

Girnar Spintex Industries Limited

(Formerly known as Amit Spinning Industries Limited)



ANNUAL REPORT

2022 - 2023

BOARD OF DIRECTORS

Deepak Choudhari	(Chairman and Managing Director)
Jitendrakumar Chopra	(Managing Director)
Sharmiladevi Chopra	(Non- Executive Director)
Siddhant Sunil Patil ((Resigned w.e.f. 07-11-2022)	(Non Executive, Independent Director)
Pruthveesh Ravi Shetti	(Non Executive, Independent Director)
Vijay Vishnu Dhudharkar (Resigned w.e.f. 20-07-2022)	(Non Executive, Independent Director) (
Manoj Sethia (Appointed w.e.f. 27-02-2023)	(Non Executive, Independent Director)
Dhruv Jain (Appointed w.e.f. 30-09-2022)	(Non Executive, Independent Director)

AUDITORS

Sanjay Vhanbattee & Co.
Chartered Accountants
Kolhapur

CHIEF FINANCIAL OFFICER

Shreyans Rajendra Choudhari

COMPANY SECRETARY

Bhakti Dnyaneshwar Kapratwar

BANKERS

HDFC Bank Ltd.

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REGISTERED OFFICE

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

REGISTRAR & TRANSFER AGENTS

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

PLANT

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

31st AGM

Date : Friday, September 29, 2023 Time: 3.00 PM
Venue : Gat No. 47 & 48, Sangwade, Hupari Kolhapur Road, Karvir, Kolhapur 416202
Book Closure : September 23rd, 2023 – September 29th, 2023 (Both days inclusive)

GIRNAR SPINTEX INDUSTRIES LIMITED

(Formerly known as Amit Spinning Industries Limited)

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

Tel.: +7038094545, Email: secretarialgirnar@gmail.com, Website: www.girnarspintex.com CIN:

L17100PN1991PLC190209

NOTICE

NOTICE is hereby given that the **31st Annual General Meeting** of the Members of **Girnar Spintex Industries Limited** (Formerly known as **Amit Spinning Industries Limited**) will be held on **Friday, September 29, 2023 at 3.00 P.M** through Video Conferencing / Other Audio Visual Means (VC) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors ("the Board") and auditors thereon
2. To appoint a Director in place of Mr. Deepak Chaganlal Choudhari (DIN: 03175105) who retires from office by rotation and being eligible, offers himself for reappointment.
3. **Re-appointment of the Statutory Auditors**

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

"RESOLVED THAT pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and pursuant to the recommendation of the Audit Committee, M/s Sanjay Vhanbatte & Company, Chartered Accountants (Firm Registration No. 112996W) be and are hereby reappointed as the Statutory Auditors of the Company for the second consecutive term of five years, from the conclusion of this 31st Annual General Meeting till the conclusion of the 36th Annual General Meeting to be held in the year 2028, to examine and audit the accounts of the Company at such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company

SPECIAL BUSINESS:

4. **To ratify the remuneration payable to the Cost Auditor appointed by the Board of Directors of the Company for the financial year 2022-23 pursuant to Section 148 and all other applicable provisions of Companies Act, 2013, by passing with or without modification(s), the following resolution as Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of Companies (Audit and Auditors) Rules, 2014 and other applicable provisions of the Companies Act, 2013, the remuneration of 45,000/- (Rupees Forty Five Thousands Only) excluding applicable Tax payable to Nilesh Ashok Chalke, Cost Accountants,

Nipani, for conducting cost audit of the Company for the financial year 2022-23, as approved by the Board of Directors of the Company, be and is hereby ratified."

5. Appointment of Mr. Manoj Sethia as an Independent Director of the Company

To Consider and if thought fit to pass with or without modifications the following resolution as an Special Resolution:

"RESOLVED THAT Mr. Manoj Sethia (DIN 06560045) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 27th February 2023 and who holds office upto the date of this Annual General Meeting of the Company but who is eligible for appointment and in respect of whom the company has received a notice in writing from a member under section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company.

"RESOLVED FURTHER THAT pursuant to the provisions of sections 149,152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed there under read with Schedule IV to the Act, and regulation 17 and other applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (SEBI Listing Regulations) as amended from time to time, the appointment of Mr. Manoj Sethia (DIN 06560045) who meets the criteria of Independence as provided in section 149(6) of the Act and SEBI Listing Regulations and who has submitted a declaration to that effect and who is eligible for appointment as an independent Director of the Company not liable to retire by rotation, for a term of five years commencing 27th February 2023, be and is hereby approved."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution."

**By Order of the Board of
Directors**

Date: 04-09-2023

Place: Kolhapur

**Deepak Choudhari
Chairman and Managing Director
DIN - 03175105**

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, is annexed hereto
2. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance

of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.girnarspintex.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
8. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021
9. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of

the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. September 29, 2023. Members seeking to inspect such documents can send an email to secretarialgirnar@gmail.com.

10. Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again
11. The Board has appointed M/s. Shrenik Nagaonkar & Associates, Practicing Company Secretaries, as the Scrutinizer to scrutinize the e-voting in a fair and transparent manner.
12. The e-voting period commences on Tuesday, 26 September, 2023 to, (9:00 a.m. IST) and ends on Thursday, 28 September, 2023 (5:00 p.m. IST). During this period, a member holding shares either in physical or dematerialized form, as on cut-off date, i.e. as on Friday, 22 September, 2023 may cast their votes electronically. The e-voting module will be disabled by NSDL for voting thereafter. A member will not be allowed to vote again on any resolution on which vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cutoff date, i.e. as on Friday, 22 September, 2023.
13. The facility for voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.
14. Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he / she is already registered with NSDL for remote e-voting then he / she can use his / her existing user ID and password for casting the vote
15. Additional information, pursuant to Regulation 36 of the Listing Regulations, in respect of the directors seeking appointment / reappointment at the AGM, forms part of this Notice.
16. SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA.
17. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The form can be downloaded from the Company's website at www.Girnarspintex.com. Members are requested to submit these details to their DP in case the shares are held by them in electronic form, and to the RTA, RCMC Share Registry Private Limited, in case the shares are held in physical form.

18. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 23 September, 2023 to Friday, 29 September, 2023 (both days inclusive).
19. Pursuant to SEBI circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018, shareholders whose ledger folios did not had/had incomplete details with respect to PAN and Bank particulars were mandatorily required to furnish these details to the Company/ Registrar & Transfer Agent ("RTA") for registration/ updation in the physical folio. The Company had sent intimation followed by two reminders to those shareholders. Shareholders are requested to update the same at the earliest

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -

The remote e-voting period begins on Tuesday, 26 September, 2023 at 9:00 A.M. and ends on Thursday, 28 September, 2023 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Friday, 22 September, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, 22 September, 2023.

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

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





Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider

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

	<p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 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 helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 126287 then user ID is 126287001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial

password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

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

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csshrenik@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Mr. Abhishek Mishra at evoting@nsdl.co.in

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to secretarialgirnar@gmail.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to (secretarialgirnar@gmail.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

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

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

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

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (secretarialgirnar@gmail.com). The same will be replied by the company suitably

Explanatory Statement

As required under section 102 of the Companies Act, 2013 ("Act"), the following explanatory statements out all material facts relating to business mentioned under item Nos. 3 to 5 of the accompanying Notice:

Item No. 3

The Members at the 26th Annual General Meeting ('AGM') of the Company held on 27th September, 2018, had approved appointment of M/s Sanjay Vhanbatte & Company, Chartered Accountants, Chartered Accountants, as the Statutory Auditors of the Company to hold office from the conclusion of the 26th AGM till the conclusion of the 31st AGM of the Company to be held in the year 2023. 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 ('Board') has, based on the recommendation of the Audit Committee, proposed the reappointment of M/s Sanjay Vhanbatte & Company, Chartered Accountants, as the Statutory Auditors of the Company, for the second consecutive term of five years from the conclusion of 31st AGM till the conclusion of 36th AGM of the Company to be held in the year 2028, at a remuneration as may be mutually agreed between the Board and the Statutory Auditors.

M/s Sanjay Vhanbatte & Company, Chartered Accountants have consented to their appointment as the Statutory Auditors and have confirmed that the appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as the Statutory Auditors in terms of the provisions of Section 139 and 141 of the Act and the Rules framed thereunder.

M/s Sanjay Vhanbatte & Company, Chartered Accountants is renowned firm in Kolhapur having wide experience in Audit, Taxation and finance

M/s Sanjay Vhanbatte & Company, Chartered Accountants was paid a fee of 2.50 Lakhs for the audit of standalone financial statements of the Company for the financial year ended March 31, 2023 plus applicable taxes. The increase in fee proposed to be paid to M/s Sanjay Vhanbatte & Company, Chartered Accountants for the financial year ending March 31, 2024 will be mutually agreed basis the efforts involved and shall not exceed 20% of the fee paid for the previous year. The Board, in consultation with the Audit Committee shall approve revisions in the remuneration of the Statutory Auditors for the remaining part of the tenure.

Besides the audit services, the Company would also obtain certifications from the Statutory Auditors under various statutory regulations and certifications required by clients, banks, statutory authorities, audit related services and other permissible nonaudit services as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board in consultation with the Audit Committee.

The Board, in consultation with the Audit Committee, may alter and vary the terms and conditions of re-appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

None of the Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 3 of the accompanying Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No.3 of the Notice for approval by the Members

Item Nos. 4

The Board, on the recommendation of the Audit Committee, has approved on 13-08-2022, the appointment of Nilesh Ashok Chalke, Cost Accountants, Nipani, at a remuneration of 45,000/- (Rupees Forty Five Thousand only) excluding applicable Tax to conduct the Cost Audit of the Company for the financial year 2022-23

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

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

Item Nos. 5

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors appointed Mr. Manoj Sethia (DIN: 06560045) as Additional Director of the Company and also as Independents Directors, not liable to retire by rotation, for a term of 5 years w.e.f. 27/02/2023, subject to approval of the Members.

The Company has received declarations from Manoj Sethia (DIN: 06560045) to the effect that he meet criteria of Independence as provided in section 149(6) of the Act and SEBI Listing Regulations. In terms of SEBI listing regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may reasonably anticipated that could impair or impact their ability to discharge their duties.

In compliance of with the provisions of section 149, read with schedule IV of the act and Regulation 17 of the SEBI Listing Regulations and other applicable Regulations, the appointments of Manoj Sethia (DIN: 06560045) as Independent Directors is now being placed before members for their approval.

None of the Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the aforesaid Ordinary Resolution.

The Board recommends a Special Resolution set out in the Notice for approval by the Members

Details of Directors seeking appointment/re-appointment at the 31st Annual General Meeting in pursuance of Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2)

Name of the Director	Mr. Manoj Sethia
DIN	06560045
Age	38
Qualifications	Chartered Accountant
Date of joining the Board	27 th February 023
Brief resume and Nature of Expertise in specific functions	Chartered Accountant with fourteen years' experience (Including articleship and post qualification experience) in analysis, review and preparation of financial statements of organizations from different sectors and varying business sizes.
Shareholding in the Company	NIL
Last Drawn Remuneration	NIL
Relationship with other directors or key managerial personnel of the Company	Not Applicable
Directorship in other companies /LLP	1. Geddit Convenience Private Limited 2. Ananta Finserve Private Limited
Membership/Chairmanship in committees of other Board	Nil
Number of meeting of the Board attended during the year	1
In case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	By qualification he is chartered account and possess financial and internal control skill which is required by Independent Director

GIRNAR SPINTEX INDUSTRIES LIMITED

(Formerly known as Amit Spinning Industries Limited)

Regd. & Corporate Office: Gat No. 47 & 48, Sangwade, Kolhapur Hupari Road Kolhapur 416202
Tel.: +7038094545, Email: secretarialgirnar@gmail.com, Website: www.girnarspintex.com CIN:
L17100PN1991PLC190209

Director's Report

Dear Members,

Your Directors have great pleasure in presenting the 31st Annual Report together with Audited Statements of Accounts of the Company for the year ended March 31, 2023.

FINANCIAL SUMMARY AND HIGHLIGHTS:

The summarized financial results for the year ended March 2022 as compared to the previous year are as follows:

Particulars	(Rs. in Lakhs)	
	2022-23	2021-22
Revenue from Operations	7812.03	11546.05
Other Income	24.46	174.79
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	(115.43)	1,817.11
Less: Depreciation/ Amortisation/ Impairment, Finance Costs	572.62	613.40
Profit /loss before Exceptional items and Tax Expense	(688.05)	1203.71
Add/(less): Exceptional items	0.00	0.00
Profit /loss before Tax Expense	(688.05)	1203.71
Less: Tax Expense (Current & Deferred)	0.00	0.00
Profit /loss for the year	(688.05)	1203.71

REVIEW OF OPERATIONS

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

Commercial Production was started from October 2019. During the year under review, the turnover of the Company was Rs. 7812.03 Lakhs as against Rs. 11546.05 Lakhs in previous year. Company has incurred loss of Rs. 688.05 Lakhs as against profit of Rs. 1203.71 Lakhs in previous year. Further Management is actively involved in trying to utilize the idle capacities available with the Company and reduction of raw material cost.

AMOUNT, IF ANY, WHICH THE BOARD PROPOSES TO CARRY TO ANY RESERVES

No amount is proposed to be transferred to any reserve.

DIVIDEND:

In view of the accumulated losses no dividend is recommended for the year.

MAJOR EVENTS OCCURRED DURING THE YEAR

(i) SEGMENT-WISE POSITION OF BUSINESS AND ITS OPERATIONS

The Company operates in one segment only i.e. Textile

(ii) CHANGE IN STATUS OF THE COMPANY

There has not been change in status of the company.

(iii) KEY BUSINESS DEVELOPMENTS:

Present position of the industry is very fragile. Increase in cost of cotton and its shortage led to decrease in turnover to Rs. 7812.03 Lakhs as against Rs. 11546.05 Lakhs in previous year. It further deteriorate all financials ratio.

The entire spinning and weaving industry are going through an unprecedented inflation in the base raw material prices. Just to give an example of the same the cotton prices have soared by more than 350-400% since the time when the factory restarted post covid lockdown.

Cotton prices have increased from around 95-100 Rs. Per kg to around 325-350 Rs. Per kg. Further, the quality of cotton which is procured by us is seeing extreme shortage which has further escalated the sourcing issue. The quality of cotton has also deteriorated over a period of time.

(iv) CHANGE IN THE FINANCIAL YEAR

There is no change in financial year

(v) CAPITAL EXPENDITURE PROGRAMMES

At present Company do not expect to invest or incur big capital expenditures

(vi) DETAILS AND STATUS OF ACQUISITION, MERGER, EXPANSION - NIL

(vii) MODERNIZATION AND DIVERSIFICATION

Management has carried out huge repairs and maintenance post acquisition in past several years. Meager mordernisation activities has been carried out. No Diversification has been done by the company in 2022-23

CHANGE IN THE NATURE OF BUSINESS

There has been no change in nature of business.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY, HAVING OCCURRED SINCE THE END OF THE YEAR AND TILL THE DATE OF THE REPORT

Increase in cotton prices and shortage of cotton prices led to closure of Manufacturing plant for few months in 2022-23. Except this there have been no material changes and commitments, which affect the financial position of the company which have occurred during the year and between the end of the financial year to which the financial statements relate and the date of this Report.

COVID 19

The entire spinning and weaving industry are going through an unprecedented inflation in the base raw material prices. Just to give an example of the same the cotton prices have soared by more than 350-400% since the time when the factory restarted post covid lockdown

GENERAL INFORMATION

i) OVERVIEW OF THE INDUSTRY AND IMPORTANT CHANGES IN THE INDUSTRY DURING THE LAST YEAR;

Cotton prices have increased from around 95-100 Rs. Per kg to around 325-350 Rs. Per kg. Further, the quality of cotton which is procured by us is seeing extreme shortage which has further escalated the sourcing issue. The quality of cotton has also deteriorated over a period of time.

II) EXTERNAL ENVIRONMENT AND ECONOMIC OUTLOOK

Increase in raw material prices and Shortage of raw material have left us helpless and we regret to inform that it was be difficult to supply the cotton for job work hence manufacturing facilities were close for few months. We are also exploring the option of bringing imported cotton to continue operations.

SHARE CAPITAL

The Company's Authorized Share Capital as on 31st March, 2023 stands at Rs. 25,00,00,000/- and issued & paid up capital as on 31st March, 2023 stands at Rs. 205,84,835/- divided into 41,16,967 fully paid up equity shares of Rs. 5/- each. During the year, under review, the Company has not issued any share(s). Further the Company has not issued any share with differential Voting Rights/Sweat Equity shares/under Stock Option Scheme (ESOS) earlier and during the year.

NCLT by its order dt. 31-07-2018 approved Reduction of Face Value of Shares to Re. 0.50 per Share from Re. 5 Per Share and further consolidation of face value of shares to Re. 5 per share. Post consolidation paid up equity shares will reduce from 4,11,69,667 shares of Rs. 5/- each to 41,16,967 equity shares of Rs. 5/- each. It also involves extinguishment of shares of previous Promoters and top 10 shareholders. However compliance / corporate actions of the same with CDSL, NSDL, ROC and Stock Exchanges were pending at the end of the March 2023. Company's application with BSE and NSE is pending for approval. Company expects it to get its approval in near future

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

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

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

LOANS, GUARANTEE & INVESTMENTS:

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

DEPOSITS:

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

LISTING OF SHARES

Presently Company's shares are listed and traded at the BSE Limited, Mumbai (BSE) and National Stock Exchange of India, Mumbai (NSE). The Listing fees for the year 2022-23 has been paid.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Following changes happened during the last year

Sr. No.	Name	Designation	Authority	Date	Change
1	Mr. Manoj Sethia (DIN - 06560045)	Independent Director (Additional Director)	Board of Directors	27-02-2023	Appointment
2	Mr. Dhruv Jain (09688248)	Independent Director	Annual General Meeting	30-09-2022	Appointment

3	Ms. Bhakti Dnyaneshwar Kapratwar	Company Secretary	Board of Directors	22-06-2023	Appointment
4	Ms. Gayatri Kulkarni	Company Secretary	NA	30-12-2022	Resigned
5	Mr. Siddhant Patil	Independent Director	NA	07-11-2022	Resigned
6	Mr. Vijay Dudharkar	Independent Director	NA	20-07-2022	Resigned

Further Mr. Vijay Vishnu Dudharkar (DIN: 08863530) and Mr. Sidhant Patil (DIN - 08817203) Independent Directors of the Company, resigned from the Board of the Company on account of personal reason and other professional commitments. We further confirm that there is no other material reason for their resignation other than those provided above

RELATED PARTY TRANSACTIONS:

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto are disclosed in Form No.AOC-2 as Annexure 1.

DECLARATION OF INDEPENDENT DIRECTORS

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

POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION:

Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed policy for selection and appointment of Directors, Senior Management and their remuneration in pursuant to Section 178 of Companies act 2013 and Regulation 19 SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The remuneration given is as per the remuneration policy framed.

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

- i. Persons of eminence, standing and knowledge with significant achievements in business, professions and/or public service;

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

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

Positive attributes of Directors (including Independent Directors):

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

Independence Review Procedures

- Annual Review

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

- Individual Director's Independence Determinations

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

All determinations of independence shall be made on a case-by-case basis for each director after consideration of all the relevant facts and circumstances and the standards set forth herein. The Board reserves the right to determine that any director is not independent even if he or she

satisfies the criteria set forth by the provisions of the Companies Act, 2013 read with Rules thereon and as per provisions of SEBI(LODR) Regulations.2015

- Notice of Change of Independent Status

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

a. Criteria for appointment of KMP/Senior Management -

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

b. Term -

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

c. Evaluation -

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

d. Removal -

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

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

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

Board for approval. The remuneration / compensation / commission, etc., as the case may be, shall be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required. Further, the Chairman & Managing Director of the Company is authorized to decide the remuneration of KMP (other than Managing / Wholetime Director) and Senior Management based on the standard market practice and prevailing HR policies of the Company.

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

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

PERFORMANCE EVALUATION OF THE BOARD:

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

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

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

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

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

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Board as a whole. The Nomination

& Remuneration Committee also reviewed the performance of the Board, its Committees and of individual Directors.

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

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

Name of the Director	Category	Skills, Expertise, Competence of the Director			
		Technical	Financial	Administrative / HR	Legal
Deepak Choudhari	Chairman, Promoter Executive Director	✓	✓	✓	
Jitendrakumar chopra	Promoter, Executive Director	✓	✓	✓	
Sharmiladevi Chopra	Promoter, Non-Executive Director	✓		✓	
Siddhant Patil (Resigned w.e.f. 07-11-2022)	Non-Executive Independent Director		✓	✓	✓
Pruthveesh Shetti	Non-Executive Independent Director	✓		✓	
Vijay Dudharkar (Resigned w.e.f. 20-07-2022)	Non-Executive Independent Director		✓	✓	✓
Manoj Sethia (Appointed w.e.f. 27-02-2023)	Non-Executive Independent Director		✓	✓	✓
Dhruv Jain (Appointed w.e.f. 30-09-2022)	Non-Executive Independent Director		✓	✓	✓

Number of Meetings of the Board

During the year under review, board meetings were held on 10-05-2022, 19-05-2022, 30-05-2022, 27-06-2022, 06-07-2022, 13-08-2022, 02-09-2022, 30-09-2022, 14-11-2022, 14-02-2023 and 30-03-2023. Eleven meetings of the Board were held during the year. The detailed information regarding meetings of the Board held during the year is mentioned in the Corporate Governance Report which forms part to this report.

EXTRACT OF ANNUAL RETURN:

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

MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis Report is attached to the Directors Report as **Annexure 2**.

CORPORATE GOVERNANCE:

Corporate Governance report is provided separately in this annual report.

AUDITORS AND AUDITORS REPORT

(a) Statutory Auditor & Audit Report

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

After conducting a detailed evaluation and based on the recommendation of Audit, Risk and Compliance Committee, the Board approved the proposal for placing at the 31st AGM the matter of re appointment of M/s Sanjay Vhanbatte & Company, Chartered Accountants (Firm Registration No. 112996W) as statutory auditors of the Company for a term of 5 years from the financial year 2023-24 onwards on such terms and conditions and remuneration as may be decided by the Audit, Risk and Compliance Committee. A resolution to that effect forms part of notice of the 31st AGM sent along with this Annual Report.

(b) Cost Auditor:

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

(c) Secretarial Auditor & Audit Report:

Pursuant to provisions of Section 204 of the Companies Act, 2013, the Company has appointed Shrenik Nagaonkar & Associates, Practising Company Secretaries as Secretarial Auditor to carry out the secretarial audit for the financial year 2022-23.

The Secretarial Audit Report for the financial year ended March 31, 2023 is annexed herewith marked as **Annexure 3** to this Report.

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

i) **Reply to remarks, observation by Statutory Auditor** - With reference statutory auditor remark on nonpayment of disputed statutory dues we wish to inform you that the same has been waived by pursuant to NLCT order 31.07.2018 hence not payable.

ii) **Reply to remarks, observation by Secretarial Auditor -**

Remarks, observation by Secretarial Auditor	Board's Reply
Pursuant to Regulation 23 (9) of Company has filed the details of related party transactions for the half year ended on March 31, 2022 with delay of 15 days.	Pursuant to Regulation 15 (2) of LODR 2015 said regulation is not applicable to the company and in view of the above NSE has also waived the penalty
Company has filled the vacant position of Independent Director with delay of 19 days i.e. from February 07, 2023 to February 26, 2023 2023 number of Independent Director were less than the prescribed limit	Pursuant to Regulation 15 (2) of LODR 2015 said regulation is not applicable to the company

(d) Internal Audit

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

CORPORATE SOCIAL RESPONSIBILITY STATEMENT (CSR):

Previous year the company's net profit exceeded Rs. 500.00 Lakhs hence the provisions of Corporate Social Responsibility have become applicable. Company has formed CSR committee which comprises of

- Mr. Pruthveesh Ravi Shetti, Independent Director
- Mr. Dhruv Jain, Independent Director
- Mr. Deepak Chaganlal Choudhari, Managing Director of the Company

The Corporate Social Responsibility (CSR) Committee was constituted as per Section 134 of Companies Act 2013.

The purpose of the committee is formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII and recommend the amount of expenditure to be incurred on these

activities and to monitor the Corporate Social Responsibility Policy of the company from time to time. The policy framed by CSR Committee has been Approved and adopted by the Board of Directors.

Company runs project of providing medical benefits to poor and needy people. As against CSR Liability of Rs. 5.61 Lakhs company has spent Rs. 6.00 Lakhs which is excess by 0.39 Lakhs. This amount was spent for kidney transplant. Due to medical situation of patient though company couldn't spend in 2022-23 company has spent amount in April 2023.

The details as required under Rule 8 of Companies (Corporate Social Responsibility) Rules, 2014 are given as Annexure 4.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) in the preparation of the annual accounts for the financial year ended 31st March, 2023, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2023 and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INTERNAL FINANCIAL CONTROL

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

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

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

A. Conservation of energy:

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

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

B. Technology absorption:

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

C. Foreign exchange earnings and Outgo:

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

VIGIL MECHANISM

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

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

PERFORMANCE OF EMPLOYEES:

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

Name of Director / KMP	Designation	Remuneration of Directors/KMP for the year ended 31st March 2023 (Rs)	Ratio to median Remuneration	% Increase in remuneration for the year ended 31st March 2023
Deepak Choudhari	Chairman & Managing Director	NIL	NIL	NIL
Jitendrakumar Chopra	Managing Director	NIL	NIL	NIL
Sharmiladevi Chopra	Non Executive Director	NIL	NIL	NIL
Siddhant Patil	Independent director	NIL	NIL	NIL
Pruthveesh Shetti	Independent director	NIL	NIL	NIL
Vijay Dudharkar	Independent Director	NIL	NIL	NIL
Shreyans Choudhari	CFO	NIL	NIL	NIL
Gayatri Kulkarni	Company Secretary and Compliance Officer	1,60,000	0.80	NIL

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

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

Sr. No.	Name of employee	Designation	Remuneration	nature of employment, whether contractual or otherwise	qualifications and experience of the employee	date of commencement of employment	the age of such employee	the last employment held by such employee before joining the company
1	Shrikant Patil	Unit Head	70000	Permanent	Diploma in Textile 25yrs	01.10.2018	46	Abhishek Indu.Ltd
2	Sanjay Patil	Production Manager	45000	Permanent	Diploma in Textile 20 yrs	01.07.2019	44	Shetkari Mill Ichalkaranji
3	Ajay Patil	SQC Manager	45000	Permanent	Diploma in Textile 28 yrs	21.12.2018	56	Eurotex Indu.Ltd
4	Annasaheb Patil	HR Manager	37450	Permanent	M.A.MSW 28 yrs	11.03.2019	57	Tozai Safety pvt.Ltd
5	Tatyaso Patil	Winding Supervisor	31095	Permanent	Mech .Electronics 32 yrs	10.12.2018	54	Eurotex Indu.Ltd
6	Satappa M Borwadkar	Accounts Incharge	28890	Permanent	Commerce Graduate (With 9 yrs of Experience)	18.10.2018	33	Ved Textiles Pvt.Ltd (Group Companies)
7	Babasaheb Annappa Patil	Asst. Elect. Eng.	27820	Permanent	Diploma in Elect.19 yrs Experience	12.12.2018	38	Indira Mahila Soot. Ich.
8	Ramgonda Patil	Chief Engg.	50000	Permanent	Diploma in Elect.27 yrs Experience	17.01.2022	46	Surabhi Tex. Fab. Ichal.
9	Atish Kamalakar	Elect. Sup	19000	Permanent	S.S.C Wireman lic.19 yrs Experience	18.05.2022	37	Abhishek Indu.Ltd

10	Prashant Gatti	Prod. Supervisor	19500	Permanent	Dip.in Tex. 14 Yrs.exp.	02.03.2019	35	Dindayal Spinning
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Nobody holds any shares and none of the above is relative of any director or manager of the company

DETAILS OF SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES:

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

RISK MANAGEMENT:

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

FAMILIARIZATION PROGRAMME:

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

COMPLIANCE WITH SECRETARIAL STANDARDS

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

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT

The Company does not have any equity shares lying in the demat suspense account/unclaimed suspense account of the Company as on 31 March 2023. Hence disclosures required under Part F of Schedule V of the Listing Regulations is not applicable

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

No significant orders were passed by any court.

ACKNOWLEDGEMENTS

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

For & on behalf of the Board

Date: 04-09-2023
Place : Kolhapur

Deepak Choudhari
Chairman and Managing Director
DIN: 03175105

Annexure - 1

FORM NO. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

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

B. Details of contracts or arrangements or transactions at Arm's length basis.- Amount in Rs. Lakhs

SL. No.	Particulars	Details	Details
1.	Name (s) of the related party & nature of relationship	Universal Spintex (Director is Partner)	Manibhadra Polycot Private Limited (Managing Director holding major stake)
2.	Nature of contracts/arrangements/transaction	Purchase and Sale of services	Purchase and Sale of services
3.	Duration of the contracts/arrangements/transaction	Till 31-03-2025	Till 31-03-2025
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale of Rs. 5335.84 Lakhs during the year 2022-23	Sale of Rs. 1,14.95 Lakhs during the year 2022-23 Purchase of 315.95 Lakhs during the year 2022-23
5.	Date of approval by the Board	15-09-2020	15-09-2020
6.	Amount paid as advances, if any	Nil	Nil

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

For & on behalf of the Board

Date: 04-09-2023
Place : Kolhapur

Deepak Choudhari
Chairman and Managing Director
DIN: 03175105

ANNEXURE 2

MANAGEMENT DISCUSSION AND ANALYSIS

The management of Girnar Spintex Industries Limited (formerly known as Amit Spinning Industries Limited) presents the analysis of business performance of the company for the year 2022-23 and its outlook for the future. This outlook is based on assessment of the current business environment. It may vary due to future economic and other developments.

1. Industry structure and developments.

a. Indian Economy

The Indian Economy continues to show resilience amid Global Uncertainties. Despite significant challenges in the global environment, India was one of the fastest growing economies in the world. India's overall growth remains robust and is estimated to be 6.9% for the financial year 2022-23. Growth was driven by strong investment activity augmented by the government's capex push and buoyant private consumption.

Inflation remained high, averaging around 6.7% in FY 2022-23 but the current-account deficit narrowed in Q3 on the back of strong growth in service exports and easing global commodity prices. Dwelling on the outlook for FY2023-24, the Economic Survey 2022-23 issued by Ministry of Finance projects that, India's recovery from the pandemic was relatively quick, and growth in the upcoming year will be supported by solid domestic demand and a pickup in capital investment. It further affirms that aided by healthy financials, incipient signs of a new private sector capital formation cycle are visible and more importantly, compensating for the private sector's caution in capital expenditure, the government raised capital expenditure substantially.

b. Industry Scenario

India is the world's second-largest producer of textiles and garments. It is also the sixth-largest exporter of textiles spanning apparel, home and technical products. The Indian textile and apparel industry is expected to grow at 10% CAGR from 2019-20 to reach US\$ 190 billion by 2025-26. India has a 4% share of the global trade in textiles and apparel. The textiles and apparel industry contribute 2.3% to the country's GDP, 13% to industrial production and 12% to exports. The textile industry has around 45 million of workers employed in the textiles sector, including 3.5 million handloom workers. India's textile and apparel exports (including handicrafts) stood at US\$ 44.4 billion in FY22, a 41% increase YoY. Total textile exports are expected to reach US\$ 65 billion by FY26.

The Textile and Apparel market is poised to grow, led by boost in demand and the government support in form of attractive schemes such as Production Linked Incentive (PLI), Mega Investment Textile Parks (MITRA) will further drive the way for the US\$ 250 billion target. Another step taken by the Ministry of Textiles towards positioning India as a

global leader in technical textiles manufacturing is the invitation of Research proposals for Funding for Design, Development and Manufacturing of Machinery, Tools, Equipment, and Testing Instruments under NTTM.

In FY 2022-23, exports of readymade garments cotton including accessories stood at US\$ 7.68 billion till January 2023. It is expected to surpass US\$ 30 billion by 2027, with an estimated 4.6-4.9% share globally.

2. OPPORTINUTITIES AND THREATS

The company is concerned about the various threats that it is exposed to which includes factors such as rising competition in the market, uncertain business environment including impact of COVID-19 pandemic, fluctuating rupee, cost of raw material and its availability, slowdown in demand & change in fashion trends, possibility of increase in interest rates, etc. Besides this the Company is also exposed to factors such as the change in government policies, duties & taxes, availability of power from the grid, availability of labour etc. The Company tries to mitigate these risks by taking quick actions and proactive initiatives and minimize the impact of these risk to the extent possible

Raw material prices & availability: The raw material prices (cotton, cotton yarn, MEG & PTA) are subject to market conditions and can vary upward & downward during the year..

Slow-down in demand/ change in fashion: The Company's performance also depends upon the demand situation. Any slowdown in demand may lead to decline in production/ sales and thus impact profitability.

Increase in Interest rates: The Company has taken term loans and working capital limits loans from the banks on floating rate basis. Any increase in interest rate would have impact on the bottom line of the Company.

Change in Government Policies: The business also has a threat of sudden change in government policies like policies relating to export & import of certain products, change in customs duty structure, change in export incentives, change in GST rates, etc

3. SEGMENTS WISE PERFORMANCE

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

PRESENT SCENARIO AND OUTLOOK

Year 2022-23 was average. The Financial Performance of the company is given below

Particulars	(Rs. in Lakhs)	
	2022-23	2021-22
Revenue from Operations	7812.03	11546.05
Other Income	24.46	174.79

Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	(115.43)	1,817.11
Less: Depreciation/ Amortisation/ Impairment, Finance Costs	572.62	613.40
Profit /loss before Exceptional items and Tax Expense	(688.05)	1203.71
Add/(less): Exceptional items	0.00	0.00
Profit /loss before Tax Expense	(688.05)	1203.71
Less: Tax Expense (Current & Deferred)	0.00	0.00
Profit /loss for the year	(688.05)	1203.71

4. RISK MANAGEMENT

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

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

5. HUMAN RESOURCE MANAGEMENT

The management has cordial and harmonious relations with its employees. It considers manpower as its assets and that the people had been the driving force for the growth of the company. The Company's HR policy aim to develop and train each individual to perform to his fullest capacity, achieving individual excellence and at the same time achieving the Company's Goals..

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

7. KEY FINANCIAL PARAMETERS (Rs. Lakhs)

Ratio	2021-22 Ratios	2020-21 Ratio
Debtors Turnover Ratio	9.51	16.80
Inventory Turnover Ratio	8.52	13.96
Interest Coverage Ratio	-0.11	2.43
Current Ratio	0.55	0.89
Debt Equity ratio	1.23	0.95
Operating Profit margin (%)	-1.48%	15.74%
Net Profit Margin (%)	-8.81	10.43
Return on Net Worth	-0.14	0.26

Previous year the company performed well. However due to increase in raw material prices and shortage of raw material, company incurred losses which has resulted into worsening of financial performance and ratios.

8. CAUTIONARY STATEMENT

Statements in this report on Management Discussion and Analysis relating to the Company's objectives, projections, estimates, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. These statements are based on certain assumptions and expectations of future events. Actual results might differ materially from those expressed or implied depending upon factors such as climatic conditions, global and domestic demand-supply conditions, raw materials cost, availability

and prices of finished goods, foreign exchange market movements, changes in government regulations, tax structure, economic and political developments within India and the countries where the Company conducts its business and other factors such as litigation and industrial relations. The Company assumes no responsibility in respect of forward-looking statements herein which may undergo changes in future based on subsequent developments, information or events.

ANNEXURE 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

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

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

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by GIRNAR SPINTEX INDMETRIES LIMITED (CIN L17100PN1991PLC190209) (hereinafter called 'the Company') for the financial year ended March 31, 2023. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2023 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2023 according to the provisions of:
 - i. The Companies Act, 2013 and the Companies Act, 1956 ('the Act') and the rules made thereunder;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings-(**Not Applicable to the Company during the Audit period**)
2. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act,1992 ('SEBI Act'):

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

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

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

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

- a. Pursuant to Regulation 23 (9) of Company has filed the details of related party transactions for the half year ended on March 31, 2022 with delay of 15 days.
- b. Company has filled the vacant position of Independent Director with delay of 19 days i.e. from February 07, 2023 to February 26, 2023 2023 number of Independent Director were less than the prescribed limit

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

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

I further report that

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

Adequate notices were given to all the directors and members to schedule the Board and Committee Meetings respectively, 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 meetings.

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

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

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

- a. Hon'ble NCLT, Principal Bench, New Delhi approved the resolution plan for Company on 31.07.2018 as submitted by Mr. Deepak Chaganlal Choudhari and Mr. Jitendra Kumar Chopra being the Resolution Applicants. After that various corporate actions like reduction face value of shares, consolidation of face value of shares, extinguishment and allotment of shares that was required to be executed has been pending for approval from BSE and NSE.

**For, Shrenik Nagaonkar & Associates
Company Secretaries**

**Shrenik Nagaonkar
Proprietor**

Place: Kolhapur

Date: 04-09-2023

FCS No.: 7067 C P No.: 11682

UDIN: F007067E000925512

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

The Members,

GIRNAR SPINTEX INDMETRIES LIMITED

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

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as are appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test-check basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test-check basis.

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

**For, Shrenik Nagaonkar & Associates
Company Secretaries**

**Shrenik Nagaonkar
Proprietor**

**Place: Kolhapur
Date: 04-09-2023**

FCS No.: 7067 C P No.: 11682

Annexure 4

Annual Report on CSR Activities of the Company for the financial year ended 31st March, 2023

(Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014)

1. Brief outline on CSR Policy of the Company: Company's CSR activities are designed to promote sustainable and equitable development so as to improve the quality of life of people in the communities in and around the geographies we operate in. The focus has been on improving the quality of life amongst socially and economically backward communities, promoting education and making available basic needs of people like safe water, Medicine, medical treatments etc.
2. Composition of CSR Committee

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Pruthveesh Ravi Shetti	Independent Director	4	4
2	Siddhant Sunil Patil (Resigned w.e.f. 07-11-2022)	Independent Director	2	2
3	Deepak Chaganlal Choudhari	Independent Director	4	4
4	Dhruv Jain (Appointed w.e.f. 30-09-2022)	Managing Director	2	2

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company : www.girnarspintex.com
4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable : **Not Applicable**
5.
 - a. Average net profit of the company as per sub-section (5) of section 135: **2,80,74,394/-**
 - b. Two percent of average net profit of the company as per sub-section (5) of section 135: **5,61,488/-**
 - c. Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: **NIL**
 - d. Amount required to be set-off for the financial year, if any: **NIL**
 - e. Total CSR obligation for the financial year [(b)+(c)-(d)]: **5,61,488/-**

6.

- a. Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Rs. **5,61,488/-on ongoing project in 2023-24**
- b. Amount spent in Administrative Overheads: **NIL**
- c. Amount spent on Impact Assessment, if applicable: **NIL**
- d. Total amount spent for the Financial Year [(a)+(b)+(c)]: **NIL**
- e. CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount (Rs.)	Date of transfer	Name of the Fund	Amount	Date of transfer
NIL	NIL	NIL	NIL	NIL	NIL

f. Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in Rs.)
1	Two percent of average net profit of the company as per sub-section (5) of section 135	5,61,488/-
2	Total amount spent for the Financial Year	0.00
3	Excess amount spent for the Financial Year [(ii)-(i)]	0.00
4	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	0.00
5	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	0.00

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any	Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any

			Rs.)					
					Amount (in Rs)	Date of Transfer		
1	2022-23	NIL	NIL	NIL	NIL	NIL	5,61,488	5,61,488
2	2021-22	NIL	NIL	NIL	NIL	NIL	NIL	NIL
3	2020-21	NIL	NIL	NIL	NIL	NIL	NIL	NIL

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No.**

If Yes, enter the number of Capital assets created/ acquired: **Not Applicable**

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135: **Company runs project of providing medical benefits to poor and needy people. As against CSR Liability of Rs. 5.61 Lakhs company has spent Rs. 6.00 Lakhs which is excess by 0.39 Lakhs. This amount was spent for kidney transplant. Due to medical situation of patient though company couldn't spend in 2022-23 company has spent amount in April 2023.**

For & on behalf of the Board

**Deepak Choudhari
Chairman and Managing Director
DIN: 03175105**

**Place : Kolhapur
Date: 04-09-2023**

Certificate on Corporate Governance

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

The Members,

GIRNAR SPINTEX INDUSTRIES LIMITED

(Formerly Amit Spinning Industries Limited)

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

I have examined the compliance of conditions of corporate governance by GIRNAR SPINTEX INDUSTRIES LIMITED (CIN L17100PN1991PLC190209)("the Company") for the year ended on 31st March, 2023 as stipulated in regulations 17 to 27 and clause (b) to (i) of regulations 46(2) and para C and D of schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance for the year ended 31st March, 2023 as stipulated in the above mentioned Listing Regulations, as applicable except

1. Pursuant to Regulation 23 (9) of Company has filed the details of related party transactions for the half year ended on March 31, 2022 with delay of 15 days.
2. Company has filled the vacant position of Independent Director with delay of 19 days i.e. from February 07, 2023 to February 26, 2023 number of Independent Director were less than the prescribed limit

I hereby state that my examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance as stipulated in the said Regulations. This certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For, PPS & Associates
Company Secretaries**

**Place: Kolhapur
Date: 04-09-2023**

**Shrenik Nagaonkar
Partner
FCS No.: 7067 C P No.: 11682
UDIN: F007067E000925556**

GIRNAR SPINTEX INDUSTRIES LIMITED

(Formerly known as Amit Spinning Industries Limited)

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

Tel.: +7038094545, Email: secretarialgirnar@gmail.com, Website: www.girnarspintex.com

CIN: L17100PN1991PLC190209

To,
The Board of Directors
Girnar Spintex Industries Limited

Sub: **CEO/CFO Certificate**

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

- (a) We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2023 and that to the best of our knowledge and belief:
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (ii) These statements together present a true and fair view of the Company's affairs, and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditor and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee;
- (i) Significant changes in internal controls over financial reporting, during the year.
 - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
 - (iii) Instances of significant fraud of which we have become aware, if any, and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Place: Kolhapur
Date: 04-09-2023

Jitendrakumar Chopra
Managing Director

Shreyans Choudhari
Chief Financial Officer

**CERTIFICATE ON DEBARRING AND DISQUALIFICATION OF DIRECTORS OF THE
COMPANY**

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

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

I have examined the relevant books, papers, minutes books, forms and returns filed, Notices received from the Directors during the financial year ended on March 31, 2023, and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives of **GIRNAR SPINTEX INDUSTRIES LIMITED** (CIN L17100PN1991PLC190209) ("the Company") having its Registered office at Gat No. 47 & 48, Sangwade, Hupari Kolhapur Road, Karvir Kolhapur 416202 for the purpose of issue of a Certificate, in accordance with Regulation 34 (3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (LODR), as amended vide notification no SEBI/LAD/NRO/GN/2018/10 dated May 9, 2018 issued by SEBI.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority

Sr. No.	Name of Director	DIN	Date of appointment
1	Deepak Chaganlal Choudhari	03175105	10/08/2018
2	Sharmiladevi Jitendrakumar Chopra	08196831	10/08/2018
3	Jitendrakumar Goutamchand Chopra	08196887	10/08/2018
4	Manoj Sethia	06560045	27/02/2023
5	Pruthveesh Ravi Shetti	08817217	31/07/2020
6	Dhruv Jain	09688248	30/09/2022

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of

the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Shrenik Nagaonkar & Associates
Company Secretaries**

**Place: Kolhapur
Date: 04-09-2023**

**Shrenik Nagaonkar
Proprietor
FCS No. 7067 CP No. 11682
UDIN: F007067E000925545**

GIRNAR SPINTEX INDUSTRIES LIMITED

(Formerly known as Amit Spinning Industries Limited)

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

Tel.: +7038094545, Email: secretarialgirnar@gmail.com, Website: www.girnarspintex.com

CIN: L17100PN1991PLC190209

Report on Corporate Governance

In terms of Regulation 15(2) of SEBI (LODR Regulation) 2015 the equity share capital of the company does not exceed rupees ten crore and net worth also does not exceed rupees twenty five crore, as on the last day of the previous financial year i.e. 31.03.2023.

However as a prudent practise and good corporate governance we are enclosing Corporate Governance Report for the year ended on March 31, 2023

1. Company's philosophy on corporate governance

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

2. Board of Directors

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

During the year under review, Eleven meetings of the Board of Directors were held and the gap between two meetings did not exceed 120 days (as stipulated by law in force). The respective dates on which the Board Meetings were held are 10-05-2022, 19-05-2022, 30-05-2022, 27-06-2022, 06-07-2022, 13-08-2022, 02-09-2022, 30-09-2022, 14-11-2022, 14-02-2023 and 30-03-2023. The names and categories of the Directors on the Board, their attendance at the Board Meetings held during the year and the number of Directorships and Committee Chairmanships/Memberships held by them in other companies are given herein below:

Directors	Category	No. of Board Meeting Attended	No. of Directorships and Chairmanship(s)/ Membership(s) of Board / Committees of other public companies			Attendance at the last AGM
			Attended	Directorship	Member	Chairperson
Deepak Choudhari	Promoter Executive Director	11	-	-	-	Yes
Jitendrakumar Chopra	Promoter Executive Director	11	-	-	-	Yes
Sharmiladevi Chopra	Promoter Non Executive Director	11	-	-	-	Yes
Siddhant Sunil Patil	Independent Director	8	-	-	-	Yes
Pruthveesh Ravi Shetti	Independent Director	11	-	-	-	Yes
Vijay Vishnu Dhudharkar	Independent Director	5	-	-	-	Yes
Manoj Sethia	Independent Director	1	-	-	-	NA
Dhruv Jain	Independent Director	3	-	-	-	NA

Notes:

- i. Mr. Siddhant Sunil Patil resigned w.e.f. 07-11-2022. Mr. Vijay Dudharkar resigned w.e.f. 20-07-2022.
 - ii. Mr. Dhruv Jain appointed w.e.f. 30-09-2022 and Mr. Manoj Sethia appointed w.e.f. 27-02-2023
 - iii. In accordance with Regulation 26 of SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015 Memberships / Chairmanships of only the Audit Committees and Stakeholders Relationship Committees of all Public Listed Companies (excluding Girnar Spintex Industries Limited) have been considered.
- **Disclosure of relationships between directors inter-se;** - Except Mr. Jitendrakumar Chopra and Sharmiladevi Chopra who are husband and wife none of other directors are related to each other.
 - **Number of shares and convertible instruments held by non- executive directors;** - None of non-executive directors hold shares in the Company.

- **Web link where details of familiarisation programmes imparted to independent directors is disclosed** - Familiarisation programme for independent directors is available on the website of Company .i.e. www.girnarspintex.com.
- **A chart or a matrix setting out the skills/expertise/competence of the board of directors** -Matrix setting out core skills expertise, competencies is given in director's report.
- **Confirmation that in the opinion of the board, the independent directors fulfill the conditions specified in these regulations and are independent of the management** - Board hereby confirm that Independent directors fulfil the conditions specified in SEBI (LODR) 2015 and are independent of the management
- **Detailed reasons for the resignation of an independent director who resigns before the expiry of his /her tenure along with a confirmation by such director that there are no other material reasons other than those provided.]** - Mr. Vijay Vishnu Dudharkar (DIN: 08863530) and Mr. Sidhant Patil (DIN - 08817203) Independent Director of the Company has resigned w.e.f. 20-07-2022 and 07-11-2022 respectively from the Board of the Company with immediate effect, on account of personal reason and other professional commitments. We further confirm that there is no other material reason for his resignation other than those provided above.

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

a) Deepak Choudhari

Mr. Deepak Chaganlal Choudhari, aged 47 years, is a Commerce Graduate from Shivaji University, Kolhapur and has over 23 years of experience in Yarn Manufacturing and Fabric Processing Business.

b) Jitendrakumar Chopra

Mr. Jitendra Chopra, aged 40 years, has done Post Graduation in Commerce from Shivaji University, Kolhapur and has over 14 years of experience in Yarn Trading and Processing Business. He is the proprietor of M/s Universal Cottex and many small SSI firms which is into Weaving Business through Powered Looms.

c) Sharmiladevi Chopra

Mrs. Sharmiladevi Chopra has done graduation in commerce from pali rajasthan and has 10 years of experience in yarn trading and processing business.

d) Pruthveesh Shetti

Mr. Pruthveesh Shetti has completed his MBA in Marketing. He has experience of 6 years working as counsellor. Currently he is working as an counsellor at various educational institutions. Further he has an excellent academic and Professional record.

e) Mr. Manoj Sethia

Mr. Manoj Sethia is Chartered Accountant with fourteen years' experience) in analysis, review and preparation of financial statements of organizations from different sectors and varying business sizes. He is experienced in handling assignments designed to review and appraise the client organisation's financial performance, activities, business models and controls in the nature of statutory audits, tax audits and tax appeals and providing management consultancy towards financial planning of companies, firms and individuals

f) Mr. Dhruv Jain

Mr. Dhruv Jain is Chartered Accountant with exceptional academic credentials, a proven track record of delivering results in high pressure work engagements and a drive to learn new things constantly. He has secured an All India 7th Rank, CA Final and have consistently been recognized as the top performer at work.

4. Board Committees

A. Audit Committee

The Audit Committee consisted of three Non-Executive Independent Directors and one Executive Director, namely

Mr. Dhruv Jain - Chairman (Independent Director)
Mr. Pruthveesh Ravi Shetti - Member (Independent Director)
Mr. Manoj Sethia - Member (Independent Director)
Mr. Deepak Choudhari - Member (Managing Director)

The members have the requisite accounting and related financial management expertise. Statutory Auditors and Internal Auditors are invited to the meetings of Audit Committee for presenting their periodical reports.

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

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity.

- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the listed entity with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- To review the function of the Whistle Blower Mechanism.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- To look into the payment being made to the depositors, creditors and shareholders in case of dividend declared and reasons for substantial defaults/delay if due amount has not paid as per statutory due date.

During the year, eight meetings of the Audit Committee were held on 02-04-2022, 30-05-2022, 06-07-2022, 02-09-2022, 30-09-2022, 14-11-2022, 14-02-2023 and 30-03-2023. The details of attendance of the each member at the Audit Committee are given herein below:

Name of the Director	No. of Meetings Attended
Mr. Dhruv Jain	3
Mr. Pruthveesh Ravi Shetti	8
Mr. Manoj Sethia	1
Mr. Deepak Choudhari	8
Mr. Siddhant Patil	5
Mr. Vijay Dudharkar	3

B. Nomination and Remuneration Committee

Nomination and Remuneration Committee of the Board has been constituted to review/recommend the remuneration package of the Managing Director / Whole Time Director(s) / Managers based on performance and defined criteria. The Nomination & Remuneration Committee of the Board comprises of Independent/Non-Executive Directors namely Mr. Dhruv Jain (Chairman of Nomination and Remuneration Committee), Mr. Pruthveesh Shetti, Mr. Manoj Sethia and Sharmiladevi Jitendrakumar Chopra.

During the year under review, Four Meeting of Nomination and Remuneration committee were held on 30-05-2022, 02-09-2022, 14-11-2022 and 14-02-2023.

Name of the Director	No. of Meetings Attended
Mr. Dhruv Jain	2
Mr. Pruthveesh Ravi Shetti	4
Mr. Manoj Sethia	0
Mrs. Sharmiladevi Jitendrakumar Chopra	4
Mr. Siddhant Patil	2
Mr. Vijay Dudharkar	1

➤ Details of remuneration paid to Directors for the financial year 2022-23 are as under:

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

➤ **Performance evaluation criteria of Independent Director**

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

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

C. Stakeholders Relationship Committee:

The Company has constituted stakeholders relationship committee comprising of three independent directors and one non-executive director.

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

The Committee Comprises of, Mr. Pruthveesh Shetti (Chairman of Stakeholders Relationship Committee), Mr. Dhruv Jain, Mr. Manoj Sethia and Sharmiladevi Jitendrakumar Chopra.

During the year under review, Four Meeting of Stakeholders Relationship Committee were held on 30-05-2022, 13-08-2022, 14-11-2022 and 14-02-2023

Name of the Director	No. of Meetings Attended
Mr. Dhruv Jain	2
Mr. Pruthveesh Ravi Shetti	4
Mr. Manoj Sethia	0
Mrs. Sharmiladevi Jitendrakumar Chopra	4
Mr. Siddhant Patil	2
Mr. Vijay Dudharkar	1

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

D. Meeting of Independent Director:-

As mandated by the Companies Act, 2013 and Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a separate meeting of Independent Directors was held on 30-09-2022 annual evaluation of the following;

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

E. CSR Committee - Details has been given in CSR report attached to the Directors report.

F. Senior management

Senior Management comprises of

Mr. Shreyans Rajendrakumar Choudhari - CFO
 Ms. Bhakti Dnyaneshwar Kapratwar - Company Secretary
 Mr. Shrikant Patil - Unit Head
 Mr. Satappa M Borwadkar - Accounts Incharge

During the year under review Ms. Gayatri Kulkarni resigned as a Company Secretary and Compliance officer w.e.f. 30-12-2022 and Ms. Bhakti Dnyaneshwar Kapratwar was appointed w.e.f. 22-06-2023 as Company Secretary and Compliance officer

5. Remuneration of directors:

- a. All pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity - **NIL**
- b. Criteria of making payments to non-executive directors is available on the website of the company i.e. www.girnarspintex.com
- c. disclosures with respect to remuneration:
 - i. elements of remuneration package of individual directors;

Name of Director /KMP	Designation	Salary	Benefits, bonuses, stock options, pension etc fixed component and performance linked incentives
Deepak Choudhari	Managing Director	NIL	NIL
Jitendrakumar Chopra	Managing Director	NIL	NIL
Sharmiladevi Chopra	Non-Executive Director	NIL	NIL
Siddhant Patil	Independent director	NIL	NIL
Pruthveesh Shetti	Independent	NIL	NIL

	director		
Vijay Dudharkar	Independent Director	NIL	NIL
Dhruv Jain	Independent director	NIL	NIL
Manoj Sethia	Independent director	NIL	NIL

- ii. **Service contracts, notice period, severance fees;** As per the prevailing rules of the company
- iii. **Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable** - The Company does not have any Employee Stock Option Scheme.

6. General Body Meetings

(A) Annual General Meetings:

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

AGM	LOCATION	DATE & TIME	Special Resolution passed
27 th AGM	Bipin Chandra Pal Memorial Trust Auditorium, A-81, Chittaranjan Park, New Delhi 110 019	26 th September 2019 11.30 AM	1. Change in Name of the Company from Amit Spinning Industries Limited to Girnar Spintex Industries Limited. 2. Shifting of registered office from Delhi to Maharashtra.
28 th AGM	Gat No. 47 & 48, Sangwade, Hupari Kolhapur Road, Karvir, Kolhapur 416202 (Through Video Conference)	07 th October 2020 11.30 AM	None
29 th	Gat No. 47 & 48, Sangwade, Hupari Kolhapur Road, Karvir, Kolhapur 416202 (Through Video Conference)	Thursday, September 30, 2021 at 1.00 P.M	1. Appointment of Mr. Deepak Chaganlal Choudhari (DIN: 03175105) as a Managing Director of the Company 2. Appointment of Mr. Jitendrakumar Goutamchand Chopra (DIN: 08196887) as a Managing Director of the Company
30 th	Gat No. 47 & 48, Sangwade, Hupari Kolhapur Road, Karvir, Kolhapur 416202 (Through Video Conference)	Friday, September 30, 2022 at 1.00 P.M	NIL

(B) Special Resolution passed through Postal Ballot:

No special resolution was passed through postal Ballot during the year 2022-23. Further no resolution is proposed to be conducted in ensuing AGM though postal ballot.

(c) E-Voting

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

7. Means of Communication

- **Website:** The Company's website www.girnarspintex.com contains inter alia updated information pertaining to quarterly, half-yearly and annual financial results, annual reports, press releases, investor presentations, details of investor calls and meets, shareholding pattern, important announcements, policies. The said information is available in a user friendly and downloadable form in "Investor Section" of website.
- **Financial Results:** Pursuant to Regulation 33 of the Listing Regulations, the quarterly, half yearly and annual financial results of the Company are submitted to BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") after approval of the Board of Directors of the Company. The financial results of the Company are published in one English daily newspaper (Financial Express) and one Marathi newspaper (Sakal) within 48 hours of approval thereof and are also available on the website of the Company www.girnarspintex.com
- **Annual Report:** Annual Report containing inter alia Standalone Financial Statements, Auditors' Report, Board's Report, Management discussion and Analysis Report, Corporate Governance Report is sent to all Members of the Company within the required time frame and is also made available on the website of the Company www.girnarspintex.com
- **Designated Exclusive Email ID:** The Company has designated Email Id secretarialgirnar@gmail.com exclusively for shareholder / investor grievances redressal.
- **SCORES (SEBI Complaints Redressal System):** SEBI has commenced processing of investor complaints in a centralised web based complaints redress system i.e. SCORES. The Company supported SCORES by using it as a platform for communication between SEBI and the Company.
- **Uploading on NEAPS & BSE Listing Centre:** The quarterly results, quarterly compliances and all other corporate communications to the Stock Exchanges are filed electronically on NEAPS for NSE and on BSE Listing Centre for BSE.

- **Investor Presentations:** We have not made any presentation to institutional investors/analysts.

8. General Shareholder information:

a. Annual General Meeting:

Date	Friday, September 29, 2023
Time	3.00 P.M
Venue	NA (Virtual AGM)

b. Financial Calendar 2023-24 (tentative) :

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

June 30, 2023	:	On or before August 14, 2023
September 30, 2023	:	On or before November 14, 2023
December 31, 2023	:	On or before February 14, 2023
March 31, 2024	:	On or before May 30, 2024
Annual General Meeting	:	On or before September 30, 2023

c. Financial Year: April 1, 2023 - March 31, 2024

d. Date of Book closure: 23 September, 2023 to 29 September, 2023 (Both days inclusive)

e. Dividend payment date: Not Applicable

f. Listing of Stock Exchange:

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

The Company has paid the annual listing fees for the financial year 2022-23 due to pending reconciliation of accounts.

g. Market Price data

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

h. Details of Registrar and Share Transfer Agent

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

Contact person: Mr. Rakesh Kumar, Email: mdnair@rcmcdelhi.com

Share Transfer System: W.e.f. April 1, 2019, as per SEBI press release dated March 27, 2019, the transfer of shares is done only in dematerialized mode except for transmission or transposition of securities. Further, SEBI has fixed March 31, 2022 as the cut-off date for re-lodgement of rejected transfer deeds and hence the shares that are re-lodged for transfer shall be transferred only in demat mode thereafter. Transfer of equity shares in dematerialised form is done through the depositories without any involvement of the Company. Share transfers received in physical form, if any and complying with the requirements specified in said press release are processed by Link Intime India Private Limited, Registrar & Transfer Agents and the share certificates are generally returned to the transferee(s) within prescribed time provided that the transfer documents are complete in all respects. The Board has constituted Share Transfer Committee which approves share transfers, transmission, issue of duplicate share certificates etc as and when physical cases of transfers/transmissions/name deletion/ issue of duplicate share certificates are sent for approval by RTA. Pursuant to Regulation 40(9) of the Listing Regulations, yearly, a Company Secretary in practice undertakes audit of the share transfer related activities and the compliance certificate issued upon audit is submitted to BSE and NSE.

i. Shareholding Pattern as per old data.

Corporate actions pursuant to NCLT order dated 31.07.2018 are still in process at BSE and NSE. Under the said order Shares of Spintex Industries Limited (Previous Promoter) have been cancelled hence those shares are no more pledged. Capital is also reduced from Rs. 20.58 cr to Rs. 2.05 Cr. However shareholding pattern has been filed as per old data since formalities at BSE, NSE, CDSL and NSDL are still in process

j. **Distribution Schedule as on 31.03.2023**

No. of Shares	No. of Shareholders	Percentage	No. of Shares	Percentage
1 to 5000	16366	94.42	3334198	8.10%
5001 to 10000	417	2.41	671571	1.63%
10001 to 20000	227	1.31	664354	1.61%
20001 to 30000	130	0.75	650267	1.58%
30001 to 40000	38	0.22	266738	0.65%
40001 to 50000	39	0.23	373098	0.91%
50001 to 100000	54	0.31	770445	1.87%
100001 and above	62	0.36	3443896	83.65%
TOTAL	17333	100.00	41,169,667	100.00%

k. **Category of Shareholders as on :31.03.2023**

Category	Shares held	%age
Promoters	2,09,81,077	50.96
Financial Institutions/Insurance Companies/ Banks/Mutual Funds/Trust	100	00
NRIs/OCBs/Foreign Nationals	3,72,555	0.90
Body Corporate(s)	8,87,181	2.14
Public and Others	1,89,28,754	46.00
Total	4,11,69,667	100.00

l. **Dematerialization of Shares and Liquidity**

The equity shares of the Company are available for demat at NSDL and CDSL. As on 31.03.2023, 39142447 equity shares are in dematerialised representing 95.07% total number of shares.

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

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

n. **Commodity Price Risk / Foreign Exchange Risk**

For Company's business, cotton is the key raw material/ commodity and the company is exposed to price variation in cotton. The Company regularly monitors cotton prices and take appropriate decisions to minimize the risks. During the year under review, the Company has not done any commodity hedging on the exchanges. As regards foreign exchange risks, the Company evaluates

foreign exchange rate exposure arising from these transactions and take appropriate steps to mitigate such exposure and to minimize the impact of volatility in foreign exchange fluctuations on the earnings.

o. Plant Location :

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

p. Address for Correspondence :

- | | |
|----------------------------------|--|
| 1. Registered & Corporate Office | Gat No. 47 & 48, Sangwade, Kolhapur Hupari Road, Kolhapur 416202.
Email: secretarialgirnar@gmail.com |
| 2. Registrars & Transfer Agents | RCMC Share Registry Private Ltd.
B-25/1, Okhla Industrial Area, Phase-2, Near Rana Motors New Delhi- 110020. Ph. No. 011-26387320 /011-26387321& Fax No. 011-26387322.
Mr. Rakesh Kumar
Email:mdnair@rcmcdelhi.com
investor.services@rcmcdelhi.com |
| 3. Compliance Officer | Ms. Bhakti Kapratwar
Gat No. 47 & 48, Sangwade, Kolhapur Hupari Road, Kolhapur 416202.
Ph. 7038094545
Email: secretarialgirnar@gmail.com |

Contact person

q. Credit Rating: Not obtained

r. Other Disclosures:

- a. **Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large;** There are no materially significant related party transactions that may have potential conflict with the interests of listed entity at large. Members may refer to Note 10 to the standalone financial statements which sets out related party disclosures pursuant to Ind AS
- b. **Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years -** BSE and NSE had charged penalty of Rs. 75,000 each for delay in filing related party transactions report for the half year ended March 31, 2023. However NSE waived the same since the said regulation is not applicable to the company.
- c. **Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee -**

Company has issued circular in connection with Visual Mechanism/Whistle Blower Policy and no employee was denied the access to the Audit Committee

- d. There are no agreement enter into by shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity or of its holding, subsidiary or associate company, among themselves or with the listed entity or with a third party, solely or jointly which, either directly or indirectly or potentially or whose purpose and effect is to impact the management or control of the listed entity or impose any restriction or create any liability upon the listed entity
- e. **There were no public issue, rights issue, preferential issue hence statement of variation in terms of regulation 32 (1) of LODR is not applicable.**
- f. **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:** The Company has complied with mandatory requirements of Corporate Governance specified in the Listing Regulations except that Company had delay in filing vacant position of Independent Director by period of 19 days. So far non-mandatory requirements are concerned the Company has complied with following discretionary requirements specified in Part E of Schedule II of the Listing Regulations as given below:
 - i. **Modified opinion(s) in audit report** - There was no qualification or modified opinion in Independent Auditors Report on Financial Statements of the Company for the year ended March 31, 2023.
 - ii. **Reporting of Internal Auditors:** The Internal Auditor of the Company is permanent invitee to the Audit Committee Meetings. He also attends each Audit Committee Meeting and presents his internal audit observations to the Audit Committee. He directly interacts with Audit Committee Members during the meeting.
 - iii. **web link where policy for determining 'material' subsidiaries is disclosed** - Not Applicable
 - iv. **web link where policy on dealing with related party transactions** - www.girnarspintex.com
 - v. **Disclosure of commodity price risks and commodity hedging activities-** Already discussed elsewhere in this report
 - vi. **Recommendations of the Audit Committee** - Board has accepted all the recommendations of the Audit Committee.
 - vii. Company has complied with the provisions of corporate governance report of sub paras (2) to (10) above for the Annual Report 2022-23.
- s. **Code of Conduct**

The Board of Directors has adopted the Code of Conduct and ethics for Directors, Senior Management and designated employees. The Code has also been posted on its company's

website www.girnarspintex.com. The declaration in compliance with Clause(D) of Schedule V of the SEBI (LODR) Regulations, 2015 is attached

t. Prevention of Insider Trading

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

u. Maintenance of Website

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

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

Nature of Payment	F.Y. 2022-23	F.Y. 2021-22
Statutory Audit	2,50,000	2,50,000
Tax Audit	---	---
Other Services Includes reimbursement of expenses	----	----
Total	2,50,000	2,50,000

w. Disclosure with respect to demat suspense account/ unclaimed suspense account

As on March 31, 2023 there are no shares lying in the demat suspense account or unclaimed suspense account.

x. disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

number of complaints filed during the financial year - NIL
 number of complaints disposed of during the financial year- NIL
 number of complaints pending as on end of the financial year- NIL

y. Reconciliation of share capital audit

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

z. Compliance with Indian Accounting Standards (Ind-AS)

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

aa. Familiarization Programme Imparted For Independent Director and Performance & Evaluation Criteria of the Same

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

bb. disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount - NIL

cc. Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries - Not Applicable

GIRNAR SPINTEX INDUSTRIES LIMITED

(Formerly known as Amit Spinning Industries Limited)

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

Tel.: +7038094545, Email: secretarialgirnar@gmail.com, Website: www.girnarspintex.com

CIN: L17100PN1991PLC190209

To

The Shareholders of Girnar Spintex Industries Limited

Sub: Declaration on Compliance with Code of Conduct as required under Schedule V (Part D) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015

Dear Sirs,

We hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the code of conduct as adopted by the Board of Directors for the year ended 31st March, 2023 in terms of Schedule V (Part D) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015

Date: 04-09-2023

Place: Kolhapur

Deepak Choudhari
Chairman and Managing Director

Jitendrakumar Chopra
Managing Director

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS Financial Statements of **GIRNAR SPINTEX INDUSTRIES LIMITED**, ("The Company"), which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred to as "the financial statements")

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 Companies Act, 2013("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2023, its LOSS and other comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the Standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

matters below, provide the basis for our audit opinion on the accompanying Standalone Ind AS Financial Statements.

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Ind AS Financial Statements and our auditors' report thereon.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance

with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS Financial Statements.

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

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS Financial Statements, including the disclosures, and whether the Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements for the financial year ended March 31, 2023 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

1. 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 Act, we give in the Annexure A, a statement on the matters Specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by section 143(3) of the Act, we further report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 appears from our examination of those books;

- c) The Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014;
- e) On the basis of written representations received from the directors as on March 31, 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";

(B) with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, In our opinion and to the best of our information and according to the explanations given to us, we report as under:

- (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note B-2 to the financial statements;
- (ii) The Company did not have any long-term contracts including derivative contracts by which there were any material foreseeable losses.
- (iii) The company is not liable for contribution to the Investor Education and Protection Fund.
- (iv) Management Representation:
 - (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - c. Based on audit procedures, nothing has come to our notice that has

caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

(c) Based on the audit procedures performed 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) contain any material misstatement.

(v) The company has not paid any dividend during the year.

(vi) Requirement of mandatory audit trail in company accounting software is postponed to financial years commencing on or after the 1st April, 2023 specified in notification No. F. No.1/19/2013-CL-V Part III dated 1st April 2021 read along with notification No. G.S.R. 235(E) dated 31st March, 2022 issued by the Ministry of Corporate Affairs. Accordingly, reporting for the same is not applicable.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limits laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.

SANJAY VHANBATTE AND COMPANY

Chartered Accountants

FRN NO.112996W

Place: Kolhapur

Date: 30th May 2023

UDIN: 23044808BGUGFH3338

CA. S. M. VHANBATTE

PROPREITOR

M.No.44808

Annexure A of our report of even date to the members of Girnar Spintex Industries Limited (Formerly Known as Amit Spinning Industries Limited) on the accounts of the company for the year ended 31st March, 2023

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

(i) In respect of its Property, Plant and Equipment:

- a. The Company's records of fixed assets need improvement inasmuch as the records now maintained need to have full particulars, including quantitative details and situation of property, plant and equipment.
- b. As explained to us, the property, plant and equipment are physically verified by the management during the year, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets; as informed to us no material discrepancies were noticed on such verification.
- c. According to the information and explanations given to us, the records examined by us and based on the examination of the record, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the Balance Sheet date. In respect of immovable properties that have been taken on lease, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- d. The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, Clause 3(i) (d) of the Order regarding Revaluation of PPE and intangible assets is not applicable.
- e. According to the information, explanations given and represented to us by the management of company, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions(Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) In respect of its inventories:

- (a) The Management has at reasonable intervals conducted physical verification of inventory. In our opinion and according to the information and explanations given to us, the procedures of physical verification of stock followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business. In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were properly dealt in the books of accounts.
- (b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion and to the best of information and knowledge, the quarterly returns/statements filed by the company with its banks are NOT in agreement with the books of account of the Company.

(iii) Investments made or Loans Given by Company

- (a) The company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to associates. The Company does not have any subsidiary or joint venture.
- (b) The company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to parties other than associates, subsidiary or joint venture.

(iv) Loans to Directors and Loans & Investments by Company.

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

(v) Acceptance of Deposits:

According to the information and explanation given to us and based on our examination of the records of the company, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable. Thus the provisions of clause 3 (v) (a) & (b) of the order are not applicable and hence not commented upon.

(vi) Maintenance of Cost Record:

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

(vii) In respect of statutory dues:

(a) According to the information and explanations given to us and based on the records of the company examined by us, the company is generally regular in depositing the undisputed statutory dues, including Income-tax, GST, provident fund, Employees' state insurance and other material statutory dues, as applicable, with the appropriate authorities. The company is not liable to sales tax, custom duty, and excise duty. However, arrears are outstanding in respect of Gram Panchayat Tax.

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

(c) **Disputed Statutory Dues:** According to the records of the Company, there are following dues of Income-tax, Sales-tax, Gram panchayat Tax and water charges remaining un-deposited as on March 31, 2023. The company disputes the liability in view of the order of NCLT dated 31.07.2018 approving Insolvency Resolution Plan of the Company.

Name of Department	Section	Remarks	Year	Demand Amount
TDS	26Q	Quarter 1-2007-08	2007-08	113,120
	26Q	Quarter 4-2007-08	2007-08	79,630
	26Q	Quarter 4-2009-10	2009-10	11,200
	24Q	Quarter 4-2011-12	2011-12	30,270
	24Q	Quarter 4-2012-13	2012-13	35,240
	24Q	Quarter 4-2013-14	2013-14	225,560
Income Tax	Penalty u/s 271G	Appeal Before CIT(A)	2015-16	1,35,52,900
VAT		Rs.2,00,000 paid as Security deposit	2004-05	12,44,000
VAT		Rs.16,94,614 being amount adjusted against liability	2009-10	26,59,004
VAT	Section 23(2) of MVAT Act	Ex-party assessment order has been passed	F.Y. 2012-13	691,194
CST	Section 23(2) of MVAT Act	Ex-party assessment order has been passed	F.Y. 2012-13	1,305,089
VAT	Appeal	Demand on assessment	FY 2012-13	2,86,63,867
Gram Panchayat		Demands by gram panchayat	2014-15 TO 18-19	19,52,468
Irrigation		Dues	2014-15 To 17-18	6,85,039

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

(viii) Income surrendered or disclosed in Tax Assessment

According to the information and explanations given to us, there are no transactions not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Thus the provisions of clause 3 (viii) (a) to (c) of the order are not applicable and hence not commented upon.

(ix) Default in Repayment of Loan and Borrowings

Based on representation given by the management of the company and according to the information and explanations given to us-

- a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b) According to the information and explanations given to us, the company is not a declared willful defaulter by any bank or financial institution or other lender.
- c) The terms loans obtained by the company during the year have been utilized for the purpose for which they were sanctioned.
- d) On an overall examination of the financial statements of the company, we report that the Company has not used funds raised on short term basis for long term purposes.
- e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its associates.
- f) The company has not raised loans during the year on the pledge of securities held in its associate companies.

(x) Funds raised by the Company and its utilization:

- a) According to the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year.
- b) According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

(xi) Fraud:

Based upon the audit procedures performed for the purpose of reporting upon the true and fair view of the financial statements, to the best of our knowledge and according to the information and explanations given to us:

- a) No fraud by the Company or any fraud on the Company has been noticed or reported during the period, nor have we been informed of any such case by the Management.
- b) No report under section 143(12) of the Companies Act in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government has been filed during the year.
- c) According to the information and explanation given to us, the company has established vigil mechanism in accordance with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. As informed to us, during the current year no whistle blower complaints were received through such vigil mechanism. Therefore, the provisions of clause 3 (xi) (c) of the Order are not applicable to the Company and hence not commented upon.

(xii) Deposits of Nidhi Company:

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

(xiii) Related Party Transaction:

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

(xiv) Internal Audit System:

- (a) According to the information and explanation given to us, the Company has appointed internal auditor in compliance with section 138 of the Act and applicable rules.
- (b) Report submitted by the internal auditor during the year have been considered during the course of our audit.

(xv) Non-Cash Transactions with Directors:

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

(xvi) Registration with Reserve Bank of India:

In our opinion and according to the information and explanations given to us:

- a. The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.
- b. The company has not conducted any Non- Banking Financial or Housing Finance activities during the year.
- c. The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- d. The reporting under clause 3(xvi) (c) & (d) of the order are not applicable to the Company.

(xvii) Cash Losses

The Company has not incurred cash losses in the current financial year or in the immediately preceding financial year

(xviii) Resignation by Statutory Auditors

There has not been any resignation of the statutory auditors during the year. The reporting under clause 3(xviii) of the order is not applicable.

(xix) Capacity of the company of meeting its liabilities

In our opinion and according to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statement, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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. 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.

(xx) Corporate Social Responsibility

- a. The Company has not transferred the unspent amounts towards Corporate Social Responsibility (CSR) in respect of other than ongoing projects to a Fund specified in Schedule VII to the Companies Act in compliance with Sec 135(5) of Companies Act, 2013 till the date of our report since the time period of such transfer i.e. within a period of six months from the expiry of the financial year has not been elapsed till the date of our report.
- b. There are no ongoing projects, requiring the company to transfer unspent Corporate Social Responsibility amount as at the end of the previous financial year, to a special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act. Accordingly, reporting under clause 3(xx)(b) of the order is not applicable.

(xxi) Consolidated Financial Statement

The provisions of clause 3(xxi) of the order is not applicable to the Company and hence not commented upon.

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

Place: Kolhapur
Date: 30th May 2023
UDIN: 23044808BGUGFH3338

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

Annexure B

To the Independent Auditors' Report on the Ind AS Financial Statements of

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

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

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

We have audited the internal financial controls over financial reporting of **AMIT SPINNING INDUSTRIES LIMITED** ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Company's internal financial controls over financial reporting as at March 31, 2023.

According to the information and explanations given to us, the company does not have documented framework of Internal financial control over financial reporting on criteria based on or considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

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

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2023 Ind AS financial statements of the Company, and these material weaknesses have affected our opinion on the Ind AS financial statements of the Company and we have accordingly issued a qualified opinion on the Ind AS financial statements.

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

Place: Kolhapur
Date: 30th May 2023
UDIN: 23044808BGUGFH3338

CA. S. M. VHANBATTE
PROPREITOR
M.No.44808

Girnar Spintex Industries Limited

(Formerly Known As Amit Spinning Industries Ltd.)

CIN - L17100PN1991PLC190209

Gat No. 47 & 48, Sangavade Village

Kolhapur - Hupri Road, Tal- Karveer,

Dist- Kolhapur, Maharashtra

Statement of Assets and Liabilities as at 31st March 2023

In ₹ (Lac)

		Note No	Audited 31.03.2023	Audited 31.03.2022
	ASSETS			
A.	Non-current assets			
	(a) Property, plant and equipment	B1	8,066.17	8,011.09
	(b) Financial Assets			
	(i) Investments	B2	0.23	0.23
	(ii) Loans			
	(iii) Others	B3	47.48	10.80
	(c) Other non-current assets	B4	94.31	90.43
	Sub total-Non current assets (A)		8,208.19	8,112.56
B.	Current assets			
	(a) Inventories	B5	796.71	1,036.54
	(b) Financial Assets			
	(i) Trade receivables	B6	811.23	832.50
	(ii) Cash and Cash Equivalents	B7	23.50	23.35
	(iii) Bank balances other than (ii) above			
	(iv) Loans			
	(v) Others	B8	-	10.31
	(c) Other current assets	B9	134.63	78.01
	Sub total current assets (B)		1,766.07	1,980.70
C.	Non-current assets classified as held for sale		-	-
	Sub total current assets (C)		-	-
	Total (A+B+C)		9,974.26	10,093.26
	EQUITY AND LIABILITIES			
A.	Equity			
	(a) Equity Share capital	B10	205.85	205.85
	(b) Other Equity	B11	3,858.33	4,559.94
	(c) Amount Received for Equity Allotment		400.15	400.15
	Sub total-Equity (A)		4,464.33	5,165.94
B.	Liabilities			
(1)	Non-current liabilities		-	-
	(a) Financial Liabilities			
	(i) Borrowings	B12	2,283.44	2,687.72
	(ia) Lease Liabilities		-	-
	(ii) Other financial liabilities		-	-
	(b) Provisions	B13	4.27	7.97
	Sub total-Non current liabilities (B)		2,287.71	2,695.68
(2)	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	B14	2,799.32	1,791.64
	(ia) Lease Liabilities			
	(ii) Trade Payables			
	(A) Towards micro and small enterprises	B15	1.22	8.87
	(B) Towards others	B15	189.27	267.53
	(iii) Other financial liabilities	B16	38.64	17.95
	(b) Other current liabilities	B17	-	13.55
	(c) Provisions	B18	193.78	132.09
	Sub total- Current liabilities (C)		3,222.23	2,231.63
	Total (A+B+C)		9,974.26	10,093.26
	NOTES TO THE FINANCIAL STATEMENTS	N1		

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

As per our report of even date

For and On behalf of the Board

For **SANJAY VHANBATTE & CO**

Chartered Accountants

Firm Reg. No : 112996W

Jitendrakumar G Chopra
Mangaging Director
DIN - 08196887

Deepak C Choudhari
Chairman & Mangaging Director
DIN - 03175105

SANJAY MADHUKAR VHANBATTE

PROPRIETOR

Membership No. : 044808

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

Sharmiladevi J Chopra
Non Executive Non Independent Director
DIN - 08196831

Shreyansh R Choudhari
CFO

Place: Kolhapur

Date: 30th May 2023

UDIN: 23044808BGUGFH3338

Girnar Spintex Industries Limited

(Formerly Known As Amit Spinning Industries Ltd.)

CIN - L17100PN1991PLC190209

Gat No. 47 & 48, Sangavade Village

Kolhapur - Hupri Road, Tal- Karveer,

Dist- Kolhapur, Maharashtra

Statement of Profit and Loss for the year ended 31-Mar-2023

In ₹ (Lac)

Particulars	Note No.	1-Apr-2022 to 31-Mar-2023	1-Apr-2021 to 31-Mar-2022
I Revenue from Operations	P1	7,812.02	11,546.05
II Other Income	P2	24.46	174.68
III TOTAL REVENUE (I + II)		7,836.48	11,720.73
IV EXPENSES			
Cost of Materials Consumed	P3	5,886.54	7,023.55
Purchases of Stock-in-Trade	P4	92.05	1,450.41
Changes in Inventories	P5	403.19	-367.37
Employee Benefit Expenses	P6	240.49	247.10
Finance Costs	P7	380.39	440.13
Depreciation and Amortization Expenses	P8	192.22	173.27
Other Expenses	P9	1,329.64	1,549.93
TOTAL EXPENSES		8,524.53	10,517.02
V Profit before Exceptional and Extraordinary Items and Tax (III-IV)		-688.05	1,203.71
VI Exceptional Items			-
VII Profit before Extraordinary Items and Tax		-688.05	1,203.71
VIII Extraordinary Items		-	-
IX Profit Before Tax		-688.05	1,203.71
X Tax Expense		-	-
Current Tax		-	-
Deferred Tax		-	-
XI Profit/(Loss) for the period from Continuing Operations (IX-X)		-688.05	1,203.71
XII Profit/(Loss) from Discontinuing Operations		-	-
XIII Tax Expense of Discontinuing Operations		-	-
XIV Profit/(Loss) from Discontinuing Operations (after tax) (XII-XIII)		-	-
XV Profit(Loss) for the Period (XI+XIV)		-688.05	1,203.71
XVI Other Comprehensive Income		14.56	
XVII Total Comprehensive Income		-673.49	1,203.71
XVI Earnings per Equity Share	P10		
-Basic		-24.54	43.86
-Diluted		-24.54	43.86
NOTES TO THE FINANCIAL STATEMENTS	N1		

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

As per our report of even date

For **SANJAY VHANBATTE & CO**

Chartered Accountants

Firm Reg. No : 112996W

For and On behalf of the Board

SANJAY MADHUKAR VHANBATTE

PROPRIETOR

Membership No. : 044808

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

Place: Kolhapur

Date: 30th May 2023

UDIN: 23044808BGUGFH3338

**Jitendrakumar G
Chopra**

Mangaging Director

DIN - 08196887

Deepak C Choudhari

Chairman & Mangaging
Director

DIN - 03175105

Sharmiladevi J Chopra

Non Executive Non
Independent Director

DIN - 08196831

Shreyansh R Choudhari

CFO

Girnar Spintex Industries Limited

(Formerly Known As Amit Spinning Industries Ltd.)

CIN - L17100PN1991PLC190209

Gat No. 47 & 48, Sangavade Village

Kolhapur - Hupri Road

Tal- Karveer, Dist- Kolhapur

Maharashtra

Financial Ratios for the year ended 31-Mar-2023

In ₹ (Lac)

	Particulars		1-Apr-2022 to 31-Mar-2023	1-Apr-2021 to 31-Mar-2022
1	Current Ratio	Current Assets/Current Liabilities	0.55	0.89
2	Debt-Equity Ratio	Total Debt/Shareholder's Equity	1.23	0.95
3	Debt Service Coverage Ratio	Earnings availbale for Debt Service/Debt Service	-0.11	2.43
4	Return on Equity Ratio	PAT-Preference Div/Average Shareholders' Equity	-0.14	0.26
5	Inventory Turnover Ratio	Sales/Average Inventory	8.52	13.96
6	Trade Receivable Turnover Ratio	Net Credit Sales/Avg.Account Receivable	9.51	16.80
7	Trade Payable Turnover Ratio	Net Credit Purchases/Avg.Account Payable	26.35	26.47
8	Net Capital Turnover Ratio	Net Sales/Working Capital	-5.36	-46.01
9	Net Profit Ratio	Net Profit/Net Sales	-0.09	0.10
10	Return on Capital Employed	Earning Before Interest and Taxes/Capital Employed	-0.05	0.21
11	Return on Investment		NA	NA

Girnar Spintex Industries Limited

(Formerly Known As Amit Spinning Industries Ltd.)

CIN - L17100PN1991PLC190209

Gat No. 47 & 48, Sangavade Village

Kolhapur - Hupri Road, Tal- Karveer,

Dist- Kolhapur, Maharashtra

NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES AS ON 31.03.2023

NOTE - B2 Investments in Equity Instruments

In ₹ (Lac)

Particulars	as at 31-Mar-2023	as at 31-Mar-2022
Unquoted, Long Term		
Shares Datta Nagari Patsanstha	0.05	0.05
Shares Rajarambapu Sahakari Bank Ltd.	0.01	0.01
Shares Sarswat Co-Op Bank	0.14	0.14
Shares Shamrao Vitthal Co-Op Bank	0.03	0.03
Grand Total	0.23	0.23
Aggregate Value of		
-Quoted Investments	-	-
-Unquoted Investments	0.23	0.23
Total	0.23	0.23
Market value of Quoted Investments	-	-

NOTE - B3 OTHER NON CURRENT ASSETS

In ₹ (Lac)

Particulars	as at 31-Mar-2023	as at 31-Mar-2022
Unsecured, Long Term, Considered Good		
1. SECURITY DEPOSITS		
Excise / Sales Tax Depoist Agst Demand	2.36	2.36
Central Depository Services Limited	5.25	5.25
National Security Depository Limited	2.38	3.19
2. BANK DEPOSITS WITH MORE THAN 12 MONTHS MATURITY	37.49	-
BG Margin FD		
3. OTHERS		
Total	47.48	10.80

B4 . Other Non Current Asset

In ₹ (Lac)

Particulars	as at 31-Mar-2023	as at 31-Mar-2022
Security Deposit Paid Electricity & Wat	76.36	68.51
TDS-TCS Receivable FY 20-21	-	5.92
TDS-TCS Receivable FY 21-22	16.06	15.98
TDS-TCS Receivable FY 22-23	1.89	-
Unique Solutions		0.02
Total	94.31	90.43

B5 . Inventories

In ₹ (Lac)

Particulars	as at 31-Mar-2023	as at 31-Mar-2022
Raw Materials and Components	419.98	242.78
Finished Goods	123.95	596.92
Work In Progress	218.91	149.13
Stores and Spares Parts	33.88	47.71
Total	796.71	1,036.54

B6 . Trade Receivables

In ₹ (Lac)

Particulars	as at 31-Mar-2023	as at 31-Mar-2022
Outstanding for more than six months		
a) Unsecured, Considered Good :	-	-
Others		
a) Unsecured, Considered Good :		
Amisha Textiles		0.15
Best Cotsynth		0.32
Manibhadra Polycot		79.53
Manibhadra Polycot Pvt Ltd	17.30	
Manibhadra Polycot Pvt Ltd- CT	0.50	
Manibhadra Polycot Pvt Ltd _Cotton	18.34	
Siddarth Emporium India Pvt Ltd	0.05	
SSD Traders	5.89	0.02
Universal Cottex		752.49
Universal Spintex	769.14	
	811.23	832.50
Total	811.23	832.50

B7 . Cash and Bank Balances**B7.1 . Balances In Current Account**

In ₹ (Lac)

Particulars	as at 31-Mar-2023	as at 31-Mar-2022
AXIS-AS-00710200056753 M	18.97	19.01
HDFC-AS-00030700000179 M	0.61	0.61
HDFC Current Account-042	0.50	0.50
Kallappaanna Awade Ichalkranji Janta Sah. Bank	-	0.10
B7.2 Other Bank Balances		
BG Margin FD	-	-
Total	20.09	20.23

B7.3 Cash and Cash Equivalents- Cash on hand

In ₹ (Lac)

Particulars	as at 31-Mar-2023	as at 31-Mar-2022
Cash on hand	3.41	3.12
Total	3.41	3.12

B8 . Short-Term Loans and Advances-Unsecured, considered good

In ₹ (Lac)

Particulars	as at 31-Mar-2023	as at 31-Mar-2022
Advance Recoverable in cash or in kind or for value to be considered good	-	10.31
Total	-	10.31

B9 . Other Current Assets

In ₹ (Lac)

Particulars	as at 31-Mar-2023	as at 31-Mar-2022
	-	
C GST	84.21	75.77
S GST	23.05	-4.95
Prepaid Expenses BG Commission Paid	4.57	-
Interest Receivable MSEB	4.02	4.00
Prepaid Insurance	0.99	1.03
Prepaid Registration Fees	1.32	2.16
Advance Recoverable in cash or in kind or for value to be considered good	16.46	
Total	134.63	78.01

B12 . Long-Term Borrowings

In ₹ (Lac)

Particulars	as at 31-Mar-2023	as at 31-Mar-2022
A. From Banks		
Term Loan : Secured		
HDFC Loan 83911774	458.26	612.80
HDFC Loan 84329868	404.08	512.08
HDFC Loan-GECL-WCTL- 6126287	49.28	167.59
GECL WCTL- HDFC-452696274	246.00	246.00
HDFC Loan 86233108- 1.32Cr	171.71	82.44
HDFC Term Loan 86207585- 10CR	704.11	816.81
a. Security for the Secured loans		
Term Loans of HDFC Bank Ltd., are secured by charge on factory land of the company at Gat No.47 and its Part A at Village Sangawade, Dist:Kolhapur , its plant and machinery as well stock and receivables. The loans are guaranteed by the directors in their personal capacity. HDFC Bank GECL-WTCL of Rs.3.6789 Crore is further gauranteed by NCGTC.		
b. Rate of Interest		
HDFC Loan 83911774	8.50%	6.70%
HDFC Loan 84329868	8.50%	6.70%
HDFC Loan-GECL-WCTL- 6126287	9.25%	7.45%
GECL WCTL- HDFC-452696274	9.25%	7.45%
HDFC Loan 86233108- 1.32Cr	8.50%	6.70%
HDFC Term Loan 86207585- 10CR	8.50%	6.70%

B. From Others		
Deposit From Directors (Unsecured)		
a. Interest Free		
Deepak Chaganlal Choudhari	-	-
Jitendrakumar G Chopra	-	-
Sharmiladevi J Chopra	-	-
Interest Bearing		
Deepak Chaganlal Choudhari	250.00	250.00
b. Rate of Interest	0.12	0.12
c. Terms of Repayment		
Not to be repaid till the repayment of bank loans		
Total	2,283.44	2,687.72

B13 . Long Term Provisions

In ₹ (Lac)

Particulars	as at 31-Mar-2023	as at 31-Mar-2022
Gratuity Payable -Non Current Liability	3.52	6.57
Leave Encashment - Non Current Liability	0.75	1.39
Total	4.27	7.97

B14 . Short-Term Borrowings

In ₹ (Lac)

Particulars	as at 31-Mar-2023	as at 31-Mar-2022
Loan Repayable on Demand		
- From HDFC Bank: Secured: Cash Credit	1,105.95	608.74
a. Security for the Secured loans		
Cash Credit from HDFC Bank Ltd., is secured by charge on factory land of the company at Gat No.47 and its Part A at Village Sangawade, Dist:Kolhapur , its plant and machinery as well stock and receivables. The loans are guaranteed by the directors in their personal capacity.		
b. Rate of Interest		
Secured- From banks		
Current Maturities of Long Term Debt-HDFC-TL-8.00 CR	150.75	147.06
Current Maturities of Long Term Debts-HDFC TL-10 CR	206.79	202.23
Current Maturities of Long Term Debts-HDFC-GECL-WTCL	137.48	135.59
Current maturity Hdfc Term Loan-86207585 10 Cr	179.36	173.83
Current Maturity -HDFC TL- 86233108- 1.32Cr	25.74	25.14
Loan from Directors- Unsecured- Payable on demand		
Bearing Interest @ 12%		
Deepak Chaganlal Choudhari	341.13	434.51
Jitendrakumar G Chopra	71.79	64.53
Universal Spintex Loan	580.33	
Total	2,799.32	1,791.64

B15 . Trade Payables

In ₹ (Lac)

Particulars	as at 31-Mar-2023	as at 31-Mar-2022
Micro, Small and Medium Enterprise	1.22	8.87
Others	189.27	267.53
Total	190.49	276.40

B16 . Other Financial Liabilities

In ₹ (Lac)

Particulars	as at 31-Mar-2023	as at 31-Mar-2022
Interest Accrued GECL WCTL- HDFC- 452696274	1.90	1.69
Interest Accrued -GECL-WCTL-HDFC- 6126287	1.44	1.88
Interest Accrued Hdfc Term Loan-86207585 10 Cr	6.27	5.53
Interest Accrued- TL 86233108- 1.32Cr	1.40	0.60
Intrest Accrued - HDFC - 8 CR TL	3.94	3.68
Intrest Accrued - HDFC -TL 10CR	4.74	4.56
EPF Payable	0.31	
ESIC Payable-Employer	0.19	
ESIC Payable-Employee	0.04	
PF Contribution-Employer	0.71	
PF Contribution-Employee	0.68	
Professional Tax Staff Payable	0.11	
CSR Activity Expenses Payable	5.61	
TCS Payable	3.06	
TDS Payable	8.24	
Total	38.64	17.95

B17 . Other Current Liabilities

In ₹ (Lac)

Particulars	as at 31-Mar-2023	as at 31-Mar-2022
EPF Payable	-	0.31
ESIC Payable-Employer	-	0.21
ESIC Payable-Employee	-	0.05
PF Contribution-Employer	-	0.60
PF Contribution-Employee	-	0.55
Professional Tax Staff Payable	-	0.13
CSR Activity Expenses Payable	-	-
TCS Payable	-	2.13
TDS Payable	-	9.58
Total	-	13.55

B18 . Short-Term Provisions

In ₹ (Lac)

Particulars	as at 31-Mar-2023	as at 31-Mar-2022
Expenses Payable	137.52	74.30
Salary Payable	6.41	7.80
Wages Payable RP Calculation	46.24	46.24
Wages Payable- Workers	3.61	3.75
Grand Total	193.78	132.09

Girnar Spintex Industries Limited

CIN - L17100PN1991PLC190209

Notes to and forming part of Statement of Assets and Liabilities as at 31-Mar-2023

B10 . Share Capital

B10 . 1 Authorized, Issued, Subscribed and Paidup share capital

In ₹ (Lac)

Particulars	as at 31-Mar-2023		as at 31-Mar-2022	
	Number	Amount	Number	Amount
Authorised Share Capital				
Equity Shares of ₹ 5.00 each	500	2,500.00	500	2,500.00
Total	500.00	2,500.00	500.00	2,500.00
Issued Share Capital				
Equity Shares of ₹ 5.00 each	41.17	205.85	41.17	205.85
Total	41.17	205.85	41.17	205.85
Subscribed and fully paid				
Equity Shares of ₹ 5.00 each	41.17	205.85	41.17	205.85
Total	41.17	205.85	41.17	205.85
Total	41.17	205.85	41.17	205.85

Note No : B10 - 2 Reconciliation of share capital

In ₹ (Lac)

Particulars	as at 31-Mar-2023		as at 31-Mar-2022	
	Number of Shares	Amount	Number of Shares	Amount
Equity Shares (Face Value ₹ 5.00)				
Shares outstanding at the beginning of the year	41.17	205.85	41.17	205.85
Shares Extinguished During the Year	0.00	-	0.00	-
Reduction in Face value from Rs.5 to Rs.0.50 Each		-		-
Balance Shares of Rs.0.50 Each	0.00		0.00	
Consolidation of Rs.0.50 Shares to Rs.5 Shares	0.00	-	0.00	-
Shares Issued during the year of Rs.5 Each	0.00	-	0.00	-
Shares bought back during the year	0.00	-	0.00	-
Shares outstanding at the end of the year of Rs.5 Each	41.17	205.85	41.17	205.85

Note No : B10 - 3 Promoters Share Holding

Shares held by the promoters at the end of the Year				% Change During the Year
Sr. No.	Promoter Name	No of Shares	% of Total Shares	
1	Jitendra G Chopra	14.52	35.28 %	NIL
2	Deepak C Choudhari	14.52	35.28 %	NIL
3				
Total		29.05	70.56 %	-

Rights, perferences and restrictions attached to Equity Shares

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

2. Shares of the company are ordinarily transferable provided :

a) Instrument of transfer is in form prescribed under the act & duly stamped and executed by / on behalf of transferor and transferee.

b) Transferee consenting or replying affirmatively within specified period of his receipt of notice under Section 56 (1) of Companies Act, 2013 issued by the Company in respect of application of transfer of registration of shares made by the transferor.

c) Transferee is not of unsound mind.

d) Company does not have any lien in shares under application of transfer.

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

Note No : B10 - 3 Shareholders holding more than 5% of Share

Particulars	as at 31-Mar-2023		as at 31-Mar-2022	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Jitendra G Chopra	14.52	35.28 %	14.52	35.28 %
Deepak C Choudhari	14.52	35.28 %	14.52	35.28 %

Note : B11 Reserve & Surplus

0	as at 31-Mar-2023		as at 31-Mar-2022	
1. State Capital Incentive				
As per Last Balance Sheet	-		30.00	
Add :- Additions during the year	-		-	
Less :- Deductions during the year	-		30.00	
Closing Balance		-		-
2. Share Premium				
As per Last Balance Sheet	13.13		13.13	
Add :- Additions during the year	-		-	
Less :- Trnsfer to Insolvency and Brankrutcy Reserve consequent to extinguishment of shares	-		-	
Closing Balance		13.13		13.13
3. Insolvency and Brankruptcy Reserve				
As per Last Balance Sheet	14,859.84		14,859.84	
Add :- Additions during the year	-		-	
Less :- Deductions during the year	-		-	
Closing Balance		14,859.84		14,859.84
4.Revaluation Reserve				
As per Last Balance Sheet	4,695.45		4,723.57	
Add :- Additions during the year	-		-	
Less :- Deductions during the year	28.12		28.12	
Closing Balance		4,667.33		4,695.45
5. Surplus (Deficit) in Profit & Loss Account				
Opening Balance	-15,008.48		-16,212.20	
Add :- Profit (Loss) for the Year	-688.05		1,203.71	
Add :- Transfer from Revaluation Reserve	-		-	
Less :- Transfer to General Reserve	-		-	
Closing Balance		-15,696.53		-15,008.48
6. Other Comprehensive Income				
Opening Balance	-		-	
Add :- Additions during the year	14.56		-	
Less :- Deductions during the year	-		-	
Less :- Transfer to General Reserve	-		-	
Closing Balance		14.56		-
Total		3,858.33		4,559.94

Girnar Spintex Industries Limited

CIN - L17100PN1991PLC190209

SCHEDULE OF CHANGES IN EQUITY FOR THE YEAR ENDED 31.03.2023

EQUITY SHARE CAPITAL

(1) **Current Reporting Period**

Sr. No	Balance at the beginning of the reporting period i.e. 01.04.2022	Changes in equity for Share Capital due to prior period errors	Restated Balance at the beginning of the current reporting period	Changes in equity for Share Capital During the year 2022-23	Balance at the end of the reporting period i.e. 31.03.2023
1	205.85	-	-	-	205.85

(2) **Previous Reporting Period**

Sr. No	Balance at the beginning of the reporting period i.e. 01.04.2021	Changes in equity for Share Capital due to prior period errors	Restated Balance at the beginning of the current reporting period	Changes in equity for Share Capital During the year 2021-22	Balance at the end of the reporting period i.e. 31.03.2022
1	205.85	-	-	-	205.85

OTHER EQUITY

(1) **Current Reporting Period**

Sr. No		Share Application Money Pending Allotment	Reserves and Surplus		Profit and Loss Account	Insolvency and Bankruptcy Reserve	Other Comprehensive Income	Revaluation Reserve	Total
			State Capital Incentive Account	Share Premium					
1	Balance at the beginning of the CURRENT reporting period i.e. 01.04.2022	-	-	13.13	-15,008.48	14,859.84	-	4,695.45	4,559.94
2	Changes in accounting policy or prior period errors	-		-	-	-	-		-
3	Restated Balance at the beginning of the current reporting period	-		-	-	-	-		-
4	Changes in equity for Share Capital During the year 2022-23	-		-	-	-	-		-
5	Total Comprehensive Income for the current Year	-		-	-688.05	-	14.56		-673.49
6	Dividends	-		-	-	-	-		-
7	Transfer to retained Earnings	-	-	-	-	-	-		-
8	Any Other Changes	-		-	-	-	-	-28.12	-28.12
9	Balance at the end of the reporting period i.e. 31.03.2023	-	-	13.13	-15,696.53	14,859.84	14.56	4,667.33	3,858.33

(1) Previous Reporting Period

Sr. No		Share Application Money Pending Allotment	Reserves and Surplus	Share Premium	Profit and Loss Account	Insolvency and Brankruptcy Reserve	Other Comprehensive Income	Revaluation Reserve	Total
			State Capital Incentive Account						
1	Balance at the beginning of the CURRENT reporting period i.e. 01.04.2021	-	30.00	13.13	-16,212.20	14,859.84	-	4,723.57	3,414.35
2	Changes in accounting policy or prior period errors	-	-				-		-
3	Restated Balance at the beginning of the current reporting period	-	-				-		-
4	Changes in equity for Share Capital During the year 2021-22	-	-				-		-
5	Total Comprehensive Income for the current Year	-	-		1,203.71		-		1,203.71
6	Dividends	-	-				-		-
7	Transfer to retained Earnings	-	-				-		-
8	Any Other Changes	-	-	-		-	-	-28.12	-28.12
9	Balance at the end of the reporting period i.e. 31.03.2022	-	30.00	13.13	-15,008.48	14,859.84	-	4,695.45	4,589.94

As per our report of even date

For **SANJAY VHANBATTE & CO**

Chartered Accountants

Firm Reg. No : 112996W

SANJAY MADHUKAR VHANBATTE

PROPRIETOR

Membership No. : 044808

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

Place: Kolhapur
Date: 30th May 2023
UDIN: 23044808BGUGFH3338

For and On behalf of the Board

Jitendrakumar G Chopra

Mangaging Director

DIN - 08196887

Sharmiladevi J Chopra

Non Executive Non Independent Director

DIN - 08196831

Deepak C Choudhari

Chairman & Mangaging Director

DIN - 03175105

Shreyansh R Choudhari

CFO

Girnar Spintex Industries Limited

(Formerly Known As Amit Spinning Industries Ltd.)

CIN - L17100PN1991PLC190209

Gat No. 47 & 48, Sangavade Village

Kolhapur - Hupri Road, Tal- Karveer,

Dist- Kolhapur, Maharashtra

Notes to and forming part of Statement of Profit and Loss for the year ended 31-Mar-2023

P1 . Revenue from Operations

In ₹ (Lac)

Particulars	1-Apr-2022 to 31-Mar-2023	1-Apr-2021 to 31-Mar-2022
Cotton Sales	62.42	-
Fabric Sales	15.29	48.32
Waste Sale	445.04	336.05
PSF Sales	-	1,868.28
Yarn Sales	7,679.87	10,076.54
	8,202.62	12,329.18
Less: GST	390.60	783.13
Total	7,812.02	11,546.05

P2 . Other income

In ₹ (Lac)

Particulars	1-Apr-2022 to 31-Mar-2023	1-Apr-2021 to 31-Mar-2022
Brokerage Received	-	145.78
Cotton Testing Service Sales	0.44	0.26
Dividend Received	0.00	0.00
Godown Rent Income	-	18.00
Interest on Fixed Deposit	0.78	0.01
Interest from others	3.72	2.91
Profit on Sale of Asset	-	7.08
Creditors Written Off	18.94	0.74
Interest on IT Refund	0.44	-
IGST Input- Indirect Expenses	0.14	-0.11
Rounding Off	0.00	0.00
Total	24.46	174.68

P3 . Cost of Materials Consumed

In ₹ (Lac)

Particulars	1-Apr-2022 to 31-Mar-2023	1-Apr-2021 to 31-Mar-2022
Purchase of Raw Materials	6,063.74	7,062.61
Opening Balance of Raw Materials	242.78	203.73
Less : Closing Balance of Raw Materials	-419.98	-242.78
Total	5,886.54	7,023.55

P4 . Purchases of Stock-in-Trade

In ₹ (Lac)

Particulars	1-Apr-2022 to 31-Mar-2023	1-Apr-2021 to 31-Mar-2022
Hank Yarn	4.98	0.81
Yarn Purchase	86.95	-
Transportation - Yarn Purchase	0.12	-
PSF Purchase	-	1,449.60
Total	92.05	1,450.41

P5 . Changes in Inventories

In ₹ (Lac)

Particulars	1-Apr-2022 to 31-Mar-2023	1-Apr-2021 to 31-Mar-2022
Opening Inventories		
Finished Goods	596.92	258.22
Work in Progress	149.13	120.45
	746.04	378.68
Closing Inventories		
Finished Goods	123.95	596.92
Work in Progress	218.91	149.13
	342.86	746.04
Total	403.19	-367.37

P6 . Employee Benefit Expenses

In ₹ (Lac)

Particulars	1-Apr-2022 to 31-Mar-2023	1-Apr-2021 to 31-Mar-2022
Salaries and Wages	79.30	88.42
Wages to Workers	87.89	99.07
Ex-Gratia	21.11	15.43
Staff Welfare Expenses	40.95	36.19
Gratuity Expenses	7.37	6.59
Leave Encashment Expenses	3.87	1.39
Total	240.49	247.10

P7 . Finance Costs

In ₹ (Lac)

P7- A . Interest Expense		
Particulars	1-Apr-2022 to 31-Mar-2023	1-Apr-2021 to 31-Mar-2022
Interest on Bank Term Loan	231.22	158.71
Interest to Bank CC	62.95	30.75
Interest to Others	80.75	236.94
Total	374.91	426.40
P7- B . Other Borrowing Cost		
Particulars	1-Apr-2022 to 31-Mar-2023	1-Apr-2021 to 31-Mar-2022
Bank Loan Charges	5.48	13.73
Total	5.48	13.73
Grand Total Finance Cost	380.39	440.13

P8 . Depreciation and Amortization Expenses

In ₹ (Lac)

Particulars	1-Apr-2022 to 31-Mar-2023	1-Apr-2021 to 31-Mar-2022
Depreciation and Amortization	192.22	173.27
Total	192.22	173.27

P9 . Other Expenses

In ₹ (Lac)

Particulars	1-Apr-2022 to 31-Mar-2023	1-Apr-2021 to 31-Mar-2022
Payment to Auditors		
Cost Audit Fees	0.90	0.60
Statutory Audit Fees	1.10	2.50
Internal Audit Fees	2.50	2.50
Legal & Professional Expenses	13.16	12.12
Legal & Professional - Other Expenses		
Consumption of stores and spare parts		
Purchases of Stores and Spare parts	143.78	145.08
Opening Balance of Stores and Spare parts	47.71	34.87
Less : Closing Balance of Stores and spare parts	-33.88	-47.71
Power and fuel		
Fuel Expenses	1.72	2.66
Power Charges	780.38	917.68
Repairs to Buildings	3.97	0.04
Repairs to Machinery		
Repairs & Machinery @ 12%	0.04	
Repairs Service- Machinery @18%	14.62	11.33
Insurance Expenses (Corporate)	9.80	7.83
Rates and taxes (excluding taxes on income)		
Grampanchayat Tax	7.12	11.48
Miscellaneous expenses		
Advertisement Expenses	0.63	0.67
Bank Charges	0.11	0.35
CSR Activity Expenses	5.61	-
Commission Paid	0.19	0.11
Consultancy Charges	16.85	10.26
Conveyance Local Employee	2.32	2.89
Courier Charges	0.21	0.18

Freight Charges	0.12	0.17
Fees for Appeal-ROC- E Filing	0.26	0.40
Food & Beverages in Office for Staff	11.04	16.14
Garden Maintenance	3.70	2.31
Godown Rent	0.18	0.18
Interest on TDS	0.01	0.03
IGST Input- Indirect Expenses		
Labour Charges		
Late Fees	0.09	0.01
Loading Unloading Expenses	231.88	305.64
Lodging for Guest	0.07	
Loss on Sale of Assets	-	19.52
MPCB Application Fees		
Office Expenses	0.36	0.61
Packing & Forwarding	1.80	0.81
Packing & Forwarding @ 28%	-	0.01
Director Sitting Fees	0.20	-
Printing & Stationery	0.31	0.35
Professional Tax Company	0.05	-
Tax Payment Assessment Order	0.06	-
Repair & Maint - Others	0.97	0.84
Security Service Charges	32.45	32.75
Vehicle Repairs	0.39	-
Telephone Charges	-	0.08
Transport Charges	17.62	23.62
Travel - Others	0.82	2.40
Weigh Bridge License Renewal fees	-	0.08
Water Expenses	4.20	4.20
Registration Fees	0.84	0.36
PF Damages Paid	-	0.01
LEI Registration Charges	0.03	0.05
Job Work Yarn Doubling	0.91	13.84
Job Work Charges - Weaving	1.68	6.51
Job Work Charges - Sizing	0.63	1.70
Bad and Doubtful debts	0.06	1.86
Internet & Information Chrages	0.06	0.03
Total	1,329.64	1,549.93

P10 . Other comprehensive income

In ₹ (Lac)

Particulars	1-Apr-2022 to 31-Mar-2023	1-Apr-2021 to 31-Mar-2022
Actuarial (loss)/ gain on remeasurement of defined benefit plan	14.56	-
	-	-
	-	-
Total	14.56	

P11 . Earnings per equity share

In ₹ (Lac)

	Earning Per Share	Earning Per Share
Net Profit After Tax	-673.49	1,203.71
Weighted average number of Equity Shares outstanding	27.45	27.45
Basic Earning Per Share (Face Value of Rs. 5 each)	-24.54	43.86
Add: Weighted number of potential equity shares on account of Employee Stock Options	-	-
Weighted average number of Equity Shares outstanding (inclusive dilutive ESOP shares outstanding)	-	-
Diluted Earning Per Shares (Face Value of Rs. 5 each)	-24.54	43.86

Girnar Spintex Industries Limited
(Formerly known as Amit Spinning Industries Limited)

CIN - L17100PN1991PLC190209

Cash Flow Statement
for the year ended 31.03.2023

In ₹ (Lac)

Particulars	31.03.2023	31.03.2022
(A) Cash From Operating Activities		
Net Loss as per Profit and Loss account	(673.49)	1,203.71
Add:		
Extraordinary Item	-	-
Loss on Sale of Fixed Asset		
Net Cash Before Tax and Extraordinary Items	(673.49)	1,203.71
Adjustment for non cash and non operating items:		
Add:		
Depreciation	192.22	173.27
Loss on Sale of Fixed Asset	-	19.52
Financial Cost	380.39	440.13
Interest Income	(4.51)	(2.93)
Profit on Sale of Fixed Asset	-	(7.08)
Operating Profit before Working Capital Changes	(105.38)	1,826.62
Increase / Decrease in Current Asset and Liabilities		
Inventories	239.82	(419.27)
Trade Receivable	21.27	(290.88)
Other Current Assets	(46.31)	93.38
Trade Payables	(85.91)	(140.30)
Other Current Liabilities	48.13	(24.04)
Cash Generated from Operations	71.62	1,045.53
Less: Income Tax paid (Less refund if any)		
Cash Flow before Extraordinary Items	71.62	1,045.53
Add: Extraordinary Items	-	-
Net Cash from/used in Operating activities (A)	71.62	1,045.53
(B) Cash Flow From Investing Activities		
Add:		
Proceed from Sale of Fixed Asset	-	39.08
Interest Received	4.51	2.93
Less :Purchase of Fixed Assets	(275.43)	(361.91)
Less :Increase in Non Current Assets	(40.56)	(22.42)
Net Cash From/used in Investing Activities (B)	(311.48)	(342.32)
(C) Cash Flow from Financing Activities		
Add:		
Interest Paid	(380.39)	(440.13)
Increase in Investments	-	-
Transfer to Reserves (Insolvency and Bankruptcy Reserve)	-	-
Transfer to Revaluation Reserve	-	-
Repayment of Short term Loans and Borrowings	-	-
Repayment of Long term Loans and Borrowings	-	-
Proceed of Short term Loans and Borrowings	1,028.38	63.07
Issue of Shares	-	-
Amount Received for Allotment of Shares	-	-
Proceed of Long term Borrowings	(404.28)	(400.62)
Proceeds from Long Term Provision	(3.70)	7.97
Net Cash from/used in Financing Activities (C)	240.01	(769.71)
Net Increase/Decrease in Cash and Cash Equivalents(A+B+C)	0.16	(66.51)
Add: Cash and cash equivalents in the beginning of the year	23.35	89.86
Cash and Cash Equivalents at the end of the Year	23.50	23.35

The Notes referred to above form an integral part of the Balance Sheet.

As per our report of even date

For and On behalf of the Board

For **SANJAY VHANBHATTE & CO**
Chartered Accountants

Firm Reg. No : 112996W

SANJAY MADHUKAR VHANBATTE
PROPRIETOR
Membership No. : 044808

Address : CTS.NO.245,C/1,FIRST FLOOR,MAHALAXMI BANK,KOLHAPUR
Place : Kolhapur
Date: 30th May 2023
UDIN: 23044808BGUGGFH3338

Jitendrakumar G
Chopra

Mangaging Director

DIN - 08196887

Sharmiladevi J Chopra
Non Executive Non
Independent Director
DIN - 08196831

Deepak C Choudhari

Chairman & Mangaging
Director

DIN - 03175105

Shreyansh R Choudhari
CFO

1. A. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis for preparation of accounts

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

1.2 Use of Estimates

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

1.3 Recognition of Income and Expenses

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

1.4 Property, Plants and Equipment

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

- i. Cost includes freight, duties, taxes and other expenses directly incidental to acquisition, bringing the asset to the location and installation including site restoration up to the time when the asset is ready for intended use. Such Costs also include Borrowing Cost if the recognition criteria are met.
- ii. When a major inspection/repair occurs, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of previous inspection/repair is derecognized.
- iii. Depreciation has been provided on straight line method in terms of expected life span of assets as referred to in Schedule II of the Companies Act, 2013.
- iv. Components relevant to fixed assets, where significant are separately depreciated on straight line basis in terms of their life span assessed by technical evaluation in specific context.
- v. On sales of fixed assets any profit earned/loss sustained towards excess/shortfall of sale value Vis-a- vis carrying cost of assets is accounted for in statement of profit and loss.
- vi. The company has revalued its assets the effect of which has been given in F Y 2019-20 on the basis of valuation report by a registered valuer. In addition, in respect of plant and equipment, the company has re-estimated the remaining useful life of each of the asset in this category as at the year end and depreciation for the whole year has been computed taking into account the revalued figures and such re-estimated useful life.

1.5 Impairment of Non-Financial Assets

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

1.6 Financial Instruments

i. Financial Assets

Initial Recognition and Measurement

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

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

Subsequent Measurement

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

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

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

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

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

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

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

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

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

Impairment of Financial Assets

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

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

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

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

ii. Financial Liabilities

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

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

1.7 Fair Value Measurement

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

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

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

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

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

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

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

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

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

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

1.8 Inventories

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

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

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

Waste is valued at estimated net realizable value.

1.9 Employee Benefits

i. Short term employee benefits

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

ii. Long term/Post Separation employee benefit plan

➤ Defined Contribution Plan:

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

➤ **Defined Benefit Plan:**

The Company has accounted for the long term employee benefits in the form of gratuity and leave encashment on the basis of valuation report of the actuary. Till the year ending 31.03.2021 expenditure on defined benefits plans was accounted for actual payment basis, the liability being not significant on accrual basis.

1.10 Income Tax and Deferred Tax

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

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

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

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

1.11 Provisions, Contingent Liability and Contingent Assets

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

However, present obligation as a result of past event with possibility of outflow of resources, when reliable estimation can be made of the amount of obligation, if any, is recognized in accounts in terms of discounted value, if the time value of money is material using a current pre-tax rate that reflects the risk specific to the liability. No contingent asset is recognized by the company.

1.12 Foreign Currency Translation

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

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

1.13 Earnings Per Share

Basic Earnings per share is calculated by dividing:

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

For the purpose of calculating diluted earnings per share:

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

1.14 Borrowing Costs

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

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

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

1.15 Cash and Cash Equivalents

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

(B) NOTES FORMING PART OF THE ACCOUNTS

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

Contingent Liabilities not provided for in respect of -

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

b. **Claims against company not acknowledged as debts:**

S. No	Descriptions	As at March 31,2023	As at March 31, 2022
1	Demands From Maharashtra Sales Tax Authorities under appeal for FY 2004-05 not provided for.	1,244,000.00	1,244,000.00
2	Demands From Maharashtra Sales Tax Authorities under appeal for FY 2009-10 not provided for.	2,659,004.00	2,659,004.00
3	Demands From Maharashtra Sales Tax Authorities under appeal for FY 2012-13 not provided for.	19,96,283.00	19,96,283.00
4	Disputed Demands of Gram panchayat Tax 2014-15 to 2017-18	1,952,468.00	1,952,468.00
5	Disputed Demand of Irrigation Department 2014-15 to 2017-18	685,039.00	685,039.00
6	Disputed TDS demands for late filing of returns	7,06,660.00	7,06,660.00
7	Demands From Maharashtra Sales Tax Authorities under appeal for FY 2012-13 not provided for.	2,86,63,867.00	2,86,63,867.00
	Total	3,79,07,321.00	3,79,07,321.00

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

4. Disclosure required by Ind AS 19 - Employee Benefits

Particulars	Current Year		Previous Year	
	Gratuity (Unfunded)	Compensated Absences (Unfunded)	Gratuity (Funded)	Compensated Absences (Unfunded)
Components of Employer Expense	-	-	-	-
Current service cost	6,88,729.00	3,77,006.00	6,59,052.00	1,39,485.00
Expected return on Plan assets	-	-	-	-
Total expense recognized in the Statement of Profit & Loss Account Change in Defined Benefit Obligation (DBO) during the year	6,88,729.00	3,77,006.00	6,59,052.00	1,39,485.00
Obligation at period beginning	6,59,052.00	1,39,485.00	-	-
Current service cost	6,88,729.00	3,77,006.00	6,59,052.00	1,39,485.00
Interest Cost	48,250.00	10,212.00	-	-
Actuarial (gain)/ Loss	(10,41,868.00)	(4,13,814.00)	-	-
Obligation at the Year end	3,54,163.00	1,12,889.00	6,59,052.00	1,39,485.00
Change in Plan Assets	-	-	-	-
Plan assets at period beginning, at fair value	-	-	-	-
Expected return on Plan assets	-	-	-	-
Actuarial (gain)/ Loss	-	-	-	-
Contributions	-	-	-	-
Benefits paid	-	-	-	-
Plan assets at the year end, at fair value Reconciliation of Present Value of the Obligation and Fair value of plan assets	-	-	-	-
Fair value of Plan assets at the end of the year	-	-	-	-
Present value of the defined benefit	-	-	-	-
Obligation at the end of the year	-	-	-	-
Liability/ (Asset) Recognized in the Balance Sheet	3,54,163.00	1,12,889.00	6,59,052.00	1,39,485.00
Comprising of:	-	-	-	-
Current Liabilities	2,159	37,889.00	1,604.00	333.00
Assumptions used to determine the benefit obligation	-	-	-	-
Discount Rate	7.07%	7.07%	7.33%	7.33%
Estimate rate of return on Plan Assets	Scheme is not funded EORA is not applicable	Scheme is not funded EORA is not applicable	Scheme is not funded EORA is not applicable	Scheme is not funded EORA is not applicable
Expected rate of Increase in salary	7 %	7%	7%	7%
Withdrawal rate (18 to 58 Years)	-	-	-	-
The above details are provided based on the actuarial valuation carried out by the company for the year ended 31.03.2022 and 31.03.2023.				

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

Sr. No	Particulars	As at March 31, 2023	As at March 31, 2022
1	Principal amount remaining and paid and interest due thereon	1,21,686.00	8,87,284.00
2	Interest paid in terms of section 16	Nil	Nil
3	Interest due and payable for the period of delay in payment	Nil	Nil
4	Interest accrued and remaining unpaid	Nil	Nil
5	Interest due and payable even in succeeding years	Nil	Nil
* As certified by the management based on the available information.			

6. Auditor's Remuneration

SR NO.	Particulars	31.03.2023	31.03.2022
1	Statutory Audit Fees	2,50,000	2,50,000
2	Tax Audit Fees	-	-
3	Income Tax Matters	-	-
4	IND AS Compliance Fees	40,000	40,000
4	Internal Audit Fees	2,50,000	2,50,000
	Total (Excluding Tax)	5,40,000	5,40,000

(Excluding GST Payable there on)

7. DEFERRED TAX

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

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax liability recognized due to timing difference due to :		
Depreciation and other differences in block of fixed assets	4,41,17,728	4,41,36,441
<u>Total Deferred Tax liabilities</u>	<u>4,41,17,728</u>	<u>4,41,36,441</u>
Deferred tax assets recognized due to timing difference due to :		
Tax impact of provision for doubtful debts and other provisions	-	-
Tax impact of disallowances under section 43B of the Income Tax Act, 1961	3,73,878	4,57,312
Realization of tax impact of unabsorbed depreciation	14,09,01,005	13,53,73,575
Realization of tax impact of carried forward business losses	1,23,62,031	-

<i>Total Deferred Tax Assets:</i>	15,36,36,914	13,58,30,887
Net Deferred Tax Assets / (Deferred Tax Liability)	10,95,19,186	9,16,94,446
(Credit)/ Charge to profit and loss account	-	-

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

FOR THE YEAR ENDING 31.03.2023

	Associates	Key Management Personnel	Relative of Key Management Personnel	TOTAL
FINANCE				
Equity Contribution Outstanding as at the year end.	NIL	NIL	NIL	NIL
Expenditure on Services	NIL	NIL	NIL	NIL
Interest paid	NIL	79,26,577.00	NIL	79,26,577.00
RENT PAID	NIL	18,000.00	NIL	18,000.00
Purchase of Raw Material	1,80,03,884.00	1,35,91,468.00	NIL	3,15,95,352.00
Sale of Raw Material/Semi/ Finish Products	54,50,80,277.00	NIL	NIL	54,50,80,277.00
Transportation Charges	2,31,116.00	54,000.00	NIL	2,85,116.00
Cotton Testing Charges	42,600.00	NIL	NIL	42,600.00

Job Work Charges	63,228.00	NIL	NIL	63,228.00
Deposits/Loan Received from Directors	NIL	8,14,40,412.00	NIL	8,14,40,412.00
Refund During the Year (NET)	NIL	3,91,79,454.00	NIL	3,91,79,454.00
Outstanding Balance	NIL	12,43,25,752.00	NIL	12,43,25,752.00
Amount Received for Equity Allotment	NIL	5,45,39,910.00	NIL	5,45,39,910.00

FOR THE YEAR ENDING 31.03.2022

	Associates	Key Management Personnel	Relative of Key Management Personnel	TOTAL
FINANCE				
Equity Contribution Outstanding as at the year end.	NIL	NIL	NIL	NIL
Expenditure on Services	NIL	NIL	NIL	NIL
Interest paid	NIL	2,28,41,914.00	NIL	2,28,41,914.00
RENT PAID	NIL	18,000.00	NIL	18,000.00
Purchase of Raw Material	NIL	29,60,732.80	NIL	29,60,732.80

Sale of Raw Material/Semi/ Finish Products	NIL	51,12,89,054.42	NIL	51,12,89,054.42
Job Work Charges	NIL	1,24,915.00	NIL	1,24,915.00
Deposits/Loan Received from Directors	NIL	1,35,38,000.00	NIL	1,35,38,000.00
Refund During the Year (NET)	NIL	14,49,77,714.00	NIL	14,49,77,714.00
Outstanding Balance	NIL	7,49,04,325.00	NIL	7,49,04,325.00
Amount Received for Equity Allotment	NIL	5,45,39,910.00	NIL	5,45,39,910.00

A. Other related parties in transaction with the company: F Y 2021-22 & 2022-23

Key Management Personnel

Mr. Deepak Chaganlal Choudhari
(Manibhadra Polycot)
Mr. Jitendrakumar Goutamchand Chopra
(Universal Cottex)
Mrs. Sharmiladevi Jitendrakumar Chopra
(Universal Weaving Mill)
Mr. Shreyansh Rajendra Choudhari.

Associates

Manibhadra Polycot Pvt Ltd
Universal Spintex

11. Segment Information

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

12. The company does not hold any crypto currency or any other digital virtual asset.
13. The issue of 'disclosure or otherwise of any undisclosed income in the hands of the company' is not applicable to the company.
14. Loans obtained by the company from the banks have been utilized by the company for the purpose for which they were obtained.
15. Title deeds of the immovable properties are held by the company in its own name.
16. The company has not granted any loans to any related parties during the year.

17. No proceedings have been initiated against the company under the Prohibition of Benami Transactions (Prohibition) Amendment Act, 2016.
18. The company has not been declared willful defaulter by any of the banks/financial institutions.
19. The company has no transactions with companies struck off either under section 248 of the Companies Act, 2013 or under section 560 of the Companies Act, 1956.
20. The provisions of section 135 relating to CSR are applicable to the company in F Y 2022-23 and the same are fulfilled accordingly.
21. All charges of the banks have been duly registered with the Registrar of Companies.

Jitendrakumar G Chopra
Managing Director
DIN – 08196887

Deepak C Choudhari
Chairman & Managing Director
DIN - 03175105