



# AKM LACE AND EMBROTEX LIMITED

CIN: L17291DL2009PLC196375

Regd. Office: IX/6024, Ram Gali, Subhash Mohalla, Gandhi Nagar, Delhi-110031

Corp. Office: 328-329, RG Complex-II, Plot No.5, Sector-14, Rohini, Delhi-110085

Tel: 011-49856126, 9899173704 | E-mail: akmlace@gmail.com | website: www.akmlace.com

Date: 30<sup>th</sup> May, 2022

To,  
The Manager,  
Listing Department,  
BSE Limited,  
Phiroze Jeejeebhoy Towers Dalal Street  
28<sup>th</sup> Floor, Dalal Street, Mumbai- 400001

Company Symbol: AKM  
Script Code: 540718

**Subject: Outcome of the Board Meeting pursuant to Regulation 30 of SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015**

Dear Sir/Madam,

Pursuant to Regulation 30 and 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to inform you that the Board of Directors of the Company at their meeting held on 30<sup>th</sup> May, 2022 have approved the Audited Financial Results of the Company for the quarter and financial year ended on 31<sup>st</sup> March, 2022.

We enclose herewith a copy of the said financial results along with the Auditor's Report by the Statutory Auditors of the Company.

The meeting of the Board of Directors commenced at 03.30 P.M. and concluded at .....P.M.

This is for your information and record.

Thanking you,  
Yours Faithfully

For and on behalf of  
AKM Lace and Embrotex Limited

SHALVI SAGAR PATWA  
Digitally signed by  
SHALVI SAGAR PATWA  
Date: 2022.05.30  
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Shalvi Sagar Patwa  
Whole-Time Director  
DIN: 08869050



## INDEPENDENT AUDITOR’S REPORT

### To Board of Directors of AKM Lace and Embrotex Limited

IX/6024, Ram Gali,  
Subhash Mohalla, Gandhi Nagar,  
New Delhi - 110031  
(CIN:L17291DL2009PLC196375)

### Report on audit of Financial Results

#### Opinion and Conclusion

We have (a) audited the accompanying financial results for the year ended March 31, 2022 (b) reviewed the financial results for the half year ended March 31, 2022 (refer para 10 of the ‘Other Matters’ section below), which were subject to limited review by us, both included in the accompanying “Financial Results for the Half year and Year Ended March 31, 2022” of **AKM Lace and Embrotex Limited** being submitted by the company, pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (‘listing regulations’).

#### a) Opinion on Annual Financial Results

In our opinion and to the best of our information and according to the explanations given to us these financial results:

- (i) are presented in accordance with the requirements of Regulation 33 and Regulation 52 of the listing regulations; and
- (ii) give a true and fair view in conformity with recognition and measurement principles laid down in applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (“the Act”) and other accounting principles generally accepted in India, of the net loss including other comprehensive income and other financial information of the Company for the year ended March 31, 2022.

#### b) Conclusion on Unaudited Financial Results for the half year ended March 31, 2022

With respect to the Financial Results for the half year ended March 31, 2022, based on our review conducted as stated in paragraph (b) of Auditor’s Responsibilities section below, nothing has come to our attention that causes us to believe that the Financial Results for the half year ended March 31, 2022, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 of the listing regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

#### Basis for Opinion on the Financial Results for the half year ended March 31, 2022

**V.N. PUROHIT & CO.**  
Chartered Accountants

1. We conducted our audit in accordance with Standards on Auditing (SAs) specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India (“the ICAI”). Our responsibilities under those standards are further described in the ‘Auditor’s Responsibilities for the Audit of Financial Results’ section of our report. We are independent of the company in accordance with the code of ethics issued by the ICAI together with ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and Rules made thereunder, and we have fulfilled our ethical responsibilities in accordance with the requirements with these requirements and the Code of Ethics. We believe that the audit evidences obtained by us is sufficient and appropriate to provide a basis for our opinion.

**Management’s Responsibilities for the Statement**

2. These financial results have been prepared on the basis of the annual financial statements. The company’s Board of Directors are responsible for the preparation and presentation of these financial results that give a true and fair view of the net profit/(loss) and other comprehensive income and other financial information in accordance with recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant issues thereunder and other accounting principles generally accepted in India and in compliance with the requirements of the listing regulations. The Board of Directors of the company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of accounting policies; making judgment and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give true and fair view and are free for material misstatement, whether due to fraud and error, which have been used for the purpose of preparation of financial results by the Board of Directors of the Company as aforesaid.
3. In preparing the financial results, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.
4. The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.

**Auditor’s Responsibilities for the Audit of Financial Results**

**a) Audit of the Financial Results for the year ended March 31, 2022**

5. Our objectives are to obtain reasonable assurance about whether the financial results 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 not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatement can arise from a fraud or error and consider material, if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial results.

6. As part of an audit in accordance with the 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 results, whether due to fraud or error, design and perform audit procedure responsive to those risks, and obtain audit evidence that is sufficient and appropriate to our basis of opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud involves collusions, forgery, intentional omissions, misrepresentations, or override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedure that are appropriate in circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and operating effectiveness of such controls.
  - Evaluate the appropriateness of the accounting policies used and reasonableness of accounting estimates and related disclosures made by the Board of Directors.
  - Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on our audit evidences obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidences 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 financial results including the disclosures and whether the standalone financial results represent the underlying transactions and events in the manner that achieves fair presentation.
7. We communicate with those charged with governance of the company regarding, among other matters, the planned scope of timing of the audit and significant audit findings, including 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 our independence, and wherever applicable, related safeguards.

**b) Review of the Financial Results for the half year ended March 31, 2022**

8. We conducted our review of the Financial Results for the half year ended March 31, 2022, in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**V.N. PUROHIT & CO.**  
Chartered Accountants

**Other Matters**

9. The financial results include the results for the half year ended March 31, 2022 being the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the half year of the financial year. Also, the figures upto the end of the half year had only been reviewed and not subjected to audit.
10. Note 8 of the financial results explains the uncertainties and management's assessment of the financial impact due to the COVID-19 pandemic for which definitive assessment of the impact is dependent upon the future economic conditions. Our opinion is not modified in respect of this matter.

**For V.N. PUROHIT & CO.**  
**Chartered Accountants**

Firm Regn. No. 304040E

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**O. P. Pareek**

Partner

Membership No. 014238

**UDIN: 22014238AJXWOB3103**

Date: 30<sup>th</sup> May, 2022

Place: New Delhi

## AKM LACE AND EMBROTEX LIMITED

CIN:L17291DL2009PLC196375

Regd Office:C-110 G/F Bhola Nath Nagar, Shahdara Delhi East Delhi DL 110032 IN

## STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2022

(Rs. in lakhs)

Particulars	HALF YEAR ENDED			YEAR ENDED	
	01.10.2021 to 31.03.2022	01.04.2021 to 30.09.2021	01.10.2020 to 31.03.2021	01.04.2021 to 31.03.2022	01.04.2020 to 31.03.2021
	(Refer note 6)	Un- Audited	(Refer note 6)	Audited	Audited
I Revenue From Operations	213.61	98.00	187.62	311.61	245.69
II Other Income	5.24	0.08	3.61	5.32	8.14
III Total Revenue (I+II)	218.85	98.08	191.23	316.93	253.83
IV EXPENSES					
Cost of Materials consumed	-	-	-	-	-
Purchase of stock-in-trade	0.00	10.26	120.33	10.26	140.91
Changes in inventories of finished goods, WIP and stock-in-trade	257.03	73.21	88.62	330.24	86.82
Employee benefits expenses	1.25	5.98	8.45	7.23	16.57
Finance costs	0.76	-	-	0.76	-
Depreciation and amortisation expenses	2.17	1.07	1.13	3.24	2.14
Other expenses	5.18	1.81	6.76	6.99	8.70
Total expenses (IV)	266.40	92.33	225.29	358.73	255.14
V Profit/(loss) before exceptional items and tax (I- IV)	(47.55)	5.75	(34.06)	(41.80)	(1.31)
VI Exceptional Items	-	-	-	-	-
VII Profit/(loss) before tax(V-VI)	(47.55)	5.75	(34.06)	(41.80)	(1.31)
VIII Tax expense:					
(1) Current tax	-	-	0.24	-	-
(2) MAT	-	-	-	-	-
(3) Deferred tax	(2.14)	1.53	(0.77)	(0.61)	(1.39)
IX Profit (Loss) for the period from continuing operations (VII-IX)	(49.69)	7.28	(34.59)	(42.41)	(2.70)
X Profit/(loss) for after tax	(49.69)	7.28	(34.59)	(42.41)	(2.70)
XI Paid up equity share capital (Face value Rs. 10/- per share)	301.22	301.22	301.22	301.22	301.22
XII Reserve excluding Revaluation Reserves as per Balance Sheet of Previous Accounting Year	459.29	459.29	461.99	459.29	461.99
XIII Earnings per equity share for the period (for continuing operation):					
(1) Basic (in Rupees)	(1.65)	0.24	(1.15)	(1.41)	(0.09)
(2) Diluted (in Rupees)	(1.65)	0.24	(1.15)	(1.41)	(0.09)
Net Worth	718.10	767.79	760.51	718.10	760.51
Operating Margin	(0.24)	0.06	(0.20)	(0.15)	(0.04)
Net Profit Margin	(0.23)	0.07	(0.18)	(0.13)	(0.01)

**Notes :**

- (1) Additional information pursuant to regulation 52(4) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is enclosed herewith.
- (2) The above unaudited financial results for the quarter ended on 31st March, 2022 have been reviewed by the Audit Committee and then approved by the Board of Directors at their meeting held on 30th May, 2022.
- (3) The above results have been prepared in compliance with the recognition and measurement principles of the Companies (India Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards Amendment Rules, 2016) prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- (4) Figures for the previous period have been regrouped wherever considered necessary so as to confirm to the classification of the current period.
- (5) The format for above results as prescribed in SEBI's circular CIR/SFD/CMS/15/2015 dated 30th November, 2015 has been modified to comply with requirements of SEBI's circular dated 5th July, 2016, Ind AS and Schedule III (Division-II) to the companies Act, 2013 applicable to companies that are required to comply with Ind AS.
- (6) The figures for the quarter ended on 31st March, 2022 and 31st March, 2021 are balancing figures between audited figures in respect of the full financial year and the unaudited published year-to-date figures upto the quarter ended on 31st December, 2021 and 31st December, 2020 respectively, which were subject to limited review.
- (7) The statutory auditors have carried out the audit on the above results for the quarter ended March 31st, 2022. However, the management has exercised necessary due diligence to ensure that the financial results provided true and fair view of its affairs.
- (8) The Company has not experienced any significant impact due to Covid-19 and as such on its liquidity position; the Company continues to be well geared to meet its funding needs.

In view of the above, the Management believes that there will not be significant impact of this outbreak in continuing its business operations, in maintaining its financial position and in its ability to continue as a going concern. The Company shall also continue to closely monitor any material changes arising of future economic conditions and potential impact on its business.

- (9) These Results are also updated on the company's website URL: <https://www.akmlace.com/>

For and on behalf of board of directors of  
**AKM Lace & Embrotex Ltd**

SHALVI SAGAR PATWA  
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SHALVI SAGAR PATWA  
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**SHALVI SAGAR PATWA**  
MANAGING DIRECTOR  
DIN: 08869050

Date: :30-05-2022  
Place: New Delhi

AUDITED STATEMENT OF ASSETS AND LIABILITIES FOR THE QUARTER AND YEAR ENDED ON 31ST MARCH  
2022

(Rs. in lakhs)

PARTICULARS	As at 31/03/2022	As at 31/03/2021
	AUDITED	AUDITED
<b>A. ASSETS</b>		
<b>1. Non current assets :</b>		
Property, plant & equipment	10.81	22.05
Financial assets :		
Investments	-	36.40
Deferred tax assets (net)	0.86	1.47
Other non current assets	203.75	380.17
<b>Total non current assets</b>	<b>215.42</b>	<b>440.09</b>
<b>2. Current assets :</b>		
Inventories	-	330.24
Financial assets :		
Trade Receivables	-	-
Cash & Cash Equivalents	33.73	9.62
Loans	115.36	161.35
Other Financial Assets		
Current Tax Assets (Net)	1.02	0.49
Other Current Assets	356.17	5.56
<b>Total current assets</b>	<b>506.27</b>	<b>507.27</b>
<b>Total Assets</b>	<b>721.69</b>	<b>947.35</b>
<b>B. EQUITY AND LIABILITIES</b>		
<b>1. Equity</b>		
Equity share capital	301.22	301.22
Other equity	416.88	459.29
<b>2. Liabilities</b>		
<b>Current Liabilities</b>		
Financial liabilities :		
Trade payables		181.12
Other financial liabilities	0.54	1.77
Other current liabilities	3.06	3.96
<b>Total Current Liabilities</b>	<b>3.59</b>	<b>186.84</b>
<b>Total Liabilities</b>	<b>3.59</b>	<b>186.84</b>
<b>Total Equity and Liabilities</b>	<b>721.69</b>	<b>947.35</b>

For and on behalf of board of directors of

**AKM Lace & Embrotex Ltd**

SHALVI SAGAR Digitally signed by SHALVI SAGAR PATWA  
PATWA Date: 2022.05.30 20:15:14 +05'30'

**SHALVI SAGAR PATWA**

MANAGING DIRECTOR

DIN:08869050

Date:30-05-2022

Place: New Delhi



## STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED ON 31ST MARCH, 2022

Disclosure of unaudited statement of cash flow as per regulation 33 of the SEBI (listing Obligations and Disclosure Requirement) Regulations, 2015 for the half year ended on 31st March 2022:

	(Rs. in lakhs)	
	For the year ended on 31st March 2022	For the year ended on 31st March 2021
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit/ (loss) before tax and after extra-ordinary items	(41.80)	(1.31)
<b>Adjustments for items: -</b>		
Gain/loss on sale of assets	1.00	
Interest Paid	0.76	
Interest received	(4.68)	(8.05)
Dividend	(0.64)	(0.02)
Depreciation	3.24	2.14
Operating Profit before working capital changes	(42.12)	(7.24)
<b>Working capital adjustments: -</b>		
(Increase)/ decrease in Other current assets	(350.61)	2.68
(Increase)/ decrease in Other non-current assets	176.42	(380.00)
(Increase)/ decrease in Trade receivables		192.22
(Increase)/ decrease in Inventories	330.24	86.82
Increase/ (decrease) in Trade payables	(181.12)	58.15
Increase/ (decrease) in Other current liabilities	(0.90)	3.87
Increase/ (decrease) Other financial liabilities	(1.24)	(0.33)
Cash generated from operations	(69.32)	(43.83)
Direct taxes paid	(0.52)	0.63
<b>Net cash flow from operating activities (A)</b>	<b>(69.85)</b>	<b>(43.21)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
(Purchase)/Sale of property, plant & equipment	7.00	(9.33)
Loans granted	46.00	48.89
Sale of investment	36.40	
Dividend income	0.64	0.02
Interest received	4.68	8.05
<b>Net cash flow from investing activities (B)</b>	<b>94.72</b>	<b>47.63</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net proceeds from borrowings	(0.76)	
<b>Net cash flow from financing activities (C)</b>	<b>(0.76)</b>	-
<b>Net cash flow during the year (A + B + C)</b>	<b>24.11</b>	<b>4.42</b>
Add: Opening cash and cash equivalents	9.62	5.20
<b>Closing cash and cash equivalents</b>	<b>33.73</b>	<b>9.62</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	33.19	4.34
Balances with banks in current accounts	0.53	5.28
<b>Total cash and cash equivalents</b>	<b>33.73</b>	<b>9.62</b>

Additional information pursuant to Regulation 52(4) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

Ratio Analysis and its components

S.No.	Particulars	31st March 2022	31st March 2021
1	Current ratio	141.01	2.71
2	Debt- Equity Ratio	0.01	0.62
3	Debt Service Coverage Ratio	-49.45	N. A.
4	Inventory Turnover Ratio	1.89	0.66
5	Debtor Turnover Ratio	N. A.	2.64
6	Interest Service Coverage Ratio	-53.68	N. A.
7	Long term debt to working capital	-	-
8	Bad debts to Account receivable ratio	N. A.	-
9	Current liability ratio	1.00	1.00
10	Total debts to total assets	0.16	0.17

Components of Ratio:

S.No.	Ratios	Numerator	Denominator	(Rupees in lakhs)			
				March 31st 2022		March 31st 2021	
				Numerator	Denominator	Numerator	Denominator
1	Current ratio	Current Assets	Current Liabilities	506.27	3.59	507.27	186.84
2	Debt- Equity Ratio	Total Debts (Total Liabilities)	Total Equity(Equity Share)	3.59	301.22	186.84	301.22
3	Debt Service Coverage Ratio	Earnings available for debt service (Net profit before exceptional items & tax expense + depreciation & amortization + Finance cost + Non cash operating items + other adjustment)	Finance cost + principle repayment of long term borrowings during the period/year	(37.80)	0.76	0.83	-
4	Inventory Turnover Ratio	Revenue from sales of products	Average Inventory [(opening balance + closing balance)/2]	311.61	165.12	245.69	373.65
5	Debtor Turnover Ratio	Revenue from operations	Average Debtors [(opening	316.93	-	253.83	96.11
6	Interest Service Coverage Ratio	Earnings before interest and taxes (EBIT)	Interest expense	(41.03)	0.76	(1.31)	-
7	Long term debt to working capital	Non-Current Borrowings (Including Current Maturities of Non-Current Borrowings)	Current Assets Less Current Liabilities (Excluding Current Maturities of Non-Current Borrowings)	-	502.68	-	320.43
8	Bad debts to Account receivable ratio	Bad Debts	Average Trade Receivables	-	-	-	96.11
9	Current liability ratio	Total Current Liabilities	Total Liabilities	3.59	3.59	186.84	186.84
10	Total debts to total assets	Total Debt	Total Assets	115.36	721.69	161.35	947.35

AKM Lace & Embrotex Ltd

SHALVI SAGAR PATWA  
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 Date: 2022.05.30 20:15:39 +05'30'

SHALVI SAGAR PATWA  
 MANAGING DIRECTOR  
 DIN: 08869050

Date:30-05-2022  
 Place:New Delhi



# AKM LACE AND EMBROTEX LIMITED

CIN: L17291DL2009PLC196375

Regd. Office: IX/6024, Ram Gali, Subhash Mohalla, Gandhi Nagar, Delhi-110031

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**Declaration pursuant to Regulation 33(3)(d) of the  
SEBI (Listing Obligations and Disclosure Requirements)  
(Amendment) Regulations, 2016**

I, Shalvi Sagar Patwa, Managing Director, hereby declare that the Statutory Auditor of the Company, M/s V.N. Purohit & Co. (Firm Registration No. 304040E) has issued unmodified opinion on Standalone Annual Audited Financial Results for the year ended March 31, 2022.

**For and on Behalf of  
AKM LACE AND EMBROTEX LIMITED**

SHALVI  
SAGAR  
PATWA

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SHALVI SAGAR PATWA  
Date: 2022.05.30  
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**Shalvi Sagar Patwa  
Managing Director  
DIN: 08869050**

**Dated: 30/05/2022**