400	3,20,49,977
Goods In Transit	66,900	1,27,186
Closing Stock	31,19,500	43,68,847

**Amt in Rs.**

<b>Raw Material (At Job Work)</b>	<b>As at March 31, 2024</b>		<b>As at March 31, 2023</b>	
	Qty. (kgs.)	Amount (Rs.)	Qty. (kgs.)	Amount (Rs.)
Opening Stock	92,207.677	3,88,40,703	92,207.677	3,88,40,703
Issued for Job Work during the year (Net of Returns)	2,73,638.285	11,16,81,470	2,73,638.285	11,16,81,470
Receipt from Job Work during the year	1,21,769.711	4,57,52,471	3,02,019.477	12,25,59,449
Goods In Transit	13,46,648	3,73,734	-	-
Closing Stock	3,77,20,928	1,62,44,767	63,826.485	2,79,62,724

**Amt in Rs.**

<b>Finished Goods (Socks)</b>	<b>As at March 31, 2024</b>		<b>As at March 31, 2023</b>	
	No. of Pairs	Amount (Rs.)	No. of Pairs	Amount (Rs.)
Opening Stock	16,34,079	7,05,80,234	15,79,710	6,21,38,519
Production/Job Work during the year	69,82,370	29,73,42,523	1,12,37,264	43,82,76,189
Socks Purchased	17,56,991	6,22,67,025	21,34,810	6,22,67,025
Sales (Net of Returns)	82,07,078	32,40,85,046	1,33,17,705	49,21,01,499
Closing Stock	21,66,362	8,80,92,928	16,34,079	7,05,80,234

**Note 47: Related Party Disclosures**

Name of the Related Party	Relationship
Mr. Danny F Hansotia	Key Management Personnel
Mr. Sanjay S Gadodia	Key Management Personnel
Mr. Dilip Ramdas Pawar	Independent Director
Mrs. Anita Prasad Koti	Independent Director
Mr. Shashikant Newatia	Independent Director
Mr. Rahul S Gadodia	Related party of Key managerial personnel
Mrs. Rita S Gadodia	Related party of Key managerial personnel
Mr. Sudhir Kumar	Company Secretary (wef 06.10.2023)
Mrs. Mamata Bajaj	Company Secretary (wef 15.05.2023 upto 06.07.2023)
Orient Socknit (India) Private Limited	Comp. over which Key Mngt Personnel able to exercise significant influence
Juvenile Trading Private Limited	Comp. over which Key Mngt Personnel able to exercise significant influence
Spenta Woolens Limited	Comp. over which Key Mngt Personnel able to exercise significant influence
Carnival Properties, LLP	LLP over which Key Mngt Personnel able to exercise significant influence
Vishwalane Textiles, LLP	LLP over which Key Mngt Personnel able to exercise significant influence

**(Amount in Lacs)**

Nature of Transaction	31.3.24	31.3.23
<b>Key Mngt Personnel - Remuneration*</b>		
Mr. Danny F Hansotia	30.00	30.00
Mr. Sanjay S Gadodia	30.00	30.00
Mr. Rahul S Gadodia	4.59	4.59
Mrs. Iram Fatima Shaikh (upto 8.4.2022)	-	0.08
Mr. Sunil R Mahyavanshi(wef 8.4.2022 to 14.6.2022)	-	0.45
Mr. Prasad R Chavan(wef 15.6.2022 to 17.11.2022)	-	2.00
Mrs. Mamata Bajaj (wef 15.5.2023 to 06.7.2023)	0.42	-
Mr. Sudhir Kumar (wef 06.10.2023)	1.46	-

<b>Key Mngt Personnel - Rent Received</b>		
Mr. Sanjay S Gadodia	15.60	15.12
<b>Key Mngt Personnel - Rent Paid</b>		
Mrs. Rita S Gadodia	3.60	3.49
<b>Independent Director Sitting Fees</b>		
Mr. Shashikant Newatia	-	0.30
Mr. Dilip Ramdas Pawar	-	0.30
Mrs. Anita Prasad Koti	-	0.30
<b>Company over which KMP able to exercise significant influence</b>		
Spenta Woolens Limited -Loan given	0.07	-
Spenta Woolens Limited -Int Rec @ 9% interest	0.23	0.23

\*Remuneration is being disclosed based on actual payment made on retirement/resignation of services, but does not includes provision made on actuarial basis as the same is available for all the employees together.

Note: Related party relationship is as identified by the Company and relied upon by the Auditors

#### **Note 48: Segment Reporting**

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the Chief Operating Decision Maker, in deciding how to allocate resources and assessing performance. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Based on the management approach as defined in Ind AS 108, the Chief Operating Decision Maker evaluates the Company's performance based on only one segment i.e. Knitted Socks

**Note 49: During the FY 23-24, the Company has 1 customers doing individual business of 10% or more of the revenue and such customers accounted for 47.66% of revenue (FY 22-23, the Company had 2 such customers accounting for 64.23% of revenue)**

#### **Note 49 (A): Other Statutory Information**

- Disclosure of transactions with Struck off companies – NIL
- Title deeds of Immovable Property not held in name of the Company - NIL
- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- The Company is not declared wilful defaulter by any bank or financials institution or lender during the year.
- The Company does not have any charges which is yet to be registered with ROC beyond the statutory period.
- The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall : (a) 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 (b) provide any guarantee, security or the like to, or on behalf of the ultimate beneficiaries.

- i) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall :
- (a) 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
- (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- j) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- k) Clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 does not apply to the Company.

**Note 51: Financial instruments by category**
**Amt in Rs.**

Particulars	31-Mar-24			31-Mar-23		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
<b>Financial assets</b>						
(i) Investments						
Equity instruments	9417566			5675417		
Intercorporate Deposit			5000000			5000000
(ii) Trade receivables			105183200			129042398
(iii) Loans and advances			3967285			4799543
(iv) Cash and Cash Equivalents			9651943			5324184
(v) Bank balances other than (iv) above			87200548			55865352
(vi) Security Deposit	-		2368062	46068		1995102
(vii) Interest receivable			5413510			4723500
<b>Total financial assets</b>	<b>9417566</b>	<b>-</b>	<b>218784549</b>	<b>5721485</b>	<b>-</b>	<b>206750080</b>
<b>Financial liabilities</b>						
(i) Borrowings			224815275			204332378
(ii) Trade payables			15040044			30076270
(iii) Other financial liabilities			8949839			8342979
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>242751627</b>	<b>-</b>	<b>-</b>	<b>242751627</b>

**Note 51.1 :** "The management assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, current borrowings, current loans and other financial assets & liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments. Trade Receivables Over 6 months & above include amounts receivable from Future Enterprises Ltd, Future Retail Ltd and Future Lifestyle Fashion Ltd amounting to Rs. 1,08,52,590/-, Rs. 50,43,248/- and Rs. 88,23,286/- respectively for which no provision is done in books of accounts, awaiting decision from The National Company Law tribunal (NCLT) (previous year figures are Rs. 1,08,52,590/-, Rs. 50,43,248/- and Rs. 88,23,286/- respectively)

**Note 51.2 :** "The management considers that the carrying amounts of Financial assets and Financial liabilities recognised at nominal cost/amortised cost in the Financial statements approximate their fair values.



**Note 51.3 :** Non current borrowings has been contracted at floating rates of interest, which are reset at short intervals. Fair value of floating interest rate borrowings approximates their carrying value subject to adjustments made for transaction cost.

**Note 52 : Fair Value Hierarchy**

The following are the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair value are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels of fair value measurement as prescribed under the Ind AS 113 "Fair Value Measurement". An explanation of each level follows underneath the tables.

Amt in Rs.

Particulars	31-Mar-24				31-Mar-23			
	Level (i)	Level (i)	Level (i)	Level (i)	Level (i)	Level (ii)	Level (iii)	Total
<b>Financial assets</b>								
<i>Financial Investment at FVPL :</i>								
Listed equity investments	9417566	-	-	9417566	5675417	-	-	5675417
Security Deposits	-	-	-	-	-	-	46068	46068
<b>Total financial assets</b>	<b>9417566</b>			<b>9417566</b>	<b>5675417</b>	<b>-</b>	<b>46068</b>	<b>5721485</b>

**Note 52.1:** During the year ended March 31, 2024 and March 31, 2023, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

**Note 52.2: Explanation to the Fair Value hierarchy**

The Company measures Financial instruments, such as, quoted investments and interest free security deposit at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The valuation of quoted shares have been made based on level 1 inputs as per the hierarchy mentioned in the Accounting Policies. The valuation of quoted equity instruments have been valued based on the closing price at each reporting date from BSE. The valuation of interest free security deposit have been made based on level 3 inputs as per the hierarchy mentioned in the Accounting Policies. The valuation of interest free security deposit have been valued based on valuation technique applicable.

**Note 53: Financial risk management objectives and policies**

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds investments. Various kinds of financial risks and their mitigation plans are as follows:

**Note 53.1: Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of Foreign Exchange Risk and Interest Rate Risk.

**Note 53.1.1: Foreign Exchange Risk**

Foreign Exchange Risk is the exposure of the Company to the potential impact of the movement in foreign exchange rate. The Company does not have any material foreign currency exposure at the balance sheet date. The Foreign currency exposure is Unhedged at the balance sheet date.

**Note 53.1.2: Interest Exchange Risk**

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 rates. The company's exposure to the risk of changes in market interest rate relates primarily to company's borrowing with floating interest rates. The Company do not have any significant interest rate risk on its current borrowing due to their short tenure.

The Company is also exposed to interest rate risk on surplus funds parked in loans. To manage such risks, such loans are granted for short durations with fixed interest rate in line with the expected business requirements for such funds.

**Exposure to interest rate risk**
**Amt in Rs.**

Particulars	31-Mar-23	31-Mar-23
<b>Non current Borrowing at floating rate</b>	40549616	55935254
<b>Total</b>	<b>40549616</b>	<b>55935254</b>

**Sensitivity Analysis**

Profit or loss is sensitive to higher/ lower interest expense from borrowings as a result of changes in interest rates. This analysis assumes that all other variables, in particular exchange rates, remain constant and ignores any impact of forecast sales and purchases.

**Amt in Rs.**

Particulars	31-Mar-24			31-Mar-23		
	Sensitivity Analysis	Impact on	Impact on	Sensitivity Analysis	Impact on	Impact on
		Profit before tax	Other Equity		Profit before tax	Other Equity
<b>Interest Rate Increase by</b>	1%	(405496)	(292687)	1%	(559353)	(403741)
<b>Interest Rate Decrease by</b>	1%	405496	292687	1%	559353	403741

**Note 53.1.3: Price risk**

The table below summarises the impact of increase/decrees of the index on the group's equity and profit for the period. The analysis is based on the assumption that the equity index had increased or decreased by 7% with all other variable constant, and that all the group's equity instruments moved in line with index

**Amt in Rs.**

Particulars	31-Mar-24	31-Mar-23
<b>Investment in Equity instruments</b>	9417566	5675417
<b>Total</b>	<b>9417566</b>	<b>5675417</b>

**Amt in Rs.**

Particulars	31-Mar-24			31-Mar-23		
	Sensitivity Analysis	Impact on	Impact on	Sensitivity Analysis	Impact on	Impact on
		Profit before tax	Other Equity		Profit before tax	Other Equity
<b>Interest Rate Increase by</b>	7%	659230	475832	7%	397279	286756
<b>Interest Rate Decrease by</b>	7%	(659230)	(475832)	7%	(397279)	(286756)

**Note 53.2: Liquidity Risk**

The Company determines its liquidity requirement in the short, medium and long term. This is done by drawing up cash forecast for short term and long term needs.

The Company manage its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has arranged for funding from banks and inter corporate and adopted a policy of managing assets with liquidity monitoring future cash flow and liquidity on a regular basis. The table below summarises the maturity profile of Company's financial liabilities based on contractual undiscounted payments.

**Note 53.2.1: Maturity Analysis for financial liabilities**
**As at 31 March 2024**
**Amt in Rs.**

Particulars	On demand	<6 months	6 to 12 months	>1 year	Total
Borrowings	184265649	7157163	2302926	31089527	224815275
Other financial liabilities	1793591	7156248	-	-	8949839
Trade payables	-	15040044	-	-	15040044

**As at 31 March 2023**
**Amt in Rs.**

Particulars	On demand	<6 months	6 to 12 months	>1 year	Total
Borrowings	148397124	9960836	9839840	36134578	204332378
Other financial liabilities	1999849	6343130	-	-	8342979
Trade payables	-	30076270	-	-	30076270

The interest payments on variable interest rate loans in the tables above reflect market forward interest rates at the respective reporting dates and these amounts may change as market interest rates change. Except for these financial liabilities, it is not expected that cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts. When the amount payable is not fixed, the amount disclosed has been determined with reference to conditions existing at the reporting date.

**Note 53.3: Credit Risk**

The credit risk is the risk of financial loss arising from counter party failing to discharge an obligation. The credit risk is controlled by analysing credit limits and credit duration for customers on continuous basis. Further, in order to manage the credit risk, the security deposits are obtained from customers where ever considered necessary.

On account of adoption of Ind AS 109, the Company uses an expected credit loss model to assess the impairment loss. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables.

The ageing of trade receivables and expected credit loss analysis on these trade receivables is given in below table:

**Amt in Rs.**

Particulars	0-90 days	91-180 days	181-365 days	Above 365 days	Total
As at 31 March 2024	74896495.00	4460738.00	1229826.00	25194296.00	105781355.00
As at 31 March 2023	92168787.00	7072978.00	5646788.00	25300943.00	130188896.00

**The expected credit loss analysis on these trade receivables is given in below table:**

Particulars	Amount
<b>As at 01 April 2023</b>	<b>11,46,498</b>
Change in allowance	(5,48,343)
<b>As at 31 March 2024</b>	<b>5,98,155</b>

Trade receivables outstanding more than 365 days includes Rs. 2,47,19,124/-(previous year - Rs. 2,47,19,124/-) receivable from Future group and the same are not provided for in the books of accounts awaiting decision from The National Company Law tribunal (NCLT).

**Note 54: Capital Management**

Risk management

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, Company may adjust the amount of dividends paid to shareholders.

**Note 54.1: Net debt reconciliation**

**Amt in Rs.**

Particulars	31-Mar-24	31-Mar-22
<b>Cash and cash equivalents</b>	9651943	5324185
<b>Non-current borrowings</b>	(40549616)	(55935254)
<b>Current borrowings</b>	(184265659)	(148397124)
<b>Net debt</b>	<b>(215163332)</b>	<b>(199008193)</b>

**Amt in Rs.**

Particulars	Cash and cash equivalents	Non-current borrowings	Current borrowings	Total
Net debt as on 31-Mar-23	5324186	(55935254)	(148397124)	(199008192)
Cash flows	4327760	15385638	(35868535)	(16155138)
Net debt as on 31-Mar-24	9652044	(40549616)	(184265659)	(2151632.31)

**Note 54.2:**

**Amt in Rs.**

Particulars	31-Mar-24	31-Mar-23
<b>Net debt</b>	215163332	199008193
<b>Equity</b>	280885879	273478752
<b>Capital &amp; Net Debt</b>	496049211	472486945
<b>Gearing ratio</b>	<b>43.38%</b>	<b>42.12%</b>

**Note 55:** The Board of Directors at its meeting held on 28th May, 2024 recommended final dividend of Rs 1.00 per equity share of face value of Rs. 10 each for the financial year ended 31st March, 2024. The same amounts to Rs. 27,64,326/- (No dividend distribution tax to be provided). The above is subject to approval at the ensuing Annual General Meeting of the Company and hence not recognized as a liability.

**For M/s. A K Kochar & Associates For and behalf of the Board of Director**

**Sd/-**

**(CA Abhilash Darda)**  
**Partner**  
**Membership No.: 423896**  
**Firm Registration No. 120410W**  
**UDIN : 23423896BGTWU7965**

**Place :- Mumbai**  
**Date : 28th May, 2024**

**Sd/-**

**Sanjay S. Gadodia**  
**(Chairman/WTD)**  
**DIN - 00203433**

**Place :- Palghar**  
**Date : 28th May, 2024**

**Sd/-**

**Danny F. Haosotia (Managing**  
**Director/CFO)**  
**DIN - 00203497**

**Sd/-**

**Sudhir Kumar**  
**(Company Secretary)**