



2023 Annual Report

A Year of Accomplishments.



SHANTI SPINTEX LIMITED

2023 ANNUAL REPORT

An annual report is a comprehensive report on a company's activities throughout the preceding year. Annual reports are intended to give shareholders and other interested people information about the company's activities and financial performance.

DIRECTORS' ROLE

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable Laws including the accounting standards issued by the Accounting Standards Board and published by The Institute of Chartered Accountants.

The Companies Act, 2013 requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

OUR VISION

Shanti Spintex Limited stands at the forefront as a prominent producer of eco-friendly denim textiles. Our unwavering dedication lies in crafting the denim of tomorrow, employing groundbreaking methodologies and cutting-edge technologies that prioritize the well-being of our planet and humanity.

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CORPORATE INFORMATION

Board of Directors (as on March 31, 2023)

S.No.	Name	Designation
1	Bharatbhushan O. Agarwal	Director
2	Rikin B Agarwal	Director

REGISTERED OFFICE ADDRESS

Sub Plot 1, Unit 1, Survey No. 297, Dholi
Integrated Spinning Park Limited, Dholi,
Dholka, Ahmedabad, Gujarat – 382 240,

CORPORATE OFFICE ADDRESS

A-1601, Navratna Corporate Park,
Ambli Bopal Road, Ahmedabad-
380058, Gujarat

CONTACT DETAILS:

E: info@shantispintex.com

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NOTICE OF 13th ANNUAL GENERAL MEETING

Notice is hereby given that the 13th Annual General Meeting of the Members of the Company will be held on Friday, 30th September, 2023 at 04:00 P.M. IST to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet of the company as at 31st March, 2023 and the Reports of the Directors and Auditors there on.
2. To ratify the appointment of Statutory Auditors, for that following resolution will be passed:

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, the appointment of Anil S Shah & Co., Chartered Accountants (FRN.: 100474W) be and are hereby ratified for F.Y. 2023-24 , who was appointed in previous AGM who hold office up to the conclusion of AGM of the Company to be held in financial year 2025 , subject to ratify the appointment in every AGM , on such remuneration and reimbursement of out of pocket expenses, as shall be decided by the Chairman of the Company in consultation with the said Auditors."

By Order of the Board of Directors

Date: 01.09.2023
Place: Ahmedabad

SD/-
BHARATBHUSAN O AGARWAL
Director
(DIN 00302785)

SD/-
RIKIN B AGARWAL
Director
(DIN02435645)

NOTES:

1. A member entitled to attend and vote at the annual general meeting of the company is entitled to appoint a proxy to attend and vote on a poll in his/her stead and the proxy need not be a member of the company.
2. Proxies in order to be effective must be received at the Company's Registered Office not less than 48 hours before the commencement of the Meeting. Corporate members intended to send their authorized representatives to attend the meeting are requested to send the company a certified copy of Board Resolution authorizing their authorized representative to attend and vote on their behalf at the meeting.
3. All the relevant documents are open for inspection by the Members of the Company at the Registered Office of the Company during normal business hours on all working days except Sundays and public holidays upto the date of the Annual General Meeting.

DIRECTORS' REPORT

To,
The Members
Shanti Spintex Limited
(formerly known as Shanti Spintex Private Limited)
Ahmedabad

The Board of Directors hereby submits the report of the business and operations of your Company ("the Company" or "SSL"), along with the audited financial statements, for the financial year ended March 31, 2023.

FINANCIAL RESULTS:

The financial statements for the financial year ended March 31, 2023, forming part of this Annual Report, have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs.

Key highlights of financial performance of your Company for the financial year 2022-23 are provided below:

<i>(in Lakhs)</i>		
PARTICULARS	2022-2023 (Rs.)	2021-2022 (Rs.)
Total revenue	37071.27	25525.38
Profit (loss) before tax	1413.88	298.87
Less: tax expenses		
Current tax	255.73	31.30
Deferred tax	140.24	45.42
Income Tax adjustment of earlier years	5.11	0.00
Profit (loss) for the year	1012.80	222.15
Earnings Per Share		
1. Basic	7.13	3.13
2. Diluted	7.13	3.13

STATE OF COMPANY'S AFFAIRS AND PERFORMANCE OF THE COMPANY DURING THE YEAR:

Your Company's total income for the year 2022-23 is Rs. 37071.27 Lakhs compared to last year's income of Rs. 25525.38 Lakhs. The Profit before Tax during the year under review is Rs. 1413.88 Lakhs as compared to previous year's figure of Rs. 298.87 Lakhs. Your Company has earned Net Profit of Rs. 1012.80 Lakhs against the Net Profit of Rs. 222.15 Lakhs during the previous year.

The improved performance is a result of sustained growth in the business, despite of tough economic conditions. Numerous innovative and technological measures were undertaken for driving efficiencies. Your Company still hopes for better performance in the current year.

Your directors assure you that they would grab all business opportunities that could be seized from the market for the overall development of our business and foresee bright prospects of the Company in the years to come.

DIVIDEND:

Keeping in mind the overall performance and outlook for your Company, your Board of Directors recommend that this time the company is not declaring dividends as the company requires funds for its business expansion. Your directors are unable to recommend any dividend for the year ended 31st March, 2023.

TRANSFER TO RESERVE:

During the year Rs. 1319.42 Lakhs were transfer to reserves and surplus account due to change in life of Machinery & rectification of entry.

SHARE CAPITAL:

The Authorized Share Capital of the Company as on 31.03.2023 was Rs.10,00,00,000/- divided into 1,00,00,000 equity shares of Rs. 10 each. And paid-up share capital of the Company as on 31.03.2023 was 7,10,00,000/- divided into 71,00,000 equity shares of Rs 10 each.

There has been no such change in the Equity Share Capital of the Company during the year under review.

CHANGES IN THE NATURE OF BUSINESS:

There were no major changes in the nature of business during the year.

FIXED DEPOSIT:

The Company has not accepted or renewed any deposits during the year. There are no outstanding and overdue deposits as at 31st March, 2023.

ANNUAL RETURN:

Annual Return Pursuant to Section 92(3) of the Companies Act, 2013, the Annual Return as on the financial year ended March 31, 2023 is placed on the Company's website at www.shantispintex.com and also annexed to this report as **Annexure-A**

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

During the year no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:

The Company has no any subsidiary/joint ventures/associate companies. Hence, details relating to subsidiary/joint ventures/associate companies are not provided for.

FUTURE PATH:

We aspire to establish ourselves as a leading denim manufacturer renowned for top-tier quality and a commitment to sustainable progress. Our key objectives include:

Elevating Production Capacity: Our primary focus is on enhancing our manufacturing capabilities.

Sustaining Competitive Pricing: We aim to maintain our competitive edge by offering competitive prices.

Advancing in the Value Chain: We intend to broaden our product range under our proprietary brand, thereby expanding our presence in the market.

ENTHUSIASTIC ABOUT OUR JOURNEY AHEAD:

We are thrilled to embark on this new phase of growth, and we remain committed to making strategic investments to expand our presence judiciously, thereby generating value for our shareholders. We extend our heartfelt gratitude to all our stakeholders for being an integral part of this remarkable journey.

SECRETARIAL STANDARD:

The Directors affirm that the Company has diligently adhered to the relevant Secretarial Standards, namely SS-1 for 'Meetings of the Board of Directors' and SS-2 for 'General Meetings'.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The company has not formulated any policy for prevention of sexual harassment in accordance with the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013. However, your Company has zero tolerance for sexual harassment at workplace and there was no case filled during the year, under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act) and the Rules framed there under. Further, your Company ensures that there is a healthy and safe atmosphere for every women employee at the workplace.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 134(3) (c) and 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

1. That in the preparation of the annual financial statements for the financial year ended 31st March, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year as on 31st March, 2023 and of the profit and loss of the Company for that period;
3. They had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. They had prepared the annual financial statements on a going concern basis;
5. The Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively; and
6. 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.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT:

The Company has undergone significant developments between the conclusion of the financial year to which the financial statements pertain and the date of this report:

On August 2, 2023, the Company has issued Bonus Shares to its existing shareholders at a ratio of 1:1.

On August 18, 2023, the Company transitioned from a private limited company to a public limited company, subsequently changing its name from Shanti Spintex Private Limited to Shanti Spintex Limited.

The Company is in the process of pursuing a listing and initiating its Initial Public Offering (IPO). To this end, the Company has submitted a Draft Red Herring Prospectus (DRHP) under the BSE SME Board, and the document is accessible on the Company's website at www.shantispintex.com

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

With reference to Section 134(3)(h) of the Companies Act, 2013, all contracts and arrangements with related parties under section 188 of the Companies Act, 2013 entered by the Company during the financial year, were in ordinary course of business and at arm's length basis. Details of the related party transactions made during the year are attached as **Annexure-B** in form AOC-2 for your kind perusal and information.

BOARD OF DIRECTOR:

During the period under review there were no alterations to the composition of the Board of Directors.

Furthermore, none of the Company's directors are subject to disqualification under Section 164 of the Companies Act, 2013.

PARTICULARS OF EMPLOYEES:

The provisions of Section 197(12) of the Companies Act, 2013 is not applicable to the Company.

STATUTORY AUDITORS AND THEIR REPORTS:

Pursuant to Section 139 of the Companies Act, 2013, M/s Anil S Shah & Co., Chartered Accountants (FRN.: 100474W), were appointed as the Statutory Auditor of the Company at 10TH Annual General Meeting for 5 (five) consecutive years till the conclusion of the Annual General Meeting to be held in Financial Year 2025, on such remuneration as may be agreed between Board of Directors and the firm.

There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors. Further, the notes to accounts referred to in the Auditor`s Report are self-explanatory.

REPORTING OF FRAUDS:

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed thereunder.

INTERNAL AUDITOR:

In accordance with the provisions of Section 138 of the act and rules made thereunder, the Board of Directors of the Company have appointed M/s Rajat Bansal & Associates (Firm Reg. No. 330094E) as Internal Auditor to conduct the Internal Audit of the Company for the F.Y. 2022-23.

INTERNAL FINANCIAL CONTROL SYSTEM:

The Company maintains a robust and effective internal financial control system, ensuring the safeguarding and protection of all assets, as well as the accurate authorization, recording, and reporting of transactions. The internal audit encompasses a broad range of operational aspects and verifies compliance with specific standards pertaining to the availability and appropriateness of policies and procedures. It is noteworthy that in the past year, no significant weaknesses in the design or operation of this system were identified or reported

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Companies Act of 2013 underscores the importance of establishing an efficient internal financial control system within the company. Additionally, Rule 8(5)(viii) of the Companies (Accounts) Rules, 2014 mandates the disclosure of

information concerning the adequacy of internal financial controls in relation to the financial statements within the Board's report. This comprehensive report is an integral component of the Independent Auditor's Report.

COST AUDITOR:

M/s. Mayur Chhaganbhai Undhad And Co, Cost Accountant, Ahmedabad appointed as a Cost Auditor of the Company for the Financial Year 2022-23 in the Board meeting held on 27th September, 2022 after obtaining his willingness and eligibility letter for appointment as Cost Auditor of the Company.

INSURANCE:

All the properties and the Insurable Interest of the company Including building and stocks wherever necessary and to the extent required have been adequately insured. The company keeps reviewing the insurance amount every year as per requirement.

NUMBER OF BOARD MEETINGS:

10 Board Meetings were held during the Financial Year ended March 31, 2023. The maximum gap between any two Board Meetings was less than one Hundred and Twenty days.

The Date of Board Meeting and their attendance at the Board Meetings are as under:

Sr. No.	Date of Board Meeting	Total No. of Directors associated as on the date of Meeting	No. of Directors Attended
1.	16.04.2022	2	2
2.	03.05.2022	2	2
3.	15.07.2022	2	2
4.	17.08.2022	2	2
5.	27.08.2022	2	2
6.	01.09.2022	2	2
7.	27.09.2022	2	2
8.	25.11.2022	2	2
9.	20.12.2022	2	2
10.	28.03.2023	2	2

MAINTENANCE OF COST RECORDS:

The company is required to maintain Cost Records as specified by Central Government under section 148(1) of the Companies Act, 2013, and accordingly such accounts and records are made and maintained.

LOANS, GUARANTEES AND INVESTMENT:

In accordance with Section 134(3)(g) of the Companies Act, 2013, details regarding loans, guarantees, and investments made under Section 186 of the Companies Act, 2013 are included in the Notes to the financial statements.

DISCLOSURE ON ESTABLISHMENT OF A VIGIL MECHANISM:

Since the Company does not fall in any of the criteria mentioned in Section 177(9) read with rule 7 of the Companies (Meetings of Board & its Power) Rules, 2014, are not applicable to the Company. Your Company believes in promoting a fair, transparent, ethical & professional work environment. The Mechanism is established for Directors and employees to report their concerns before the Board.

CORPORATE SOCIAL RESPONSIBILITY:

As the Company does not meet any of the criteria outlined in Section 135(1) of the Act and the accompanying rules, it is not obligated to establish a Corporate Social Responsibility ("CSR") Committee.

RISK MANAGEMENT POLICY:

The Company has adopted an integrated risk management approach, which involves the regular review and assessment of significant risks. This approach ensures the presence of a comprehensive system of risk controls and mitigation measures. The management conducts periodic evaluations of this risk management framework to remain current and address emerging challenges.

The major risks identified by the management for the Company include currency fluctuation, compliance, regulatory changes, manufacturing and supply, litigation, information technology, and the return on new capital investments. It is important to note that the management firmly believes that none of the aforementioned risks pose a threat to the Company's existence. This confidence stems from the robust risk mitigation mechanisms that have been put in place to ensure that any of these risks, if they materialize, would have either no impact or a minimal impact on the Company.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION ETC. IF REQUIRED TO CONSTITUTE NOMINATION & REMUNERATION COMMITTEE PURSUANT TO SECTION 178(1) OF THE ACT:

During the year under the review the Company is not obligated to establish a Nomination & Remuneration Committee. Therefore, there is no requirement for the Company to formulate a policy on Director's Appointment and Remuneration.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE:

In accordance with the provisions of section 134(3)(m) of the companies act, 2013 read with rule, 8 of the companies (accounts) rules, 2016, the relevant information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

(a) Conservation of energy

Your Company is engaged in manufacturing activities and energy conversion measures are not much affecting the Company. However, an Endeavour has been made to ensure the optimal utilization of energy, avoid wastage and conserve energy.

Steps Taken for Conservation	No Specific measures were taken
Steps taken for utilizing alternate sources of energy	NIL
Capital Investment on energy Conservation Equipment's	NIL

(b) Technology absorption

There is manufacturing activity in the Company, details are there for technology absorption as follows:

Efforts made for technology absorption	No research and Development was carried out during the year under report
Benefits Derived	NA
Expenditure on R&D , if any	Capital & Reserve Expenditure -- NIL
Details of Technology imported, if any	NA
Year of import	NA
Whether imported technology fully absorbed	NA
Areas where absorption of imported technology has not taken , if any	NA

(c) Foreign exchange earnings and outgo

Foreign exchange outgo during the year under review was NIL (P.Y. NIL)
Foreign Exchange Earnings during the year under review was NIL (P.Y. NIL)

APPRECIATION:

Our directors extend their heartfelt gratitude to all employees at every level for their unwavering hard work, dedication, and commitment. They sincerely thank and appreciate the continued contributions, support, and cooperation of all employees, which greatly enhance the company's operations and performance.

ACKNOWLEDGEMENT:

Our directors wish to convey their heartfelt appreciation for the cooperation and assistance extended by Shareholders, Bankers, regulatory bodies, and other vital business partners throughout the year under review.

Furthermore, our directors want to acknowledge and express their deep sense of gratitude for the unwavering commitment exhibited by all executives, officers, and staff, which played a pivotal role in the Company's successful performance during the year.

By Order of the Board of Directors

Date: 01.09.2023
Place: Ahmedabad

SD/-
BHARATBHUSAN O AGARWAL
Director
(DIN 00302785)

SD/-
RIKIN B AGARWAL
Director
(DIN02435645)

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2023

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

REGISTRATION AND OTHER DETAILS:

1.	CIN	U17120GJ2010PLC062084
2.	Registration Date	23.08.2010
3.	Name of the Company	Shanti Spintex Limited (w.e.f. 18.08.2023)
4.	Category / Sub-Category of the Company	Limited by Shares/ Non – govt company
5.	Address of the Registered Office and contact details	Sub Plot 1, Unit 1, Survey No. 297, Dholi - Integrated Spinning Park Limited, Dholka, Ahmedabad - 382240. Gujarat Email id : info@shantispintex.com Website: www.shantispintex.com M: +91- 98258 01039
6.	Whether listed Company	No
7.	Name, Address and Contact details of Registrar & Transfer Agents, if any	Not Applicable

PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sr. No.	Name and description of Main Product/Services	NIC Code of the Product/Service	% to total turnover of the Company
1	Manufacturing and selling of Cotton Yarn and Fabrics	13121	100%

PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

The Company does not have any holding, subsidiary or associate company.

SHAREHOLDING PATTERN: *(Equity Share Capital Breakup as percentage of Total Equity)*

Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Share	De mat	Physical	Total	% of Total Share	
A. Promoters & Promoter Group									
(1) Indian									
a) Individual/ HUF	0	3550000	3550000	50.00	0	3550000	3550000	50.00	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A)(1)	0	3550000	3550000	50.00	0	3550000	3550000	50.00	0.00
(2) Foreign	0	0	0	0.00	0	0	0	0.00	0.00
a) NRIs - Individual	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individual	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	0	3550000	3550000	50.00	0	3550000	3550000	50.00	0.00
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00

f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1)	0	0	0	0.00	0	0	0	0.00	0.00
(2) Non-Institutions									
a) Bodies Corp.									
i) Indian	0	2693000	2693000	37.93	0	3008000	3008000	42.37	4.44
ii) Overseas	0	542000	542000	7.63	0	0	0	0	(7.63)
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0.00	0	0	0	0	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	315000	315000	4.44	0	0	0	0	(4.44)
c) Others (specify)									
- Other Directors	0	0	0	0.00	0	0	0	0.00	0.00
- Clearing Members	0	0	0	0.00	0	0	0	0.00	0.00
- Foreign National	0	0	0	0.00	0	542000	542000	7.63	7.63
- Trusts	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(2)	0	3550000	3550000	50	0	3550000	3550000	50	0.00
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	3550000	3550000	50	0	3550000	3550000	50	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	0	7100000	7100000	100.00	0	7100000	7100000	100.00	0.00

Shareholding of Promoters and Promoter Group:

SR No .	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Bharatbhushan O Agarwal	1516900	21.36	0.00	1516900	21.36	0.00	0.00
2	Rikin Agarwal	1514200	21.33	0.00	1514200	21.33	0.00	0.00

Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	For Each of the Top 10 Shareholders				
1.	Bharatbhushan O. Agarwal				
	At the beginning of the year	1516900	21.36%	1516900	21.36%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	-	-	-	-
	At the End of the year (or on the date of separation, if separated during the year)	1516900	21.36%	1516900	21.36%
2.	Rikin B. Agarwal				
	At the beginning of the year	1514200	21.33%	1514200	21.33%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /	-	-	-	-

	decrease (e.g. allotment / transfer / bonus / sweat equity etc.):				
	At the End of the year (or on the date of separation, if separated during the year)	1514200	21.33%	1514200	21.33%
3.	Urmiladevi . B. Agarwal				
	At the beginning of the year	518900	7.31%	518900	7.31%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	-	-	-	-
	At the End of the year (or on the date of separation, if separated during the year)	518900	7.31%	518900	7.31%

Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Chiripal Exim LLP				
	At the beginning of the year	346000	4.87%	346000	4.87%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	346000	4.87%	346000	4.87%
2.	Kautilya Traders Pvt. Ltd.				
	At the beginning of the year	386000	5.44%	386000	5.44%
	Date wise Increase / Decrease in	Share Transfer as per Share transfer list attached herewith. Annexure-C			

	Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	1386000	19.52%	1386000	19.52%
3.	Vineeta V Chiripal				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Share Transfer as per Share transfer list attached herewith. Annexure-C			
	At the end of the year	542000	7.63%	542000	7.63%
4.	Vijay Subham Contrade Private Limited				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Share Transfer as per Share transfer list attached herewith. Annexure-C			
	At the end of the year	1276000	17.97%	1276000	17.97%
5.	Drakensburg Investments Limited (FDI)				
	At the beginning of the year	542000	7.63%	542000	7.63%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Share Transfer as per Share transfer list attached herewith. Annexure-C			
	At the end of the year	0	0	0	0
6	Shivhari Trading LLP				
	At the beginning of the year	310000	4.37	310000	4.37
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Share Transfer as per Share transfer list attached herewith. Annexure-C			
	At the end of the year	0	0	0	0
7	Satrama Trading LLP				
	At the beginning of the year	320000	4.51	320000	4.51

	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Share Transfer as per Share transfer list attached herewith. Annexure-C			
	At the end of the year	0	0	0	0
8	Rushp Trading LLP				
	At the beginning of the year	1000000	14.08	1000000	14.08
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Share Transfer as per Share transfer list attached herewith. Annexure-C			
	At the end of the year	0	0	0	0
9	Harianand Trading LLP				
	At the beginning of the year	331000	4.66	331000	4.66
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Share Transfer as per Share transfer list attached herewith. Annexure-C			
	At the end of the year	0	0	0	0
10	Rukmani Agarwal				
	At the beginning of the year	215000	3.03	215000	3.03
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Share Transfer as per Share transfer list attached herewith. Annexure-C			
	At the end of the year	0	0	0	0
11	Pawankumar Agarwal				
	At the beginning of the year	100000	1.41	100000	1.41
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Share Transfer as per Share transfer list attached herewith. Annexure-C			
	At the end of the year	0	0	0	0

Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Mr. Bharatbhusan O Agarwal				
	At the beginning of the year	1516900	21.36%	1516900	21.36%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	1516900	21.36%	1516900	21.36%
2.	Mr. Rikin B. Agrawal				
	At the beginning of the year	1514200	21.33%	1514200	21.33%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	1514200	21.33%	1514200	21.33%

INDEBTEDNESS:

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

Particulars	Principal Outstanding (Amount Lakhs) in	Interest Outstanding
Secured Loans excluding deposits	3790.33	NIL
Unsecured Loans excluding deposits	387.34	NIL
Deposits	NIL	NIL

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors		Total Amount
	Directors	Rikin B. Agarwal	Bharatbhushan O. Agarwal	
	Gross Salary	600000	NIL	600000
	Independent Directors	NIL		
	<ul style="list-style-type: none"> • Fee for attending board committee meetings • Commission • Others, please specify 			
	Total (1)	NIL		
	Other Non-Executive Directors	NIL		
	<ul style="list-style-type: none"> • Fee for attending board committee meetings • Commission • Others, please specify 			
	Total (2)			
	Total (B)=(1+2)	600000	NIL	600000
	Total Managerial Remuneration	600000	NIL	600000
	Overall Ceiling as per the Act	-	-	-

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD : **NIL**

PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Neither the Company nor any of its Directors or officers in default was liable for any penalty, punishment or any compounding offences under the Companies Act, 2013, during the financial year 2022-23.

By Order of the Board of Directors

Date: 01.09.2023
Place: Ahmedabad

SD/-
BHARATBHUSAN O AGARWAL
Director
(DIN 00302785)

SD/-
RIKIN B AGARWAL
Director
(DIN02435645)

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.

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

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

Details of contracts or arrangements or transactions at Arm's length basis.

SL. No. 1.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	1. Bharatbhushan O. Agarwal --- Director
b)	Nature of contracts/arrangements/transaction	Loan Taken
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A.
e)	Date of approval by the Board	16.04.2022
f)	Amount paid as advances, if any	N.A.

SL. No. 2.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	2. Rikin B. Agarwal --- Director
b)	Nature of contracts/arrangements/transaction	Remuneration
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A.
e)	Date of approval by the Board	16.04.2022
f)	Amount paid as advances, if any	N.A.

SL. No. 3.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	3. Rikin Fabrics Private Limited
b)	Nature of contracts/arrangements/transaction	Purchase
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A.
e)	Date of approval by the Board	16.04.2022
f)	Amount paid as advances, if any	N.A.

SL. No. 4.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	4. Sparsh Fabrics Private Limited
b)	Nature of contracts/arrangements/transaction	Sale/Purchase
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A.
e)	Date of approval by the Board	16.04.2022
f)	Amount paid as advances, if any	N.A.

By Order of the Board of Directors

Date: 01.09.2023
Place: Ahmedabad

SD/-
BHARATBHUSAN O AGARWAL
Director
(DIN 00302785)

SD/-
RIKIN B AGARWAL
Director
(DIN02435645)

LIST OF SHARE TRANSFER AS ON 31.03.2023

No. of Shares	Name of the Transferor	Date of Transfer	Name of the Transferee	Distinctive No
371300	Drakensburg Investments Limited	16.04.2022	Vineeta V Chiripal	1808701-2180000
20700	Drakensburg Investments Limited	16.04.2022	Vineeta V Chiripal	4779301-4800000
150000	Drakensburg Investments Limited	16.04.2022	Vineeta V Chiripal	6950001-7100000
100000	Shivhari Trading LLP	17.08.2022	Chiripal Industries Limited	2630001-2730000
210000	Shivhari Trading LLP	17.08.2022	Chiripal Industries Limited	3913301-4123300
120000	Satrama Trading LLP	17.08.2022	Chiripal Industries Limited	2730001-2850000
200000	Satrama Trading LLP	17.08.2022	Chiripal Industries Limited	4123301-4323300
100000	Chiripal Industries Limited	27.08.2022	Vijay Subham Contrade Private Limited	2630001-2730000
210000	Chiripal Industries Limited	27.08.2022	Vijay Subham Contrade Private Limited	3913301-4123300
120000	Chiripal Industries Limited	27.08.2022	Vijay Subham Contrade Private Limited	2730001-2850000
200000	Chiripal Industries Limited	27.08.2022	Vijay Subham Contrade Private Limited	4123301-4323300
100000	Pawankumar Agarwal	27.08.2022	Vijay Subham Contrade Private Limited	2850001-2950000

215000	Rukmani Agarwal	27.08.2022	Vijay Subham Contrade Private Limited	4323301-4538300
130000	Harianand Trading LLP	27.08.2022	Vijay Subham Contrade Private Limited	2950001-3080000
201000	Harianand Trading LLP	27.08.2022	Vijay Subham Contrade Private Limited	4538301-4739300
1000000	Rushap Trading LLP	27.08.2022	Kautilya Traders Private Limited	5800001-6800000

By Order of the Board of Directors

Date: 01.09.2023
Place: Ahmedabad

SD/-
BHARATBHUSAN O AGARWAL
Director
(DIN 00302785)

SD/-
RIKIN B AGARWAL
Director
(DIN02435645)

INDEPENDENT AUDITORS' REPORT

UDIN : 23016613BGZEZA2147

**TO,
THE MEMBERS OF SHANTI SPINTEX LIMITED
Report on the Audit of the Financial Statements**

Opinion

We have audited the financial statements of **SHANTI SPINTEX LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2023, and the statement of Profit and Loss, Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31/03/2023**, and its Profit and other comprehensive income and cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matters

Our report is not modified in respect of these matters.

Key Audit Matters

There are no key Audit matter.

Other Information (or another title if appropriate, such as "Information Other than the Standalone Financial Statements and Auditors' Report Thereon")

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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.

Responsibility of Management for Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events

in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India, in terms of sub section 11 of section 143 of the companies Act, 2013 in Our opinion and according to the information and explanation given to us, the details of the said Order specified in paragraph 3 and 4 of the order are given to the extent applicable in **Annexure A** to this Report.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- (e) On the basis of the written representations received from the directors as on **31/03/2023** taken on record by the Board of Directors, none of the directors is disqualified as **31/03/2023** 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, we give report of the same in **Annexure B** to this Report.
- (g) As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for Company w.e.f. April 1, 2023, reporting under clause is not applicable.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, remuneration has been paid by the Company to its directors during the year in compliance of the provisions of section 197 of the Act.
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund by the Company. The question of delay in transferring such sums does not arise.
 - iv. **a)** The management has represented that to the best of its knowledge and belief, no funds have been advanced or loaned invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding. Whether recorded in writing or otherwise. that the intermediary shall :

i) Directly or indirectly lend or invest in other persons or entities identified

In any manner whatsoever ('Ultimate Beneficiaries') by or on behalf of the Company or

ii) Provide any guarantee, security or the like to or 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 persons or entities including foreign entities (Funding Parties). With the understanding, whether recorded in writing or otherwise that the Company shall:

i) Directly or indirectly lend or invest in other persons or entities identified

in any manner whatsoever ('Ultimate Beneficiaries') by or on behalf of the Funding Party or

ii) Provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries and

c) Based on such audit procedures as considered reasonable and appropriate in the circumstances. Nothing has come to our notice that has caused us to believe that the representations made in sub clause 4(a) and 4(b) above contain any material misstatement.

d) According to the information and explanations given to us the Company has not declared or paid dividend during the year.

Date : 01.09.2023
Place : Ahmedabad

FOR ANIL S SHAH & CO.
(Chartered Accountants)
F.R.N. : 10047W

(CA ANIL S SHAH)
Partner
M.No. : 016613

Annexure – “A “ to the Independent Auditor’s report on the standalone financial statements of SHANTI SPINTEX LIMITED for the year ended 31st March, 2023

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

- i) (a) (A) The company has maintained proper records showing full particulars including quantitative details and situation of its Property, plant and equipment.
- (B) According to the information and explanations given to us the Company do not have any Intangible Assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company. In our opinion, this periodicity of physical verification of its property, plant and equipment. is reasonable having regard to size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company. The title deeds of the immovable properties (other than immovable properties where the company is the lessee and the lease agreements are duly executed in favor of lessee) disclosed in the financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property plant and Equipments during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against Company for holding any benami property Transactions Act, 1988 and rules made thereunder.
- ii) (a) The inventory has been physically verified by the management during the year. In our opinion the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
- (b) According to the information and explanations given to us on the basis of our examination of the records of the Company. The Company is not in receipt of any working capital loan during the reporting period hence reporting under the said clause is not applicable.
- iii) According to the information and explanations given to us and on the basis of our examination of the records of the company. The Company has granted advance to its related party and loan to other parties during the year.
- (a) (A) During the year the Company has granted advances to its related party U/S 185 of the Company’s Act amounting to Rs .Nil (P.Y. Rs.65,00,000/-) and balance outstanding at

the balance sheet date with respect to such advances as on 31st March,2023 is Rs. Nil (P.Y.Rs.65,00,000/-).

- (B)** During the year the Company has not granted Loans to other parties and balance outstanding as on 31st March,2023 Rs. Nil (P.Y.RS.65,00,000/-) as follow.

Details of loans and advances of the company during the period under audit :

	Guarantees	Security	Loans	Advance in nature of loans
Aggregate amount granted /provided during the year (Previous Year)	0	0	0	0
	0	0	(65,00,000/-)	0
-Subsidiaries	0	0	0	0
-Joint Ventures	0	0	0	0
-Associates	0	0	0	0
(Previous Year)	0	0	(65,00,000/-)	0
-Others(loans and advances to related parties and staff)				
Balance Outstanding as at balance sheet date in respect of above cases				
-Subsidiaries	0	0	0	0
-Joint Ventures	0	0	0	0
-Associates	0	0	0	0
(Previous Year)	0	0	0	0
-Others-(loans and advances to related parties and staff)	0	0	(65,00,000/-)	0

- (b)** According to information and explanations given to us and based on the audit procedures conducted by us. Since the Company has given interest free loan, we are of the opinion that the terms and conditions of the loans given are prima facie, prejudicial to the interest of the Company
- (c)** According to information and explanations given to us and on the basis of our examination of the records of the Company. In the case of loans and advances given, the repayment of principal and payment of interest has been stipulated re payable on demand, since repayments, since the repayment of loan is not stipulated and also interest free loan given, we are unable to opine whether repayment of loan is regular or not .
- (d)** According to the information and explanations given to us and on the basis of our examination of the records of the Company, since the repayment of loan is not stipulated, we are unable to opine whether there is overdue amount for more than ninety days in respect of loans given.
- (e)** According to information and explanations given to us and on the basis of our examination of the records of the Company. There is no loan given falling due during the

year, which has been renewed or extended or fresh loans given to settle the overdues of existing loans given to the same party.

- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company. The Company has given loans either repayable on demand or without specifying any terms or period of repayment.
- iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not provided any guarantee or security, however given loans of Rs. 65,00,000/-(P.Y Rs.65,00,000/-) as specified under Section 185 of the Companies Act, 2013. Further the Company has complied with the provision of Section 185 of the Companies Act, 2013 in relation to loans given. Further the Company has not provided or any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further the Company has complied with the provision of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly clause 3(v) of the order is not applicable.
- (vi) Pursuant to the rules made by the Central government of India, the Company is required to maintain cost records as specified under section 148(1) of the Act. We have broadly review the same and are of the opinion that prima facie, the prescribe accounts and records have been made and maintained. However, we have not made detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) According to information and explanations given to us and based on our examination of records of the Company has been generally regular in depositing the undisputed statutory dues including Goods and Service Tax, Provident Fund, Investor education fund , employee state insurance, income tax and any other material statutory dues applicable to it with the appropriate authorities.

According to information and explanation given to there is no undisputed statutory tax payable outstanding as at March, 2023 for a period of more than Six Months from the date of they become payable.

- (b) According to information and explanations given to us there are no dues of Goods and Service Tax, Provident Fund, Investor education fund , employee state insurance income tax and any other material statutory dues which have not been deposited by the Company on account of dispute.
- (viii) In our opinion and according to information and explanations given to us and on the basis of our examination of records of the Company. The Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations and on the basis of our examination of the records of the Company, the Company has not defaulted from any loans or borrowings from any lender during the year.

- (b)** According to the information and explanations given to us and on the basis of our examination the records of the Company, the Company has not been declared wilful defaulter by any bank of financial institution or government or government authority.
- (c)** According to the information and explanations given to us by the management, the Company has applied the funds of the term loan for the purpose for which it was obtained.
- (d)** According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short term basis for long term basis by the Company. Accordingly clause 3(ix) (d) of the Order is not applicable.
- (e)** According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix) (e) of the order is not applicable.
- (f)** According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly clause 3(ix) (f) of the Order is not applicable.
- (x) (a)** The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly clause 3(x) (a) of the Order is not applicable.
- (b)** According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly clause 3(x) (b) of the order is not applicable.
- (xi) (a)** Based on examination of the books and records of the Company and according to the information and explanations given to us, considering principles of materiality outlined in the Standards on Auditing. We report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit during the year.
- (b)** According to the information and explanations given to us, no report under subsection (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c)** We have not received any information about Whistle Blower Complaints from the Company.
- (xii)(a)** According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

- (xiii) In our opinion and according to the information and explanations given to us, the transactions with the related parties are in compliance with the Section 177 and 188 of the Companies Act, 2013 where applicable, and the details of the related party transactions have been disclosed in the Standalone financial statements as required by the applicable Indian Accounting Standards.
- (xiv) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business of the Company. We have considered the report of internal auditor for the period under audit received till the date of this report.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xv) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly clause 3(xv) (a) of the order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly clause 3(xvi) (b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India. Accordingly clause 3(xvi) (c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course audit, the Group does not have any CIC. Accordingly the requirements of the clause 3(xv) (d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year:
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly clause 3(xviii) of the order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, aging and expected dates of realisation of financial assets and payment of the financial liabilities, other information accompanying the financial statements, our knowledge of the board of directors and managements 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 audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. 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 facts upto 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) According to the information and explanations given to us and based on our examination the Company is not covered under liability of CSR. Accordingly Clause 3(xx) is not applicable to the Company.

Date : 01.09..2023
Place : Ahmedabad

FOR ANIL S SHAH & CO.
(Chartered Accountants)
F.R.N. : 100474W

(CA ANIL S SHAH)
Partner
M.No. : 016613

Annexure - 'B'

To the Independent Auditors' Report to the members of SHANTI SPIN TEX PRIVATE LIMITED for the year ended 31st March, 2023 on the financial statements

(Referred to in paragraph 2(F) under ‘ Report on Other Legal and Regulatory Requirements ‘ section of our report of even date)

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

We have audited the internal financial controls over standalone financial reporting of SHANTI SPIN TEX PRIVATE LIMITED as at 31st March, 2023 in conjunction with our audit of 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 issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of 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 on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013 ,to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 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 expenditures of the company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls 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.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 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.

Date : 01.09.2023
Place : Ahmedabad

FOR ANIL S SHAH & CO.
(Chartered Accountants)
F.R.N. : 100474W

(CA ANIL S SHAH)
Partner
M.No. : 016613

SHANTI SPINTEX LIMITED

Sub Plot 1. Unit 1, Survey No. 297, Dholi Integrated Spinning Park Limited, Dholi, Dholka

Ahmedabad -382240, Gujarat

CIN: U17120GJ2010PLC062084

BALANCE SHEET AS ON 31st March,2023

			Amount in Lacs
Particulars	Note No.	As at 31st March,2023	As at 31st March, 2022
A EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	3	710.00	710.00
(b) Reserves and Surplus	4	4899.70	3160.72
(c) Money received against share warrants			
2 Share application money pending allotment		.00	.00
3 Non-Current Liabilities			
(a) Long-Term Borrowings	5	3063.29	3937.38
(b) Deferred tax liabilities (net)	14	738.16	11.97
(c) Other Long-Term Liabilities	6	20.69	121.55
(d) Long-term provisions	7	7.29	.42
4 Current Liabilities			
(a) Short-Term Borrowings	8	1114.37	931.26
(b) Trade Payables	9		
(i) Total outstanding dues of micro enterprises and small enterprises		.00	.00
(ii) Total outstanding dues of Creditors other than micro enterprises and small enterprises		6665.65	3300.66
(c) Other Current Liabilities	10	98.52	48.12
(d) Short-term provisions	11	270.67	57.80
TOTAL		17588.33	12279.88
B ASSETS			
1 Non-Current Assets			
(a) Property, Plant & Equipment and Intangible assets			
(i) Property, Plant & Equipment	12	6415.21	4059.80
(ii) Intangible Assets		.00	.00
(iii) Capital Work in Progress	12(a)	.00	27.12
(iv) Intangible assets under development			
(b) Non-Current Investments	13	200.00	200.00
(c) Deferred Tax Assets (net)	14	.00	.00
(d) Long-Term Loans and Advances	15	.00	1147.76
(e) Other non-current assets	16	182.88	186.80
2 Current Assets			
(a) Current investments		.00	.00
(b) Inventories	18	1885.47	688.82
(c) Trade Receivables	19	6753.12	5010.35
(d) Cash and Bank Balances	20	484.69	313.81
(e) Short-Term Loans and Advances	21	1634.59	645.41
(f) Other current assets	22	32.38	.00
TOTAL		17588.33	12279.88

The Schedules referred to above are an integral part of Profit & Loss Significant Accounting Policies and Notes on Accounts as Note "1"

As per our report of even date,

UDIN:23016613BGZEZA2147

For M/s ANIL SHAH & CO.

Chartered Accountants

FRN : 100474W

SD/-

Anil Shah

Partner

Membership No : 016613

For and on behalf of the Board

SD/-

Bharatbhushan Agarwal

Director

DIN: 302785

SD/-

Rikin Agarwal

Director

DIN: 2435645

SD/-

Mohini Singhal

Company Secretary

Membership No. A47724

Place : Ahmedabad

Date: 01.09.2023

Place : Ahmedabad

Date: 01.09.2023

SHANTI SPINTEX LIMITED

Sub Plot 1. Unit 1, Survey No. 297, Dholi Integrated Spinning Park Limited, Dholi, Dholka Ahmedabad -382240, Gujarat

CIN: U17120GJ2010PLC062084

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDING ON 31st March,2023

		Amount in Rs.Lacs	
Particulars	Note No.	As at 31st March,2023	As at 31st March, 2022
A CONTINUING OPERATIONS			
1 Revenue from Operations	23	37033.22	25490.94
2 Other Income	24	38.05	34.44
Total Income		37071.27	25525.38
3 Expenses			
(a) Cost of materials consumed	25	33289.08	22340.21
(b) Purchases of Stock-in-trade	26	.00	.00
(c) Changes in inventories of finished goods, work-in-progress and stock in trade		-1072.89	-126.57
(d) Employee Benefits Expense	27	254.82	215.01
(e) Finance Costs	28	337.38	240.61
(f) Depreciation & Amortisation Expense	12	451.55	675.25
(g) Other Expenses	29	2397.45	1882.00
Total Expenses		35657.39	25226.51
4 Profit / (Loss) before exceptional and extraordinary items & tax		1413.88	298.87
5 Exceptional Items		.00	.00
6 Profit / (Loss) before extraordinary items & tax		1413.88	298.87
7 Extraordinary Items		.00	.00
8 Profit / (Loss) before tax		1413.88	298.87
9 Tax Expense :			
Current Tax		255.73	31.30
Deferred Tax		140.24	45.42
Earlier Years		5.11	.00
Net Tax Expense		401.08	76.72
10 Profit/ (Loss) from continuing operations for the Year		1012.80	222.15
Profit/(loss) from discontinuing operations		.00	
Tax expense of discontinuing operations		.00	
Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		.00	
Profit/ (Loss) after tax (XI + XIV)		1012.80	222.15
Earnings Per Equity Share (F. V. of ₹ 10/- each) :	32		
Basic and Diluted (in ₹)		7.13	3.13

The Schedules referred to above are an integral part of Profit & Loss Significant Accounting Policies and Notes on Accounts as Note "1"

For and on behalf of the Board

As per our report of even date,
UDIN:23016613BGZEZA2147
For M/s ANIL SHAH & CO.
Chartered Accountants
FRN : 100474W

SD/-
Bharatbhushan Agarwal
Director
DIN: 302785

SD/-
Rikin Agarwal
Director
DIN: 2435645

SD/-
Anil Shah
Partner
Membership No : 016613
Place : Ahmedabad
Date: 01.09.2023

SD/-
Mohini Singhal
Company Secretary
Membership No. A47724
Place : Ahmedabad
Date: 01.09.2023

SHANTI SPINTEX LIMITED

Sub Plot 1, Unit 1, Survey No. 297, Dholi Integrated Spinning Park Limited, Dholi, Dholka Ahmedabad -382240, Gujarat

U17120GJ2010PLC062084

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st March,2023			
Amount in Rs.Lacs			
Particulars	Note No.	As at 31st March,2023	As at 31st March, 2022
A. Cash Flow from Operating Activities			
Net Profit After Tax		1012.80	222.15
<u>Adjustments for :</u>			
Depreciation and amortisation expense		451.55	675.25
Interest expenses		337.38	238.04
Interest and other income on investments		-5.84	-5.08
Deffered tax Asset/ Liabilities		140.24	45.42
Operating Profit Before Working Capital Changes		1936.13	1175.78
<u>Changes in Working Capital :</u>			
(Increase)/ Decrease in Inventories		-1196.65	-367.48
(Increase)/ Decrease in Trade Receivables		-1742.77	-1333.90
(Increase)/ Decrease in Advances		-989.18	528.45
Increase / (Decrease) in Trade Payables		3364.99	540.11
Increase / (Decrease) in Short Term Provisions		212.45	37.06
Increase / (Decrease) in Other Current Liabilities		50.40	-4.92
(Increase) / Decrease in Other Current Assets		-32.38	1.77
(Increase) / Decrease in Other Non- Current Assets		3.92	-49.06
Increase / (Decrease) in Short Term Borrowings		183.11	50.35
Increase / (Decrease) in Other Long Term Liabilities		-100.87	25.79
		-246.96	-571.84
Net Cash flow from / (used in) Operating Activities		1689.17	603.94
B. Cash Flow from Investing Activities			
Purchases of Tangible Assets		-1460.42	-27.50
Interest Received		5.84	5.08
Net Cash from / (used in) Investing Activities		-1454.58	-22.42
C. Cash Flow from Financing Activities			
Decrease in Long Term Borrowings		-874.09	507.94
Decrease in Long Term Loans and Advances		1147.76	-1132.26
Interest expenses		-337.38	-238.04
Net Cash from / (used in) Financing Activities		-63.71	-862.36
Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)		170.88	-280.84
Cash & Cash Equivalents at beginning of the year	14	313.81	594.65
Cash & Cash Equivalents at end of the year	14	484.69	313.81

In terms of our report of even date annexed

UDIN:23016613BGZEZA2147

For and on behalf of the Board

For M/s ANIL SHAH & CO.

Chartered Accountants

FRN : 100474W

SD/-

Anil Shah

Partner

Membership No : 016613

SD/-

Rikin Agarwal

Director

DIN: 302785

SD/-

Bharatbhushan Agarwal

Director

DIN: 2435645

SD/-

Mohini Singhal

Company Secretary

Membership No. A47724

Place : Ahmedabad

Date: 01.09.2023

Place : Ahmedabad

Date: 01.09.2023

SHANTI SPINTEX LIMITED

CIN: U17120GJ2010PLC062084

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note : 3 SHARE CAPITAL	Amounts in Lacs ₹			
	As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares	Amount in ₹ Lakhs	No. of Shares	Amount in ₹ Lakhs
(a) Authorised :				
Equity Shares of ₹10/- each with voting rights	1,00,00,000	1000.00	1,00,00,000	1000.00
(b) Issued, Subscribed & Fully paid-up :				
Equity Shares of ₹10/- each with voting rights	71,00,000	710.00	71,00,000	710.00
	71,00,000	710.00	71,00,000	710.00

(a) Terms / Rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. Any shareholder whose name is entered in the Register of Members of the Company shall enjoy the same rights and be subject to the same liabilities as all other shareholders of the same class.

In the event of liquidation of the Company, Equity Shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of the equity shares held by the shareholders.

(b) Details of Shareholders holding more than 5 % (percent) shares in the Company

	As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity Shares of ₹ 10 each fully paid-up				
Name of the Shareholders				
1. Bharatbhushan O. Agarwal	15,16,900	21.36%	15,16,900	21.36%
2. Rikin B. Agarwal	15,14,200	21.33%	15,14,200	21.33%
3. Urmiladevi B. Agarwal	5,18,900	7.31%	5,18,900	7.31%
4. Kautilya Traders Pvt. Ltd.	13,86,000	19.52%	3,86,000	5.44%
5. Vijay Subham Contrade Pvt. Ltd.	12,76,000	17.97%	-	0.00%
6. Vineeta Chiripal	5,42,000	7.63%	-	0.00%
7. Rushp Trading LLP	-	0.00%	10,00,000	14.08%
8. Drakensburg Investment Limited	-	0.00%	5,42,000	7.63%

(c) Reconciliation of number of shares outstanding is set out below:

	As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares	Amount in ₹ Lakhs	No. of Shares	Amount in ₹ Lakhs
Equity shares at the beginning of the year	71,00,000	710.00	71,00,000	710.00
Add: Shares issued during the year	-	.00	-	.00
Less: Buy Back	-	.00	-	.00
Equity shares at the end of the year	71,00,000	710.00	71,00,000	710.00

(f) Shareholding of Promoters as at 31-03-2023

S. No.	Promotor	No. of	% of total share	% Change during the year
1	Bharatbhushan O. Agarwal	15,16,900	21.36%	0.00%
2	Rikin B. Agarwal	15,14,200	21.33%	0.00%
	Total	30,31,100	42.69%	0.00%

Shareholding of Promoters as at 31-03-2022

S. No.	Promotor	No. of	% of total share	% Change during the year
1	Bharatbhushan O. Agarwal	15,16,900	21.36%	0.00%
2	Rikin B. Agarwal	15,14,200	21.33%	0.00%
	Total	30,31,100	42.69%	0.00%

As per records of the Company, including its registers of Shareholders / Members and other declarations received from Shareholders regarding beneficial Interest, the above shareholding represents both legal and beneficial ownerships of shares.

SHANTI SPINTEX LIMITED
CIN: U17120GJ2010PLC062084
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Amounts in Lacs₹

Note : 4 RESERVES AND SURPLUS	31-03-2023	31-03-2022
Capital Reserve	452.67	452.67
Securities Premium Account	2108.00	2108.00
	<u>2560.67</u>	<u>2560.67</u>
Surplus in the Statement of Profit and Loss :		
Opening Balance	600.05	377.90
Add : Profit for the year	1012.80	222.15
Add: Transfer to Reserve		
(a) due to change in life of machineries (Refer note no. 4.1)	1272.95	.00
(b) due to rectification of entry (Refer note no. 4.2)	46.47	.00
Less: Deferred Tax due to reestimation of life of machinery (Refer note no. 4.4)	-585.94	
Less: Provision for Gratuity of earlier years (Refer note no. 4.3)	<u>-7.30</u>	<u>.00</u>
Closing Balance	2339.03	600.05
	<u>4899.70</u>	<u>3160.72</u>

Note No. 4.1 During the Financial Year 2016-17 the company has provided depreciation on Air Jet Looms and ancillary machineries relying on the Chartered Engineers S.K. PATEL certificate considering the useful life of 10 years instead of 15 years as provided in Schedule II of Companies Act, 2013. Now during the year the company has decided to provide depreciation on Air Jet Looms and ancillary machineries considering the life of 25 years relying on chartered engineers Mukesh Shah report and board resolution dated 01-04-2022. Accordingly excess depreciation provided in earlier period from 2016-17 to 2021-22 amounting to ₹ 1272.94 has been credited to balance of profit & loss account as on 01-04-2022 under the head Reserves & Surplus and debited to respective assets (Refer Note No. 12.1 and Note No: 33)

Note No. 4.2 The company has made security deposit amounting to ₹ 38.79 during Financial Year 2016-17 & of ₹ 51.27 during Financial Year 2017-18 totalling to ₹ 90.07 which had been capitalised under the head Electrical Cabling & Other Electrification in respective years and depreciation at applicable rate were provided till 31-03-22. During the year the same has been rectified by reversing depreciation amounting to ₹ 46.46 to the balance of statement of Profit & Loss A/c. and debiting to UGVCL Deposits as on 01-04-2022. The UGVCL Deposit now stands as on 01-04-22 ₹ 90.07 (Refer Note No. 12.2)

Note No. 4.3 Gratuity provision of earlier years as per Actuarial Valuer Ashok Kumar Garg report dated 08 (Refer Note No. 7,

Note No. 4.4 After considering the effect of Note No 4.1, Note 4.2, and Note No. 4.3, the deferred tax liability (Refer Note No. 1. arose due to such change pertaining to prior period adjustment is being given effect in Reserve & Surplus.

Note : 5 LONG-TERM BORROWINGS	31-03-2023	31-03-2022
Secured:		
Term Loan From Bank Term Loan -1 (Refer Note 5.1)	564.43	898.12
Term Loan From Bank Term Loan -2 (Refer Note 5.1)	1345.45	1695.33
Working Capital Term Loan From GECL (Refer Note 5.1)	341.66	582.02
Working Capital Term Loan From GECL Extension (Refer Note 5.1)	352.75	352.20
Term Loan From Bank Car Loan (Refer Note 5.1)	14.60	23.00
Term Loan From Bank -Wind Mill (Refer Note 5.1)	<u>956.45</u>	<u>697.98</u>
	3575.33	4248.64
Less: Current Maturities of Term Loan	744.50	682.00
Less: Current Maturities of GECL	288.01	239.40
Less: Current Maturities of Car Loan	9.86	9.86
Less: Current Maturities of Wind Mill Term Loan	<u>72.00</u>	<u>.00</u>
(Refer Note No:8)	2460.96	3317.38

SHANTI SPINTEX LIMITED
CIN: U17120GJ2010PLC062084
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Amounts in Lacs₹

Unsecured:		
From Body Corporates	215.00	215.00
From Directors	387.34	405.00
(interest free loan from body corporate and Director)		
	3063.29	3937.38

Refer Note No. 5.1

(A) Details of Term Loan and Security Provided

TERMS OF REPAYMENT	Rate of Interest	31-03-2023	31-03-2022
Term Loan 1 Repayable in Total 27 Quarterly installmennts commencing from April, 2018 and ending on February, 2025.	11.65%	564.43	898.12
Term Loan 2 Repayable in Total 83 Monthly installmennts commencing from February, 2019 and ending on June, 2026.	11.65%	1345.45	1695.33
GECL Loan Repayable in Total 36 Monthly installmennts commencing from August, 2021 and ending on July, 2024 after a moratorium period of 12 months from the date of disbursement.	9.25%	341.66	582.02
GECL Extension Loan Repayable in Total 36 Monthly installmennts commencing from November, 2023 and ending on October, 2026 after a moratorium period of 24 months from the date of disbursement.	9.25%	352.75	352.20
Car Loan Repayable in Total 84 EMI starting after one month of disbursement	8.60%	14.60	23.00
Term Loan 3 Repayable in Total 90 Monthly installmennts commencing from April 2023 and ending on September 2030	11.65%	956.45	697.98

(B)(i) Primary Security with Bank for Term Loan 1, Term Loan 2 and GECL

Hypothecation of Stock & Receivables

Hypothecation of Plant & Machinery located at Weaving Unit 1, Survey No. 297, Dholi Integrated Spinning Park

Ahmedabad-382240, Gujarat

(ii) Primary Security with Bank for Term Loan 3 (Wind Mill)

Hypothecation of Stock & Receivables

Hypothecation of Plant & Machinery located at Weaving Unit 1, Survey No. 297, Dholi Integrated Spinning Park

Ahmedabad-382240, Gujarat

Hypothecation of Wind Mill and related Pland & Machinery Purchased out of the Bank Finance located at 217/

(C) Collateral Security with Bank for Term Loan 1, Term Loan 2 and GECL and Term Loan 3(Wind Mill)

- (i) Equitable Mortgage over immovable property at Plot No. 544 owned by M/s. Krishna Traders & 545 owned by 644sq. Yards each located at Survey No. 138, Vraj Garden, Nr. 200 Feet Ring Road and Shanti Asiatic School Ro
- (ii) Equitable Mortgage over Factory Land and Building (admeasuring 8660.36 sqft. Meteres) at Weaving Unit 1, Sur Dholi Integrated Spinning Park, Dholka, Ahmedabad -382240
- (iii) Equitable Mortgage over Immovable property (admeasuring 598 sq. mtrs.) at Flat No./ Plot No.: Unit no. 330, Sur Block No. 161, Vraj Garden, Akshat C.J. Society Ltd., behind Applewoods Scheme, Near Sahara City, Ahmedat Owned by Vedprakash Chiripal
- (iv) Pledge of units 741048 of SBI corporate bond fund amounting to Rs. 200,00,000/- (Refer Note No. 13)

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(D) Guarantee

Personal Guarantee

- (i) Shri Bharatbhushan Agarwal
- (ii) Shri Rikin Agarwal
- (iii) Shri Vedprakash Chiripal
- (iv) Smt. Urmiladevi Chiripal
- (v) Smt. Savitridevi Chiripal

Corporate Guarantee

- (i) M/s. Krishna Traders (Proprietary Firm)
- (ii) M/s. Star Traders (Proprietary Firm)

(E) Primary Security with Bank for Car Loan

Hypothecation of vehicle purchased out of Bank Finance. It is a multi Utility Vehicle.

24.89% margin with personal gurantee of Directors Bharat Bhushan Agarwal & Rikin Bharat Bhushan Agarwal

Note : 6 OTHER LONG-TERM LIABILITIES	31-03-2023	31-03-2022
Creditors for Goods	20.69	121.55
	<u>20.69</u>	<u>121.55</u>

Trade Pavables ageing schedule as at 31-03-2023

Sl. No.	Particulars	Outstanding for following periods from due date of payment					Total
		Less than 1	1-2 years	2-3 years	More than		
(i)	MSME (Refer note no. 6.1)						
(ii)	Others	.00	15.32	2.02	3.34		20.69
(iii)	Disputed dues- MSME	.00	.00	.00	.00		.00
(iv)	Disputed dues - Others	.00	.00	.00	.00		.00
	Total	<u>.00</u>	<u>15.32</u>	<u>2.02</u>	<u>3.34</u>		<u>20.69</u>

Trade Pavables ageing schedule as at 31-03-2022

Sl. No.	Particulars	Outstanding for following periods from due date of payment					Total
		Less than 1	1-2 years	2-3 years	More than		
(i)	MSME (Refer note no. 6.1)	.00					
(ii)	Others	.00	81.45	.00	40.10		121.55
(iii)	Disputed dues- MSME	.00	.00	.00	.00		.00
(iv)	Disputed dues - Others	.00	.00	.00	.00		.00
	Total	<u>.00</u>	<u>81.45</u>	<u>.00</u>	<u>40.10</u>		<u>121.55</u>

Note No. 6.1 As per information and explanation the company has not gathered information as regards whether supplier of goods and or services are covered under the MSME Act, 2006. Hence, we are unable to provide the Note No.:6.2 Outstanding Balances are subject to confirmation and reconciliation, if any.

Note : 7 LONG-TERM PROVISIONS	31-03-2023	31-03-2022
Provision for Grautity	7.29	.42
(Refer Note No. 4.3)	<u>7.29</u>	<u>.42</u>

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Note : 8 SHORT-TERM BORROWINGS	As at 31st March,2023	As at 31st March, 2022
(a) Secured Loans :		
Current Maturities of long-term borrowings (Refer No Note:5)	1114.37	931.26
	1114.37	931.26

Note : 9 TRADE PAYABLES	31-03-2023	As at 31st
Total outstanding dues of micro & small enterprises (refer note no. 9.1)	-	-
Total outstanding dues of creditors other than micro & small enterprises	6665.65	3300.66
	6665.65	3300.66

Trade Payables ageing schedule as at 31st March,2023

Sl. No.	Particulars	Outstanding for following periods from due date of payment					Total
		Less than 1 year	1-2 years		2-3 years	More than 3 years	
(i) MSME							
(ii) Others		6665.65	.00			.00	6665.65
(iii) Disputed dues- MSME		.00	.00		.00	.00	.00
(iv) Disputed dues - Others		.00	.00		.00	.00	.00
Total		6665.65	.00		.00	.00	6665.65

Trade Payables ageing schedule as at 31st March,2022

Sl. No.	Particulars	Outstanding for following periods from due date of payment					Total
		Less than 1 year	1-2 years		2-3 years	More than 3 years	
(i) MSME							
(ii) Others		3300.66	.00		.00	.00	3300.66
(iii) Disputed dues- MSME		.00	.00		.00	.00	.00
(iv) Disputed dues - Others		.00	.00		.00	.00	.00
Total		3300.66	.00		.00	.00	3300.66

Note No. 9.1 As per information and explanation the company has not gathered information as regards whether supplier of goods and or services are covered under the MSME Act, 2006.

Note No.:9.2 Outstanding Balances are subject to confirmation and reconciliation, if any.

Note : 10 OTHER CURRENT LIABILITIES	31-03-2023	31-03-2022
Statutory Liabilities	11.91	5.66
Other Liabilities	.03	.72
Unpaid Expenses	86.58	41.74
	98.52	48.12

Note : 11 SHORT-TERM PROVISIONS	31-03-2023	31-03-2022
Provision for Employee Benefits	14.76	26.50
Provision for Current Tax	255.73	31.30
Provision for Gratuity	.19	.00
	270.67	57.80

12 NON -CURRENT ASSETS
PROPERTY, PLANT & EQUIPMENT

Particulars	Gross carrying amount				Depreciation				Net carrying amount	
	As at 01-04-2022	Additions	Deletions/adjustments	As at 31-03-2023	As at 01-04-2022	Additions	Deletions/adjustments	As at 31-03-2023	As at 31-03-2023	As at 31-03-2022
Tangible assets										
PHASE I										
Leasehold Land	216.88	13.50		230.38	13.13	2.20		15.33	215.05	203.75
Computer Equipments	1.50			1.50	1.50	.00		1.50	.00	.00
Air Compressor Machine	65.12			65.12	33.86	6.19		40.05	25.07	31.25
Air Jet Looms	2435.96			2435.96	1266.32	100.79	716.73	650.38	1785.58	1169.64
Electrical Cabling & Other Electrification	192.84		38.80	154.04	93.06	11.65	22.11	82.59	71.45	99.78
H Plant	125.79			125.79	66.38	12.28		78.66	47.13	59.41
OHTC	13.57			13.57	7.06	1.29		8.35	5.23	6.52
Profile Reeds	13.58			13.58	6.86	1.29		8.15	5.43	6.72
Stores & Spares parts of Plant & Machinery	131.65			131.65	68.27	12.51		80.78	50.88	63.38
Todo Warp Typing Machine	52.60			52.60	27.35	5.00		32.35	20.25	25.25
Transformers	16.63			16.63	8.65	1.58		10.23	6.40	7.98
Office Equipment	2.79	.06		2.85	1.28	.48		1.76	1.09	1.51
Furniture & Fixtures	3.24			3.24	1.58	.31		1.89	1.35	1.66
Factory Building	486.42			486.42	242.98	43.77		286.75	199.67	243.44
PHASE II										
Computer Equipments	1.28			1.28	1.21	.00		1.21	.06	.06
Air Compressor Machine	208.60			208.60	85.89	19.82		105.71	102.89	122.71
Air Jet Looms	2333.76			2333.76	960.52	94.06	556.21	498.37	1835.39	1373.24
H Plant	79.11			79.11	32.58	7.52		40.09	39.02	46.54
Stores & Spares parts of Plant & Machinery	169.72	.80		170.52	67.64	15.58		83.22	87.30	102.08
Todo Warp Typing Machine	33.53			33.53	13.80	3.18		16.99	16.54	19.72
Tudo Tying Machine	39.17			39.17	16.13	3.72		19.85	19.32	23.04
OHTC	12.23			12.23	3.32	.77		4.09	8.14	8.92
Electrical Cabling & Other Electrification	139.31		51.27	88.04	55.74	8.36	24.35	39.75	48.29	83.57
Furniture & Fixtures	.72			.72	.34	.07		.40	.31	.38
Vehicles	71.75			71.75	32.18	8.32		40.50	31.24	39.56
Factory Building	493.02			493.02	199.32	46.84		246.16	246.86	293.70
Utilities	29.51			29.51	3.53	.93		4.47	25.04	25.98
CCTV & accessories		16.66		16.66	.00	.34		.34	16.32	.00
Windmill		1266.79		1266.79	.00	42.69		42.69	1224.09	.00
Land (Freehold)		279.80		279.80	.00	.00		.00	279.80	.00
Sub Total (a)	7370.29	1577.61	90.07	8857.82	3310.48	451.55	1319.42	2442.61	6415.21	4059.80

Particulars	Gross block				Depreciation				Net block	Net block
	As at 01-04-2021	Additions	Deletions/ adjustments	As at 31-03-2022	As at 01-04-2021	Additions	Deletions/ adjustments	As at 31-03-2022	As at 03-2022	31- As at 31-03-2021
Intangible fixed assets										
Software-website		.00	.00	.00			.00	.00	.00	.00
Other software			.00	.00				.00	.00	.00
Sub Total (b)	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00
Total	7370.29	1577.61	90.07	8857.82	3310.48	451.55	1319.42	2442.61	6415.21	4059.80
Figures of previous year	7369.91	.38		7370.29	2635.23	675.25	.00	3310.48	4059.80	4734.68

Note No 12.1 During the Financial Year 2016-17 the company has provided depreciation on Air Jet Looms and ancillary machineries relying on the Chartered Engineers S.K. PATEL certificate considering the useful life of 10 years instead of 15 years as provided in Schedule II of Companies Act,2013. Now during the year the company has decided to provide depreciation on Air Jet Looms and ancillary machineries considering the life of 25 years relying on chartered engineers Mukesh Shah report and board resolution dated 01-04-2022. Accordingly excess depreciation provided in earlier period from 2016-17 to 2021-22 amounting to ₹ 1272.94 (Phase I ₹ 716.73 and Phase II ₹ 556.21) has been credited to balance of profit & loss account as on 01-04-2022 under the head Reserves & Surplus and debited to respective assets account. (Refer Note No. 4.1)

Note No 12.2 Further due to change in life of assets during the year depreciation is charged less by ₹ 258.27 to Statement of Profit & Loss and disclosed more profit by ₹ 258.27 considering of life of assets have not been changed. (Refer Note No.4.2)

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	31-03-2023	As at 31st
Note : 13 NON-CURRENT INVESTMENTS		
A Trade Investments	.00	.00
B Other Investments (at cost) (Un-Quoted)		
In SBI Corporate Fund Bond (Unit 74049.38)	200.00	200.00
(Market Value as on 31-03-2023 ₹ 280,50,006/-)		
(P.Y. ₹ 267,94,448/-)		
[Refer Note No. 5.1(c)(iv)]		
	<u>200.00</u>	<u>200.00</u>
Note : 14 DEFERRED TAX ASSETS	31-03-2023	31-03-2022
Opening Balance	-11.97	33.44
Current Year DTA		
i) Difference in WDV between Books & Tax return & Gratuity	-140.24	45.42
ii) Due to change in life of assets (excess depreciation reversed in books)	-585.94	.00
	<u>-738.16</u>	<u>-11.97</u>
Note : 15 LONG-TERM LOANS AND ADVANCES	31-03-2023	31-03-2022
Unsecured Considered Good		
Capital Advances		
Advances against Land (Lease Hold Land)	.00	13.50
Advances against Land (Freehold)	.00	36.00
Loans & Advances to related parties		
Rikin Fabrics Pvt. Ltd. (interest free)	.00	65.00
Other loans & advances		
Advances to Staff	.00	1.50
Integrum Energy Infrastructure Pvt. Ltd. (Windmill)	.00	1031.76
	<u>.00</u>	<u>1147.76</u>
Note : 16 OTHER NON-CURRENT ASSETS	31-03-2023	31-03-2022
Security Deposits		
Gujarat Pollution Control Board	.50	.50
UGVCL (Refer note no.16.1)	90.07	.00
Vat Deposit	.20	.20
Deposits with Bank (Refer Note No. 16.2)	17.65	25.35
Long term Trade Receivables (Refer Note No. 16.3)		.00
Secured, considered good	.00	.00
Unsecured considered good	74.46	160.75
Doubtful	.00	.00
	<u>182.88</u>	<u>186.80</u>

Note No. 16.1 The company has made security deposit amounting to ₹ 38.79 during Financial Year 2016-17 & of ₹ 51.27 during Financial Year 2017-18 totalling to ₹ 90.07 which had been capitalised under the head Electrical Cabling & Other Electrification in respective years and depreciation at applicable rate were provided till 31-03-22. During the year the same has been rectified by reversing depreciation amounting to ₹ 46.46 to the balance of statement of Profit & Loss A/c. and debiting to UGVCL Deposits as on 01-04-2022. The UGVCL Deposit now stands as on 01-04-22 ₹ 90.07. (refer note no. 4.2)

Note No. 16.2 Deposit with bank are under lien against various bank guarantee issued and are inclusive of accrued interest.

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Long Trade Receivables ageing schedule as at 31-03-2023

Sl. No.	Particulars	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade receivables - considered good	.00	.00	.17	74.29	.00	74.46
(ii)	Undisputed Trade receivables - considered doubtful	.00	.00	.00	.00	.00	.00
(iii)	Disputed trade receivables - considered good	.00	.00	.00	.00	.00	.00
(iv)	Disputed trade receivables - considered doubtful	.00	.00	.00	.00	.00	.00
	Total	.00	.00	.17	74.29	.00	74.46

Long Trade Receivables ageing schedule as at 31-03-2022

Sl. No.	Particulars	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade receivables - considered good	.00	.00	155.23	5.42	.10	160.75
(ii)	Undisputed Trade receivables - considered doubtful	.00	.00	.00	.00	.00	.00
(iii)	Disputed trade receivables - considered good	.00	.00	.00	.00	.00	.00
(iv)	Disputed trade receivables - considered doubtful	.00	.00	.00	.00	.00	.00
	Total	.00	.00	155.23	5.42	.10	160.75

Note : 17 CURRENT INVESTMENTS

	31-03-2023	31-03-2022
NIL	.00	.00
	.00	.00

Note : 18 INVENTORIES

	31-03-2023	31-03-2022
(i) Raw Materials	492.40	368.64
(ii) Work in Progress	520.42	67.25
(iii) Finished Goods		
(a) Grey Fabrics	395.55	136.57
(b) Finished Fabrics	477.10	116.36
	1885.47	688.82

Note No. 18.1 The closing stock is as taken valued and certified by the management

Note : 19 TRADE RECEIVABLES

	31-03-2023	31-03-2022
Secured, considered good	-	-
Unsecured considered good	6753.12	5010.35
Doubtful	.00	.00
	6753.12	5010.35

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Trade Receivables ageing schedule as at 31-03-2023

Sl. No.	Particulars	Outstanding for following periods from due date of payment					Total	
		Less than 6 months	6 months - 1 year	1-2 years		2-3 years		More than 3 years
(i)	Undisputed Trade receivables - considered good	6737.69	15.43	.00		.00	.00	6753.12
(ii)	Undisputed Trade receivables - considered doubtful	.00	.00	.00		.00	.00	.00
(iii)	Disputed trade receivables - considered good	.00	.00	.00		.00	.00	.00
(iv)	Disputed trade receivables - considered doubtful	.00	.00	.00		.00	.00	.00
	Total	6737.69	15.43	.00		.00	.00	6753.12

Trade Receivables ageing schedule as at 31-03-2022

Sl. No.	Particulars	Outstanding for following periods from due date of payment						Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years		
(i)	Undisputed Trade receivables - considered good	4980.67	29.68	.00	.00	.00	5010.35	
(ii)	Undisputed Trade receivables - considered doubtful	.00	.00				.00	
(iii)	Disputed trade receivables - considered good	.00	.00	.00	.00	.00	.00	
(iv)	Disputed trade receivables - considered doubtful	.00	.00	.00	.00	.00	.00	
	Total	4980.67	29.68	.00	.00	.00	5010.35	

Note No.:19.1 Outstanding Balances are subject to confirmation and reconciliation, if any.

Note : 20 CASH AND BANK BALANCES		31-03-2023	31-03-2022
Cash and Cash Equivalents			
Balances with Banks			
	In Current Accounts	476.83	313.47
Cash in Hand		.07	.34
Other Bank Balances			
Term Deposits with Nationalised Bank			
	Fixed Deposits having maturity of less than 3 months	.00	.00
	Fixed Deposits having maturity of more than 3 months	7.79	.00
	Fixed Deposits having maturity of more than 12 months	17.65	25.35
Less:	Fixed Deposits having maturity of more than 12 months (Refer Note No.16)	17.65	25.35
		484.69	313.81

Note No. 20.1 : Fixed Deposits are inclusive of accrued interest thereon.

Note : 21 SHORT-TERM LOANS AND ADVANCES		31-03-2023	31-03-2022
Unsecured considered good			
Loan and Advances to related parties			
a)	Subsidiaries	.00	.00
b)	Others	.00	.00

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Other Loans and Advances		
Balances with Statutory Authorities	.00	.00
Inverted IGST Claim Refund	6.03	5.95
State GST Refund Receivable (Phase 1)	755.86	177.66
State Interest Subsidy Receivable	.00	26.04
Tuff Capital Subsidy Receivable A/c (Phase 1)	56.96	56.96
Tuff Capital Subsidy Receivable A/c (Phase 2)	229.05	229.05
GST receivable	109.54	101.78
TDS / TCS Receivable	44.29	40.54
Other advances recoverable in cash or in kind or for value to be received		
Advance for purchase of commercial property	251.35	.00
Receivable for rate difference & quality claims	144.00	.00
Others	31.52	1.06
Prepaid Expenses	5.99	6.37
	<u>1634.59</u>	<u>645.41</u>

Note : 22 OTHER CURRENT ASSETS	31-03-2023	31-03-2022
Income Receivable for WindMill Power Generation	32.38	.00
	<u>32.38</u>	<u>.00</u>

Note : 23 REVENUE FROM OPERATIONS	31-03-2023	31-03-2022
(a) Sale of Products		
Sale of Traded Goods	.00	.00
Fabrics Sales	31097.36	2351.79
Weaving Job Work Sales	4.02	5.37
Grey Fabrics Sale	.00	13629.89
Yarn Sales	5738.80	9503.90
(b) Supply of Services		
Wind Mill Power Generation Income (Gross)	193.04	.00
	<u>37033.22</u>	<u>25490.94</u>

Note : 24 OTHER INCOME	31-03-2023	31-03-2022
Interest Income	3.83	5.05
Interest on Fixed Deposit	1.42	.03
Interest Income on I.T. Refund	.59	.00
Scrap & Wastage Sales	7.52	1.09
Comission	.00	1.27
Rebate	.44	.03
Vatav Kasar	.17	.05
Discount Received	9.53	1.51
Bad Debts Recovered	.00	9.72
Creditors w/off	2.16	10.31
Unclaimed Salary of earlier years written back	8.44	5.37
Rounding Off	.00	.00
Actuarial Gain (Gratuity)	3.95	.00
	<u>38.05</u>	<u>34.44</u>

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		Amounts in Lacs₹	
Note : 25 COST OF MATERIALS CONSUMED		31-03-2023	31-03-2022
MATERIALS CONSUMED :			
Opening Stock		368.64	127.74
Add:	Purchases (Yarn, Fabric & Others, etc.)		
	Purchase (raw material) (Refer Note 25.1)	33412.84	22581.12
Less:	Closing Stock	492.40	368.64
	(As taken and valued and certified the management)		
		<u>33289.08</u>	<u>22340.21</u>

Note No : 25.1 Includes prior period Rs in lakhs.76.29

Note : 26 CHANGES IN INVENTORIES		31-03-2023	31-03-2022
Work in Progress		-453.17	-20.30
Finished Goods			
(a) Grey Fabrics		-258.98	6.12
(b) Finished Fabrics		-360.74	-112.39
		<u>-1072.89</u>	<u>-126.57</u>

Note : 27 EMPLOYEE BENEFITS EXPENSE		31-03-2023	31-03-2022
Managerial Remuneration		6.00	.00
Salary & Wages		243.40	214.85
Contribution to Employee Deposit Linked Insurance Scheme		.06	.03
Staff Welfare Expenses		1.65	.14
Gratuity Expenses		3.71	.00
		<u>254.82</u>	<u>215.01</u>

Note.27.1 Retirement Benefits		31-03-2023	31-03-2022
A) Defined Benefit Plans:			
Particulars			
i) Amounts recognised in the Balance Sheet in respect of Gratuity			
Present Value of the funded Defined Benefit Obligations at the end of the y		7.47	
Fair Value of Plan Assets		.00	
Net (Asset)/ Liability		<u>-7.47</u>	
Employee Benefits			
Current Service Cost		3.13	
Interest on Net Defined Benefit Liability /(Assets)		.58	
Net actuarial (gain)/loss recognised in the period		-3.95	
Expenses to be recognised in P&L		<u>-24</u>	

ii) Reconciliation of Present Value of the Obligation and the Fair Value of the Plan of Assets :			
Change in Net Liabilities/ (Assets)			
Opening Net Defined Benefit Liabilities/(Assets)		7.71	
Expenses Charged to Profit & Loss		-24	
Amount Recognised Outside Profit and Loss -OCI			
Employer Contribution			
Closing Net Defined Benefit Liabilities/ (Assets)		<u>7.47</u>	

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iii) Quantitive Sensitivity Analysis for Significant Assumption is as below :

Increase/ Decrease in Present Value of Defined Benefits Obligation at the end of the year

Particulars	
Deined Benefit Obligation (Base)	7.47
Liability with 1.00 % Increase in Discount Rate	6.70
Liability with 1.00 % Decrease in Discount Rate	8.41
Liability with 1.00 % Increase in Rate of Salary Increase	8.42
Liability with 1.00 % Decrease in Rate of Salary Increase	6.68
Liability with 1.00 % Increase in Withdrawal Rate	7.54
Liability with 1.00 % Decrease in Withdrawal Rate	7.36

Particulars

Principal Actuarial Assumptions at the Balance Sheet Date

Discount Rate	7.50% per annum
Salary Escalation	
Salary Escalation - Staff	5.00% per annum
Mortality Rate during Employment	IALM 2012-14
Rate of Employee Turnover	5.00% per annum

Current Liability

Current Liability (Short Term)	.19
Non Current Laibility (Long Term)	7.29
Total Liability	7.47

Benefits Valued

Normal Retirement Age	60Years	60Years
Salary	Last drawing qualifying salary	Last drawing qualifying salary
Vesting Period	5 years of service	5 years of service
Benefits on Normal Retirement	15/26*Salary*Past service (yr.)	15/26*Salary*Past service (yr.)
Benefit on early exit due to death and diability	As above except that no vesting conditions apply	As above except that no vesting
Limit	20.00	20.00

Note : 28 FINANCE COSTS

31-03-2023

31-03-2022

Interest on Wind Mill Loan	77.66	.00
Interest on Car Loan	1.46	1.99
Interest on Term Loan	187.73	164.47
Interest on GECL Loan	69.37	68.35
Other Borrowing Costs (Bank charges)	1.06	3.23
Interest on Late payment of GST	.00	2.49
Interest on Late payment of TDS	.09	.08
	<u>337.38</u>	<u>240.61</u>

SHANTI SPINTEX LIMITED

CIN: U17120GJ2010PLC062084

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	Amounts in Lacs₹	
Note : 29 OPERATING AND OTHER EXPENSES	31-03-2023	31-03-2022
MANUFACTURING EXPENSES :		
Drawing & Knotting Charges	29.48	20.18
Inspection Charges	12.15	10.25
Electricity Charges	705.80	498.06
Windmill Operating Expenses	29.24	.00
Stiching Expenses	.00	.49
Job Work	1200.49	903.45
	<u>1977.16</u>	<u>1432.43</u>
OTHER DIRECT EXPENSES :		
Loading & Unloading Expenses	18.40	15.35
Catch Code Yarn	5.46	.83
Insurance Expenses	14.93	13.16
Rent, Rates & Taxes	.43	.00
Freight Expenses	76.70	35.56
Plant Expenses	.68	.00
Plant Sundry Material	.66	.63
Stores & Spares	69.58	32.12
Rate Difference & Quality Claim	49.22	206.96
Packing Expenses	80.20	.00
Clearing & Forwarding	.65	.00
Damages	8.21	.00
	<u>325.09</u>	<u>304.60</u>
Payments to Auditor (Refer Note : 29.1)	1.00	1.18
Audit Fees -GST	.25	.25
Bank -Guarantee Commission	1.17	1.31
Canteen Expenses	7.74	5.49
Car Hire	4.30	5.02
Car petrol Expenses	4.64	5.62
Conveyance Expenses	.69	.38
Commission & Brokerage	1.06	5.55
Computer Repairing	.22	.65
Consultancy & Professional Fess	5.61	1.88
Donation	.15	.00
Excess income on Bank FD booked earlier W/off	.82	.00
Housekeeping Expenses	13.01	12.22
Factory Licence Fees	.28	.28
GST Expenses	1.54	.00
TCS Expenses (write off)	.02	.00
Insurance Charges- Volvo Car	.94	.79
Internet Broadband Expenses	.06	.00
Internet Leased Line Expenes	.50	.50
Late Fees GST	.00	.00
Lease Rent Expense	.19	.04
Legal and Professional Fees	7.87	11.81
Medical Expenses	.00	.31
Mending Charges	.18	.00
Mobile Expenses	.50	.53
Office Expenses	.91	.17
Other Expenses	.10	5.16
Outward Freight Expenses	6.24	.00
Park Maintenance Expenses	5.46	5.50
Penalty	.74	.00
Postage & Courier	.01	.00
Prior Period Expenses (Net off)	2.99	.00
Printing & Stationery	2.23	1.88
Reed Repairing	.64	.71
Repairs and Maintenance	.58	5.29
ROC Expenses	.36	.00
Round Off	.00	.00
Sales Promotion Expense	.25	.00
Security Charges	4.43	6.51
Service Charges	.30	.00

SHANTI SPINTEX LIMITED

CIN: U17120GJ2010PLC062084

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

		Amounts in Lacs₹
Shortage	.08	.00
Sundry Debtors/ Creditors w/off	6.08	.00
Bad debts w/off	.00	58.98
Tally Cloud User Fees	.09	.00
Tally License Renewal Fees	.10	.00
Travelling Expenses	1.80	3.68
Vehicle Repairing	8.71	2.68
Water Expenses	.35	.59
	<u>95.20</u>	<u>144.97</u>
	2397.45	1882.00

Note: 29.1

Payments to the Auditor

As auditors - statutory audit fees	.50	.59
Tax Audit report	.25	.30
Income Tax Return	.25	.30
Company Law Matter	.00	.00
	<u>1.00</u>	<u>1.18</u>

Note : 30 Disclosure required under companies Act, 2013.

Directors Remuneration

Particulars	This year (Rs)	Last year (Rs)
Remuneration to director - Rikin BharatBhushan Agarwal	6.00	NIL
Contribution to superannuation fund	Nil	Nil

Note: 31 LEASE EXPENSES

Operating Lease : Rental is expenses with reference to lease terms and other considerations

(a) The company has taken on sub- lease land at Village Likhala, Taluka Savar Kundla, District Amreli, owned by Government of India and leased by Gujrat Fluorochemicals . The total lease rent paid on the same amounting to Rs. 0.19 and taken on lease w.e.f. .29.12.2021

(b) The company has taken on lease land at Survey No. 402, Dholi Integrated Spinning Park Limited from Dholi Integrated Spinning Park Limited. The total lease rent paid on the same amounting to Rs. 0.04 and taken on lease w.e.f. 21.08.2015

Particulars	This year (Rs)	Last year (Rs)
Not later than one year	.19	.04
Later than one year and not later than five years	.77	.17
Later than five years	4.54	3.98
Lease payment recognised in profit & loss A/c for the period	.19	.04
The total yearly lease payment is	.19	.04
Minimum lease per annum	.19	.04

In accordance with accounting standard 22 "Accounting for Taxes on Income" (AS22) issued by the ICAI. The company has accounted for deferred taxes during the year.

Note: 32

Following are the major components of deferred tax assets/ (liabilities) :

Component	Deferred	Current	Deferred
Opening Balance	-11.97		-11.97
1) Difference in depreciation between accounting books and tax return & Gratuity		-140.24	-140.24
2) Due to change in life of assets (excess depreciation reversed in books)		-585.94	-585.94
Total	-11.97	-726.18	-738.16

Note No.33 Note No 33.1 During the Financial Year 2016-17 the company has provided depreciation on Air Jet Looms and ancillary machineries relying on the Chartered Engineers S.K. PATEL certificate considering the useful life of 10 years instead of 15 years as provided in Schedule II of Companies Act,2013. Now during the year the company has decided to provide depreciation on Air Jet Looms and ancillary machineries considering the life of 25 years relying on chartered engineers Mukesh Shah report and board resolution dated 01-04-2022. Accordingly excess depreciation provided in earlier period from 2016-17 to 2021-22 amounting to ₹ 1292.40 (Phase I ₹ 716.73 and Phase II ₹ 556.21) has been credited to balance of profit & loss account as on 01-04-2022 under the head Reserves & Surplus and debited to respective assets account. (Refer Note No. 4.1 & 12.1)
 Note No 12.2 Further due to change in life of assets during the year depreciation is charged less by ₹ 258.26 to Statement of Profit & Loss and disclosed more profit by ₹ 258.26 considering of life of assets have not been changed. (Refer Note No.4.2 & 12.2)

Note No 33.2 The deferred tax liability arose due to such change pertaining to prior period adjustment is being given effect in Reserve & Surplus.

Note: 34 Earning Per Share

Particulars	31-03-2023	31-03-2022
Numerator used for calculating Basic and Diluted Earning Per Share (Profit After Tax)	1012.80	222.15
Nominal Value per Share	10.00	10.00
Weighted Average No. of Shares used as denominator for calculating Basic and Diluted Earning Per Share	142.00	142.00
Basic and Diluted earning per share (Rupees)	7.13	1.56

Note: 35 Related party Discloser (Accounting Standard 18)

Description of relationship	Names of related parties
Key Management Personnel	1) Bharatbhushan Agrawal 2) Rikin Agarwal
Associates	Rikin Fabrics Pvt. Ltd. Sparsh Fabric Pvt. Ltd
Relatives Of Key Management Personnel	1) Urmiladevi Agrawal 2) Deepika Agrawal

List of Relatives of Key Managerial Personnel and Enterprise over which Key Management Personnel and their relative exercise significant influence with whom transaction have taken place during the year.

NIL

A Transaction with related parties

PARTICULARS	Key Managerial Personnel		Relatives of Key Managerial Personnel		Associates	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
1) LOAN TAKEN						
(Un secured)	.00	.00	.00	.00	.00	.00
2) LOANS GIVEN						
Rikin Fabrics Pvt. Ltd.	.00	.00	.00	.00	NIL	65.00
Deepika Agarwal	.00	.00	.00	50.00	.00	.00
3) LOAN RECEIVED BACK						
Rikin Fabrics Pvt. Ltd.	NIL	NIL	.00	.00	65.00	NIL
Deepika Agarwal	.00	.00	.00	50.00	.00	.00
4) LOAN PAID BACK						
Bharat Bhushan Agarwal	17.66	NIL	.00	.00	.00	.00
4) PURCHASES						
Sparsh Fabrics Pvt. Ltd.					247.16	139.57
Rikin Fabrics Pvt. Ltd.					67.07	NIL
5) SALES						
Sparsh Fabrics Pvt. Ltd.					1303.58	137.34
6) Remuneration To Director						
Rikin B Agarwal	6.00	NIL	.00	.00	.00	.00
7) OUTSTANDING BALANCES:-						
1) LOAN TAKEN						
Bharat Bhushan Agarwal	387.34	405.00				
2) LOAN GIVEN						

Rikin Fabrics Pvt. Ltd.					NIL	65.00
Deepika Agarwal			.00	.00		
4)DEBTORS						
4)CREDITORS						
Rikin Fabrics Pvt. Ltd.					2.07	.00
5) SALARY PAYABLE						
RIKIN AGARWAL					.84	.00

Note: 36

		<u>Foreign Exchange Earnings/o utgoings</u>	<u>Foreign Exchange Earnings/o utgoings</u>
		2022-23	2021-22
Revenue in foreign		0	0
Out going Expenditure in foreign currency		0	0

Note: 37 **Contingent liabilities and commitments (to the extent not provided for)**

	₹ in lakhs	
Contingent liabilities	As at 31 March, 2023	As at 31 March, 2022
(a) Claims against the Company not acknowledged as debt	NIL	NIL
(b) Unexpired Guarantees		
(i) Export Obligation under "0" duty EPCG in favour of DGFT amounting to ₹ 19.30 cr	0.000484	48.400000
(ii) GEDCO against the transmission cahrges	0.0003120	0.0003120
(c) Other money for which the Company is contingently liable	NIL	NIL
(f) Other commitments : The estimated amount of contracts remaining to be executed on capital account and not provided for against which advance have been paid	0	1239.67

Note 38 Provision for current year's income tax aggregating Rs.255.73 (P.Y. Rs. 31.30) has been made on estimated basis for the accounting year ended on 31.03.2023. The actual tax liabilities of the company will be determined on the basis of taxable income of the company for F.Y year 2022-23.

Note 39: Others

39.1 In the opinion of the Board, all the current assets, Loans and advances have a value on the realization in the ordinary course of the business at least equal to the amount at which they are stated.

39.2 Balances of sundry debtors, sundry creditors and loans and advances etc., are subject to confirmation and reconciliation, and consequential adjustment, if any.

39.3 Previous year figures have been regrouped/ rearranged so as to make them comparable with current year's figures.

Note : 40 There is no Expenditure incurred on employees in receipt of remuneration of not less than Rs.24.00(Rupees twenty four lakh only) per annum or Rs 2.00(rupees two lac only) per month, if employed throughout the year or part of the year.

Note :41 As per information and explanation given, the company has not gathered information as regards whether supplier of goods and or services are covered under the MSME Act, 2006. Hence, we are unable to provide the required information for the year ended on 31.03.2023 and 31.03.2022.

Note: 42 Segment Reporting

For Management Purpose, the Company is currently organised into two major operating activities – 1) Textile Manufacturing and 2) Windmill Operations. These divisions are the basis on which the Company reports its primary segment information

(i) Segment assets and liabilities:

Company is having two segments of business, Assets and Liabilities are bifurcated segment wise.

(ii) Segment revenue and expenses

Segment revenue and expenses are taken directly as attributable to the segment. It does not include interest income on inter- corporate deposits, Profit on sale of investments, Interest expense, Provision for Contingencies and Income-tax.

The company operates primarily in India and there is no other significant geographical segment

PARTICULARS	31-03-2023	31-03-2023	31-03-2023	31-03-2022	31-03-2022	31-03-2022
	Textile	Windmill	TOTAL	Textile	Windmill	TOTAL
REVENUE						
Domestic Income	36840.18	193.04	37033.22	25490.94	NIL	25490.94
Export Income	NIL	NIL	NIL	NIL	NIL	NIL
Inter-segment Income	NIL	NIL	NIL	NIL	NIL	NIL
RESULTS	NIL	NIL	NIL	NIL	NIL	NIL
Segment Results	NIL	NIL	NIL	NIL	NIL	NIL
Unallocated Corporate Exps	NIL	NIL	35320.01	NIL	NIL	24985.90
Operating Profit	NIL	NIL	NIL	NIL	NIL	NIL
Interest Expense	259.72	77.66	337.38	240.61	NIL	240.61
Interest Income	NIL	NIL	NIL	NIL	NIL	NIL
Other Income	38.05	NIL	38.05	34.44	NIL	34.44
Deferred tax	NIL	NIL	140.24	NIL	NIL	45.42
Income tax	NIL	NIL	260.84	NIL	NIL	31.30
Net Profit	NIL	NIL	1012.8	NIL	NIL	222.15
OTHER INFORMATION						
Segment assets	16168.78	1266.79	17435.57	12267.91	NIL	12267.91
Unallocated Corporate Asset	NIL	NIL		NIL	NIL	
Total Assets	16168.78	1266.79	17435.57	12267.91	NIL	12267.91
Segment Liabilities	10188.78	956.45	11145.23	8397.19	NIL	12267.91
Unallocated Corporate Liabilities	NIL	NIL	NIL	NIL	NIL	NIL
Capital Expenditure	NIL	NIL	NIL	NIL	NIL	NIL
Depreciation	408.86	42.69	451.55	675.25	NIL	675.25
Other on Capital Expenditure	NIL	NIL	NIL	NIL	NIL	NIL

Notes to Financial statements for the year ended 31st March,2023

Note: 43 Other Statutory Disclosure

- 43.1 (a) There is no such property wherein there is an issue with the title, hence the title deeds related disclosures are not made.
 (b) The company does not have any investment in property hence, comment related to revaluation is not made.
 (c) During the year, the company has not revalued its intangible assets or any asset of Property, Plant & Equipment, hence, disclosure related to revaluation is not made.
 (d) The company has given loans and advances which are either repayable on demand or are without specifying any terms or period of repayment. The disclosures related to loans and advances given to related party are given as under:

	31.03.23		31.03.22	
Type of Borrower	Amount of loan or advance in the nature of loan outstanding 31.03.2023	percentage to the total loans and advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	percentage to the total loans and advances in the nature of loans
Promoters	NIL	NIL	NIL	NIL
Directors	NIL	NIL	NIL	NIL
KMPs	NIL	NIL	NIL	NIL
Related Parties	NIL	NIL	65.00	.00

43.2 Ageing schedule of CWIP is given during the year:

For FY 2022-23

(a) For Capital-work-in progress

(Amount in Rs.)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
No such Project	-	-	-	-	-
	-				-

There is no capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original

(Amount in Rs.)

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects	No such CWIP				

For FY 2021-22

(b) For Capital-work-in progress

(Amount in Rs.)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	27.12				27.12

(Amount in Rs.)

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects	No such CWIP				

43.3 The company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

43.4 As on the reporting date, the company has no borrowings from banks or financial institutions on the basis of security of current assets and for which quarterly returns are submitted and these are in agreement with books of account of the company.

43.5 The company is not declared a wilful defaulter by any bank or financial Institution or other lender.

43.6 The company does not have any transactions with struck off Companies.

43.7 The company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

43.8 Company has complied with with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017

43.9 Ratios for FY 22-23 and FY 21-22 are presented as under:

Ratio	Numerator	Denominator	Current period	Previous period	% variance
- Current Ratio	Current Assets	Current Liabilities	3.845	1.461	1.632
- Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.855	1.258	-0.320
- Debt Service Coverage Ratio	Earnings for debt service	Debt service (Interest & Lease Payments + Principal Repayments)	0.242	0.046	4.313
- Return on Equity Ratio	Net profit after tax - Preference Dividend	Average shareholder's equity	0.207	0.057	2.614
- Inventory turnover ratio	Cost of goods sold	Average Inventory	25.863	47.416	-0.455
- Trade Receivables turnover ratio	Net Credit sales (Gross credit sales - sales return)	Average Trade Receivables	14.120	5.685	1.484
- Trade payables turnover ratio	Net credit purchase (Gross credit purchases - purchase return)	Average Trade payables	6.680	7.902	-0.155
- Net capital turnover ratio	Net sales (Total sales - sales Return)	Working capital (Current assets - Current liabilities)	14.022	10.987	0.276
- Net profit ratio	Net profit	Net sales (Total sales - Sales Return)	0.027	0.009	2.138
- Return on Capital employed	Earnings before interest and tax	Capital Employed (Tangible Net worth + Total Debt + Deferred Tax Liability)	0.252	0.075	2.354
- Return on investment	Interest (Financial Income)	Investment	0.026	0.025	0.033

43.10 During the year, company has not entered in any scheme of arrangements as specified in Section 230 to Section 237 of the Companies Act,2013

43.11 The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- (i) 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
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries,

43.12 The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall :

- (i) 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
- (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

43.13 The company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

43.14 The Company has received notice dated March 30, 2023 under section 147 of the Income Tax Act, 1961 for the re-assessment of income of A.Y. 2019-20, notice dated August 09, 2023 u/s 143(2) read with Section 147 of the Income Tax Act, 1961 regarding the scrutiny proceedings and notice dated August 26, 2023 issued u/s 142(1) of the Income Tax Act, 1961 seeking information and documents in respect of ongoing scrutiny proceedings. These scrutiny proceedings have been initiated pursuant to a search & seizure operation carried by the Income Tax Authorities on Chiripal Group and their key persons on 20.07.2022 in which our Company's name has been mentioned in warrant. In the opinion of Management prima facie the Company does not expect material additional liability as a result of Notice U/S 147 r.w.s. 132, hence no provision for the additional income tax liability has been made by the Company.

43.15 The company is not covered under section 135 of the Companies Act. Hence, CSR related disclosures are not made

: Signatures to Notes on Account Note no :1 to 43

UDIN:23016613BGZEZA2147

For and on behalf of the Board

For M/s ANIL SHAH & CO.

Chartered Accountants

FRN : 100474W

Bharatbhushan Agarwal
Director
DIN: 44287

Rikin Agarwal
Director
DIN: 100474W

Anil Shah
Partner
Membership No : 016613

Mohini Singhal
Company Secretary
Membership No. A47724

Place: Ahmedabad
Date: 01.09.2023

Place : Ahmedabad
Date: 01.09.2023

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31.03.2023

NOTE NO: 1: COMPANY INFORMATION

The company was incorporated as private limited company on 23/08/2010 under the Companies Act, 1956, in the state of Gujarat at Bidaj.

The company was engaged in trading of textile products, and has successfully implemented, at Block No. 297, admeasuring 8660 Sq.Mtrs on lease hold land from M/s. Dholi Integrated Spinning Park Ltd. Weaving Project phase -1 and phase -2 , at Dholi Integrated Spinning Park, Village Dholi, TA : Dholka, Dist.: Ahmedabad.

NOTE NO: 2: SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of Financial Statements:-

These financial statements have been prepared under historical cost convention from books of accounts maintained on an accrual basis in conformity with accounting principles generally accepted in India and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India and referred to Sec 129 & 133 of the Companies Act, 2013, of India. The accounting policies applied by the company are consistent with those used in previous year.

2.2 Disclosure of Accounting Policies:-

The Accounting Principles and policies recognized as appropriate for measurement and reporting of the financial performance and the financial position on mercantile system and recognize items of income and expenditure on accrual basis. The statement on Significant Accounting policy excludes disclosures regarding Accounting Standards in respect of which there are no material transactions during year.

2.3 Revenue recognition:-

Revenue is recognized to the extent that it is probable that economic benefits will flow to the company and the revenue can be reliably measured. Commission/adat Income has been recognized on accrual basis.

2.4 Valuation of Inventories:-

Inventories are measured at cost and net realizable value, whichever is lower. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost necessary to make the sale. Cost in respect of raw materials and stock in trade are determined on FIFO basis. Costs in respect of all other Inventories are computed on weighted average basis method. Finished goods and process stock include cost of conversion and other costs incurred in acquiring the inventory and bringing them to their present location and condition.

2.5 Property Plant & Equipment and Capital Work in Progress :-

a)Fixed assets are stated at cost of acquisition or construction. All cost relating to the acquisition and installation of fixed assets (Net of CENVAT/VAT/gst credits where ever applicable) are capitalized and include borrowing costs directly attributable to construction or acquisition of fixed assets, up to the date of asset is put to use and adjustment arising out of exchange rate variation relating to liabilities attributable to those fixed assets.

b)Advances paid towards the acquisition of fixed assets outstanding at each balance sheet date and cost of fixed assets not ready for their intended use before such date are disclosed under capital work-in progress. Work-in progress excludes expenditure pending for capitalization..

2.6 Depreciation :-

Depreciation of Property, Plant and Equipment Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately

on straight-line method. Parts of plant and equipment that are technically advised to be replaced at prescribed intervals / periods of operation, insurance spares and cost of inspection/ overhauling are depreciated separately based on their specific useful life provided these are of significant amounts. The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset. Depreciable amount of an item of property, plant and equipment is arrived at after deducting estimated residual value. The depreciable amount of an asset is allocated on a systematic basis over its useful life. The Company reviews the residual value and useful life at each financial year-end and, if expectations differ from previous estimates, the residual value and useful lives are changed prospectively and accounted for as a change in accounting estimate. Depreciation commences when the item of property, plant and equipment is in the location and condition necessary for it to be capable of operating in the manner intended by management.

2.7 Leases:-

At inception of contract, the Company assesses whether the Contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At inception or on reassessment of a contract that contains a lease component, the Company allocates consideration in the contract to each lease component on the basis of their relative standalone price.

As a lessee

i) Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to dismantle. Right- of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The Company presents right-to-use assets that do not meet the definition of investment property in 'Property, plant and equipment'.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company generally uses its incremental borrowing rate at the lease commencement date if the discount rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount is remeasured when there is a change in future lease payments arising from a change in index or rate. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

The Company presents lease liabilities under financial liabilities in the Balance Sheet.

iii) Short term leases and leases of low value of assets

The Company applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low- value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

2.8 Employee Benefits

Short Term Employee Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months as at the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period.

Other Long Term Employee Benefits

The known liabilities for earned leaves that are not expected to be settled wholly within twelve months are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

Post Employment Benefits

- **Defined Benefit Plans**

The known liability, if any, recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. If any liability in a financial year it is charged to Statement of Profit and Loss account. The defined benefit obligation if any, is calculated annually by Actuaries using the projected unit credit method. In other cases, such expenditure are charged to Statement of Profit and Loss Account considering it as Short Term Benefits when it is crystalizes.

- **Defined Contribution Plan**

Defined contributions, if any, to Statutory Schemes are charged to the statement of profit and loss of the year.

Termination Benefit

Expenditure incurred on Voluntary Retirement Scheme is charged to the statement of profit and loss immediately.

2.9 Government Grants

Assistance by government in the form of transfers of resources to the Company in return for past or future compliance with certain conditions relating to operating activities of the entity other than those which cannot reasonably have a value placed upon them or those that cannot be distinguished from normal trading transactions of the Company are termed as government grants. All government grants are identified as either relating to assets or relating to income. Government grants whose primary condition is that a Company qualifying for them should purchase, construct or otherwise acquire long-

term assets are identified as grants related to assets. Grants other than those related to assets are identified as related to income. Government grants are recognised when there is a reasonable assurance that the Company will comply with the conditions attaching to them and the grants will be received. A forgivable loan from government is treated as a government grant when there is a reasonable assurance that the entity will meet the terms for forgiveness of the loan. The Company recognises Government grants in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Grants related to assets, including non-monetary grants at fair value, are presented in the balance sheet as deferred income. Deferred income is recognised in profit or loss on the basis the related assets are depreciated or amortised if they are related to asset or under other income when the grant becomes receivable. Grants related to income are presented in profit or loss under other income. Grants received in advance before fulfilment of conditions are recognised as Other Liability classified into current or non-current, as appropriate in the circumstances of the case.

2.10 Borrowing Costs

Interest and other costs that the Company incurs in connection with the borrowing of funds are identified as borrowing costs. The Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which it is incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. The Company identifies the borrowings into specific borrowings and general borrowings. Specific borrowings are borrowings that are specifically taken for the purpose of obtaining a qualifying asset. General borrowings include all other borrowings except the amount outstanding as on the balance sheet date of specific borrowings for assets that are not yet ready for use. Borrowing cost incurred actually

2.11 Accounting for Investments:-

Investment, that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments.

2.12 Taxes on Income:-

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax is recognized, on timing differences, being the Difference between taxable incomes and accounting income that originates in one period and are capable of reversal in one or more subsequent periods, if any.

Minimum Alternate Tax (MAT) Credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during specified period. In the year in which the MAT credit becomes eligible, to be recognized as an asset. In accordance with recommendation contained in the guidance note issued by ICAI, said asset is created by way of credit/reversal of provisions to Profit and Loss A/c and shown as MAT Credit Entitlements in Loans and Advances. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, unabsorbed losses and tax credits to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and tax credits will be utilised. The carrying amount of deferred tax

assets is reviewed at the end of financial year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is expected to be settled or the asset realised, based on tax rates and tax laws that have been substantively enacted by the balance sheet date. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

2.13 Contingencies and Events occurring after Balance sheet date:-

Material Events occurring after Balance sheet date are taken into cognizance. There have been no material changes or events since the date of balance sheet affecting financial statements as on the Balance sheet date. Further, the dates of Balance sheet, no events or circumstances have occurred, through properly excluded from the accounts, are of such importance that they should be disclosed through any medium.

2.14 Preliminary Expenditure:-

Preliminary Expenditure is to be apportioned in five equal installments, commencing from the year in which operation has commenced.

2.15 Preoperative Expenses:-

As regards in direct expenditure on project implementation/ construction, are treated as preoperative expenditure pending allocation to fixed assets in progress and is shown as "Preoperative Expenses" under "Other Non Current Assets". The same is transferred to fixed assets on progressive basis and is capitalized along with fixed assets on commencement of commercial activities on pro-rata basis to respective assets.

2.16 Earnings per Share

Basic earnings per share is calculated by dividing the profit or loss for the period attributable to the equity holders of the Company by the weighted average number of ordinary shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. (Refer Note 32)

2.17 Provisions:-

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an out flow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determine based on best estimate required to settle the obligations at the balance sheet date these are review at each balance sheet date and adjusted to reflect the best estimates.

2.18 Contingent Liabilities:-

Contingent Liabilities are determined on the basis of available information and explanations given to us and are disclosed by way of note to the accounts, if any.

SHANTI SPINTEX LIMITED

SUB PLOT 1, UNIT-1, SURVEY NO. 297,
DHOLI INTEGRATED SPINNING PARK LTD,
DHOLI, DHOLKA,
AHMEDABAD, GUJARAT, INDIA – 382 240.

COST AUDIT REPORT FOR THE YEAR 2022-23

COST AUDITOR

Mayur Chhaganbhai Undhad & Co.

Cost Accountants

11, First Floor,

Moonlight Complex,

Gurukul – Drive in Road,

Ahmedabad – 380 052

CRA - 3

FORM OF THE COST AUDIT REPORT

We, **Mayur Chhaganbhai Undhad & Co.**, having been appointed as Cost auditor(s) under section 148(3) of the Companies Act, 2013 (18 of 2013) of **Shanti Spintex Limited** having its registered office at **Sub Plot 1, Unit-1, Survey No. 297, Dholi Integrated Spinning Park Ltd, Dholi, Dholka, Ahmedabad, Gujarat, India -382 240** (hereinafter referred to as the Company), have audited the Cost Records maintained under section 148 of the said act, in compliance with the cost auditing standards (refer para 2(a)), in respect of the product cover under **Textile** (for detail list of product, refer point no.10 of general details of cost auditor of part-A of Annexure to cost audit report) for the period **1st April, 2022 to 31st March, 2023 (2022-23)** maintained by the company and report, in addition to our observations and suggestion in Para 2.

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of this audit.
- (ii) In our opinion, proper cost records, as per rule 5 of the companies (Cost Records and Audit) Rules, 2014 and amendment made to the rule time to time, have been maintained by the Company in respect of products under reference.
- (iii) In our opinion, proper returns adequate for the purpose of the Cost Audit have been received from the branches not visited by us.
- (iv) In our opinion and to the best of our information, the said books and records give the information required by the Companies Act, 2013, in the manner so required.
- (v) In our opinion, company has adequate system of internal audit of cost records which to our opinion is commensurate to its nature and size of its business. Our opinion is based on the information and explanation received from the management.
- (vi) In our opinion, information, statements in the annexure to this cost audit report gives a true and fair view of the cost of production of products, cost of sales, margin and other information relating to products under reference.
- (vii) Detailed unit-wise and product cost statements and schedules thereto in respect of the product under reference of the company duly audited and certified by us are kept in the company.

2 Observations and suggestion, if any, of the Cost Auditor, relevant to the cost audit.

(A) Observation and suggestions:

- a. Revenue from operations for the company of current F.Y.2022-23 is increased by 44.55% (₹ 11355.67 lakhs) as compared to previous F.Y.2021-22.
- b. Profit before tax for the company of current F.Y.2022-23 is increased by 373.08 % (₹ 1115.016 lakhs) as compared to previous F.Y.2021-22.

(B) Notes to Annexure to Cost Audit Report:

- a. We have audited the Cost Records maintained under section 148 of the said act, in compliance with the cost auditing standards approved by MCA till the date of signing cost audit report.
- b. Previous year figures have been regrouped and rearrange to make them comparable with the current year figures.
- c. The company as a whole has carried out the transaction with related parties which are at arm's length price. Para 5 of Part D of Annexure to the Cost Audit Report is prepared in line with the information reported in the audited Annual Report of the company. Normal Price and basis adopted to determine the normal price are as certified by the management. However detailed verification of the same has not been carried out by us.
- d. Reconciliation of the indirect taxes for the company as a whole (Para 6 of Part D of Annexure to Cost Audit Report) are based on the monthly returns submitted by the company to GSTIN. This has been prima facie reviewed by us however detailed verification of the same has not been carried out by us.

- e. The Unit of Measurement (UOM) for each Customs Tariff Act Heading, wherever applicable, shall be the same as provided for in the Custom Tariff Act, 1975 (51 of 1975) corresponding to that particular Customs Tariff Act Heading. However for CTA 52094200 (Textiles) Unit of Measurement as per the Custom Tariff Act, 1975 is M² while the company has Unit of Measurement is MTR. which as per the industry practice. Hence, the company continued the same practice for preparation of cost records and annexure to the cost audit report.

Dated: this 01st day of September, 2023 at Ahmedabad.

**For, Mayur Chhaganbhai Undhad & Co.
Cost Accountants
FRN NO: 103961**

**Mayur Undhad
Proprietor
M/N: 37444
UDIN: 2337444A155ZC3BFOC**

SHANTI SPINTEX LIMITED

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DHOLI INTEGRATED SPINNING PARK LTD,
DHOLI, DHOLKA,
AHMEDABAD, GUJARAT, INDIA – 382 240.

ANNEXURE TO COST AUDIT REPORT

FOR THE YEAR 2022-23

INDEX

Sr. No.	Details of Statements	Pages
	Annexure to Cost Audit Report	
1.	PART-A	
	Para-1	1
	Para-2	2
	Para-3	3 - 4
	Para-4	5

2.	PART-B	
	Para-1 ,2 ,2A ,2B (CTA Product wise)	6 – 9
3.	PART-C	NIL
4.	PART-D	
	Para-1	10
	Para-2	11
	Para-3	12
	Para-4	13
	Para-5	14
	Para-6	15
	Total Pages	15

For, Shanti Spintex Limited

BHARATBHUSHAN O. AGARWAL
(Director)
DIN: 00302785

RIKIN B. AGARWAL
(Director)
DIN: 02435645

Date: 01-09-2023
Place: Ahmedabad

Shanti Spintex Limited
Sub Plot 1, Unit-1, Survey No. 297,
Dholi Integrated Spinning Park Ltd , Dholi, Dholka,
Ahmedabad , Gujarat , India - 382 240.

PART - A 1. GENERAL INFORMATION

A	General information compliance	
1	Corporate identity number or foreign company registration number	U17120GJ2010PTC062084
2	Name of company	SHANTI SPINTEX LIMITED
3	Address of registered office or of principal place of business in India of company	Sub Plot 1, Unit-1, Survey No. 297, Dholi-Integrated Spinning Park Limited, Dholi, Dholka, Ahmedabad - 382240
4	Address of corporate office of company	Sub Plot 1, Unit-1, Survey No. 297, Dholi-Integrated Spinning Park Limited, Dholi, Dholka, Ahmedabad - 382240
5	Email address of company	shantispintex10@gmail.com
6	Date of start of reporting period	01-04-2022
7	Date of end of reporting period	31-03-2023
8	Date of start of first previous financial year	01-04-2021
9	Date of end of first previous financial year	31-03-2022
10	Level of rounding used in cost statements	Lakhs
11	Whether Indian Accounting Standards are applicable to the company	No
12	Number of cost auditor(s) for reporting period	1
13	Date of board of directors' meeting in which annexure to cost audit report was approved	01-09-2023
14	Whether cost auditors report has been qualified or has any reservations or contains adverse remarks	No
15	Consolidated qualifications, reservations or adverse remarks of all cost auditors	Nil
16	Consolidated observations or suggestions of all cost auditors	The observations of the cost auditor are provided in the cost audit report (FORM CRA-3 Para 2).
17	Whether company has related party transactions for sale or purchase of goods or services	Yes

Shanti Spintex Limited
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PART - A 2. GENERAL DETAILS OF COST AUDITOR

Sr No.	Particulars	Cost Auditor1
1	Whether cost auditor is lead auditor	Yes
2	Category of cost auditor	Proprietor
3	Firm's registration number	103961
4	Name of cost auditor's firm	Mayur Chhaganbhai Undhad & Co.
5	PAN of cost auditor's firm	AELPU0055J
6	Address of cost auditor's firm	11, First Floor, Moonlight Complex, Gurukul - Drive In Road ,Ahmedabad- 380052.
7	Email id of cost auditor's firm	undhadmayur.1237@gmail.com
8	Membership number of member signing report	37444
9	Name of member signing report	Mayur Chhaganbhai Undhad
10	Names of products with CTA heading	Note-1
11	SRN number of form CRA-2	F52677408
12(a)	Number of audit committee meeting(s) during the year for which Cost Auditor was invited	Nil
12(b)	Number of audit committee meeting(s) attended by cost auditor during year	Nil
13	Date of signing cost audit report and annexure by cost auditor	01-09-2023
14	Place of signing cost audit report and annexure by cost auditor	Ahmedabad

Note-1: Name(s) of product(s) or service(s) with CTA heading

Sr No.	Name of the Product	CTA heading
1	Grey fabric	52094200

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PART - A 3. COST ACCOUNTING POLICY

1	Briefly describe the cost accounting policy adopted by the Company and its adequacy or otherwise to determine correctly the cost of production/operation, cost of sales, sales realization and margin of the product(s)/service(s). The policy shall cover, inter alia, the following areas:
	The Company is in business of manufacturing of Textile Goods, which includes Grey Fabric. The Company is following historical system of Cost Accounting to determine the cost of production/operation, cost of sales, sales realization and margin separately for each product/activity and also for each product. The company is maintaining integrated costing and finance system in computer based software TALLY. At the end of the year cost statements are prepared separately for each product/activity. The cost statements are in line with the process of manufacture and methodology is reasonably correct for cost determination of the products and activities as per FORM CRA -1 of the Companies (Cost Records and Audit) Amendment Rules, 2014 and various amendment made to the rules time to time.
A	Identification of cost centres / cost objects and cost drivers.
	Cost centres are identified in the software on the basis of production process of the various products manufactured by the company. Cost centres are mainly divided in three parts: (i) Production cost centre, (ii) Service cost centre and (iii) Overhead cost centre. Cost of Service cost centre and Production overheads are re allocated to production cost centre on suitable basis.
B	Accounting for material cost including packing materials, stores and spares, employee cost, utilities and other relevant cost components.
	Item wise raw material details are maintained for receipt, issues and balance in quantity and value. Consumption of raw material for production is allocated on the product on the basis of actual consumption for each and every production activity.
	The unit is maintained complete details of waste generated (usable and saleable), reused ,sale and stock . The saleable waste valued at market price.
	Various expenses of conversion cost like stores consumption, salary and wages, repairs and maintenance, power consumption etc., are begin allocated to various cost centers on reasonably identifiable bases.
C	Accounting, allocation and absorption of overheads.
	Overheads are mainly divided in (i) Production Overheads, (ii) Administration and Corporate Overheads, (iii) Selling & Distribution Overheads and (iv) Finance Overheads. The Production Overheads are segregated between fixed expense and variable expense. Fixed expenses are recovered on products on the basis of Production. While variable expenses are recovered on the products on the basis of actual production at each centre. Other Overheads are allocated to products on the bases of turnover.
D	Accounting for depreciation / amortization.
	Depreciation is first allocated to the various cost centre on the base of identification of assets. Then the same is charged to product on the bases of Production.

E	Accounting for by-products/joint-products or services, scraps, wastage etc.
	Credit for By product is given to the main product at net realisable value.
F	Basis for Inventory Valuation.
	Semi finished goods & finished goods are valued at cost of production.
G	Methodology for valuation of Inter-Unit/Inter Company and Related Party transactions.
	The unit has made inter company and related party transaction.
H	Treatment of abnormal and non-recurring costs including classification of other non-cost items.
	Abnormal and non-recurring costs are excluded from costing and shown in the reconciliation statement.
I	Other relevant cost accounting policy adopted by the Company.
	Cost which is relevant to the cost of production or cost of sales is charged to the product on suitable basis.
2	Briefly specify the changes, if any, made in the cost accounting policy for the products under audit during the current financial year as compared to the previous financial year.
	There is no significant change in cost accounting policy as compare to pervious year for preparation of cost accounting records.
3	Disclosure regarding adequacy of budgetary control system, if any. Followed by the company.
(A)	Budgetary Policy :
	The company is preparing budget on annually and periodically compare the actual with budget and corrective action are being taken for major variance with actual.
(B)	Observation of Cost Auditor
	The Budgetary Control System is adequate to its nature and size of business.

Shanti Spintex Limited
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PART - A 4. PRODUCT/SERVICE DETAILS (for The company as a whole)

(₹ In Lakhs)

Name of Product(s)/Service(s)	UOM	CTA Chapter Heading	Whether Covered Under Cost Audit Yes or No	Net Operational Revenue	
				2022-23	2021-22
Finished fabric	MTR.	52094200	YES	31,101.384	13,635.254
RM Sales Yarn	MTR.		NO	5,738.798	11,855.686
Scrap Sales	MTR.	52094200	NO	7.519	1.091
Total Net Operational Revenue of Manufactured Product or Service				36,847.701	25,492.031
Other Operating Incomes of Company					
Wind Mill Power Generation Income (Gross)				193.040	
Total Operating Incomes of Company				37,040.742	25,492.031
Other Incomes of company				30.528	33.347
Total revenue as per financial accounts				37,071.270	25,525.378
(i) Exceptional and Extra Ordinary Income					
(ii) Other Comprehensive Income if any					
Total revenue including Exceptional, Extra Ordinary and Other Comprehensive Income if any				37,071.270	25,525.378
Turnover as per Excise/Service Tax/GST Records				36,821.552	25,286.348

Shanti Spintex Limited**Sub Plot 1, Unit-1, Survey No. 297,****Dholi Integrated Spinning Park Ltd , Dholi, Dholka,****Ahmedabad , Gujarat , India - 382 240.****PART - B 1. QUANTITATIVE INFORMATION**

Name Of The Product	Finished fabric		
CTA heading	52094200		
Particulars	Unit	2022-23	2021-22
1. Available Capacity			
(a) Installed Capacity	MTR	-	-
(b) Capacity Enhanced During The Year, If Any	MTR	-	-
(c) Produced Available Through Leasing Arrangements , If any	MTR		
(d) Produced Available Through Loan Licence / Third Parties	MTR	-	-
(e) Total Available Capacity		-	-
2. Actual Production			
(a) Self Manufactured	MTR	1,56,15,697	75,21,254
(b) Produced Under Leasing Arrangements	MTR		
(c) Produced On Loan Licence / By Third Parties On Job Works	MTR		
(d) Total Production		1,56,15,697	75,21,254
3. Production As Per Excise/GST Records	MTR	1,56,15,697	75,21,254
4. Capacity Utilization (In-House)		0.00%	0.00%
5. Finished Goods Purchased			
(a) Domestic Purchase	MTR		
(b) Imports	MTR		
(c) Total Purchase		-	-
6. Stocks & Other Adjustments			
(a) Change In Stock Of Finished Goods	MTR	(1,85,652)	(54,807)
(b) Self / Captive Consumption (Incl. Samples Etc.)	MTR	-	-
(c) Other Quantitative Adjustments, If Any (wastage etc.)	MTR	-	-
(d) Total Adjustments		(1,85,652)	(54,807)
7. Total Available Quantity For Sale [2(d) + 5(c) + 6(d)]		1,54,30,045	74,66,447
8. Actual Sales			
(a) Domestic Sales of Product	MTR	1,54,30,045	74,66,447
(b) Domestic Sales of Traded Product	MTR		
(c) Export Sales of Product	MTR		
(d) Export Sales of Traded Product	MTR		
(e) Total Quantity Sold		1,54,30,045	74,66,447

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PART - B 2. ABRIDGED COST STATEMENTS

Name Of Product	Finished fabric
CTA heading	52094200
Unit Of Measure	MTR

Year	Production	Finished Goods Purchased	Finished Stock Adjustment	Captive Consumption	Other Adjustments	Quantity Sold
2022-23	1,56,15,697	-	(1,85,652)	-	-	1,54,30,045
2021-22	75,21,254	-	(54,807)	-	-	74,66,447

(₹ In Lakhs)

Sr No.	Particulars	2022-23		2021-22	
		Amount	Rate per Unit (₹)	Amount	Rate per Unit (₹)
1	Materials Consumed (as per Para 2A)	28,906.73	185.113	11,558.07	153.672
2	Process Material / Chemicals		-		-
3	Utilities (as per Para 2B)	705.80	4.520	498.06	6.622
4	Direct Employees Cost	225.85	1.446	195.96	2.605
5	Direct Expenses		-		-
6	Consumable Stores & Spares	69.58	0.446	32.12	0.427
7	Repairs & Maintenance	0.64	0.004	0.71	0.009
8	Quality Control Expenses		-		-
9	Research & Development Expenses		-		-
10	Technical Know-How Fee or Royalty		-		-
11	Depreciation or Amortization	397.48	2.545	663.89	8.827
12	Other Production Overheads	194.88	1.248	258.75	3.440
13	Industry Specific Operating Expenses (as per Para 2C)		-		-
14	Total of Inputs and Conversion Cost (1 to 13)	30,500.95	195.322	13,207.57	175.603
15	Increase /Decrease In Work In Progress	(780.21)		(7.37)	
16	Less: Credits For Recoveries	(7.52)	(0.048)	(1.09)	(0.014)
17	Primary Packing Cost		-		-
18	Cost Of Production or Operations (14 + 15 to 17)	29,713.22	195.274	13,199.11	175.589
19	Cost of Finished Goods Purchased				
20	Total Cost of Production and Purchase (18 + 19)	29,713.22	195.274	13,199.11	175.589
21	Increase /Decrease in Stock Of Finished Goods	(348.68)		(98.63)	
22	Less: Self or Captive Consumption (incl. Samples, etc.)	-		-	
23	Other Adjustments (if any)	-		-	
24	Cost Of Production or Operation of Goods or services sold (20 + 21 to 23)	29,364.54	190.308	13,100.47	175.458
25	Administrative Overheads	108.99	0.706	97.93	1.312
26	Secondary Packing Cost	-	-	-	-
27	Selling & Distribution Cost	10.63	0.069	10.65	0.143
28	Cost Of Sales before Finance Charges (24 to 27)	29,484.16	191.083	13,209.05	176.912
29	Finance Cost	259.62	1.683	238.04	3.188
30	Cost Of Sales (28 + 29)	29,743.78	192.765	13,447.09	180.100
31	Net Sales Realization	31,101.38	201.564	13,635.25	182.620
32	Amount of Margin as per cost accounts (31-30)	1,357.60	8.798	188.16	2.520

PART - B 2A. Details of Materials Consumed	
Name of Product	Finished fabric
CTA heading	52094200

(₹ in Lakhs)

Description of Material	Category	UOM	2022-23			2021-22		
			Quantity	Rate	Amount	Quantity	Rate	Amount
Yarn	Purchased Material	MTR		-	28,906.728		-	11,558.073
				-			-	
Grand Total					28,906.728			11,558.073

PART - B 2B. Details of Utilities Consumed	
Name of Product	Finished fabric
CTA heading	52094200

(₹ in Lakhs)

Description of Material	Category	UOM	2022-23			2021-22		
			Quantity	Rate	Amount	Quantity	Rate	Amount
Utilities-Power	Indigenous purchase	KWH		-	705.799		-	498.061
Grand Total					705.799			498.061

Shanti Spintex Limited
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PART - D 1. PRODUCT AND SERVICE PROFITABILITY STATEMENT (for audited products/services)

(₹ in Lakhs)

Sr.No.	Particulars	2022-23			2021-22		
		Sales Rs.	Cost of Sales Rs.	Margin Rs.	Sales Rs.	Cost of Sales Rs.	Margin Rs.
	PRODUCTS						
1	Finished fabric	31,101.384	29,743.781	1,357.603	13,635.254	13,447.091	188.164
	SERVICE						
	Total	31,101.384	29,743.781	1,357.603	13,635.254	13,447.091	188.164

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PART - D 2. PROFIT RECONCILIATION (For The Company As A Whole)

(₹ in Lakhs)			
Sr. No.	Particulars	2022-23	2021-22
1	Profit or Loss As Per Cost Accounts		
	(A) For the Audited Product(s)/Service(s)	1,357.60	188.16
	Total	1,357.60	188.16
	(B) For the Un-Audited Product(s)/Service(s)		
	- Windmill Income	43.22	
	- RM Sales Margin	49.43	120.55
	Total	92.65	120.55
2	Add: Incomes Not Considered In Cost Accounts (specify details)		
	Interest Income	3.83	5.05
	Interest on Fixed Deposit	2.01	0.03
	Rebate	0.44	0.03
	Vatav Kasar	0.17	0.05
	Comission		1.27
	Discount Received	9.53	1.51
	Bad Debts Recovered		9.72
	Creditors w/off	2.16	10.31
	Excess provision of previos year written back		5.37
	Unclaimed Salary of earlier years written back	8.44	
	Actuarial Gain (Gratuity)	3.95	
	Rate Difference & Quality Claim(Purchase) (Refer Note No. 23.1)	-	
	Rounding Off		0.00
	Sub Total	30.53	33.35
3	Less: Expenses Not Considered In Cost Accounts (specify details)		
	Late Fees GST	0.00	0.00
	Excess income on Bank FD booked earlier W/off	0.82	
	Penalty	0.74	
	Sundry Debtors/ Creditors w/off	6.08	
	TCS Expenses (write off)	0.02	
	Donation Exp	0.15	
	Bad debts w/off		58.98
	Interest on Late payment of GST	0.00	2.49
	Interest on Late payment of TDS	0.09	0.08
	Vat Exps.		0.14
	Cgst Penalty		0.49
	Sgst Penalty		0.49
	Prior Period Exp	2.99	1.09
	Sub Total	(10.90)	(63.77)
4	Difference in Valuation of stock between financial accounts and cost accounts		
	(Increase/decrease (+/-))		
	- As per Financial Accounts	1,072.89	126.57
	- As per Cost Accounts	1,128.89	106.00
	Difference	(56.00)	20.57
5	Under/Over Absportion(+/-)		
	Profit or Loss As Per Financial Accounts (Excluding other Comprehensive Income)	1,413.88	298.87

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PART - D 3. VALUE ADDITION AND DISTRIBUTION OF EARNINGS (For The Company As A Whole)

(₹ in Lakhs)

Sr. No.	Particulars	2022-23	2021-22
	Value Addition :		
1	Revenue from Operations	37,040.74	25,492.03
2	Less: Taxes and Other Duties		
3	Net Revenue from Operations	37,040.74	25,492.03
4	Add: Export Incentives		
5	Add / Less: Adjustments In Finished Stocks	1,072.89	126.57
6	Less: Cost Of Bought Out Inputs		
	(a) Cost Of Material Consumed	33,289.08	22,340.21
	(b) Process Material / Chemicals		
	(c) Consumption Of Stores & Spares		
	(d) Utilities (e.g. Power & Fuel)	705.80	498.06
	(e) Cost of Other Bought Inputs	2,018.13	1,560.78
	Total Cost Of Bought Out Inputs	36,013.01	24,399.05
7	Value Added	2,100.62	1,219.55
8	Add: Incomes from any Other sources	30.53	33.35
9	Add : (i) Exceptional and Extra Ordinary Income	-	-
	(ii) Other Comprehensive Income if any	-	-
10	Earnings Available For Distribution	2,131.15	1,252.90
	Distribution Of Earnings To:		
1	Employees As Salaries & Wages , Retirement Benefits, Etc.	254.82	215.01
2	Shareholders As Dividend		
3	Company As Retained Funds	1,464.35	897.40
4	Governments As Taxes	401.08	76.72
5	Exceptional And Extra Ordinary Expenses If Any		
6	Others, if any (specify)		
	- Non Cost Items	10.90	63.77
7	Total Distribution Of Earnings	2,131.15	1,252.90

Shanti Spintex Limited**Sub Plot 1, Unit-1, Survey No. 297,****Dholi Integrated Spinning Park Ltd , Dholi, Dholka,****Ahmedabad , Gujarat , India - 382 240.****PART - D 4. FINANCIAL POSITION AND RATIO ANALYSIS (for the company as a whole)**

Sr. No.	Particulars	Units	2022-23	2021-22
A.	Financial Postion			
1	Share Capital	₹/lakh	710.00	710.00
2	Reserves & Surplus	₹/lakh	4,899.70	3,160.72
3	Long Term Borrowings	₹/lakh	3,063.29	3,937.38
4	(a) Gross Assets	₹/lakh	8,857.82	7,370.29
	(b) Net Assets	₹/lakh	6,415.21	4,059.80
5	(a) Current Assets	₹/lakh	10,790.25	6,658.39
	(b) Less: Current Liabilities	₹/lakh	8,149.21	4,337.84
	(c) Net Current Assets	₹/lakh	2,641.04	2,320.56
6	Capital Employed	₹/lakh	7,918.30	6,431.81
7	Net Worth	₹/lakh	5,609.70	3,870.72
B.	Financial Performance			
1	Value Added	₹/lakh	2,100.62	1,219.55
2	Net Revenue from Operations of Company	₹/lakh	37,040.74	25,492.03
3	Profit Before Tax (PBT)	₹/lakh	1,413.88	298.87
C.	Profitability Ratios			
1	PBT To Capital Employed (B3/A6)	%	17.86%	4.65%
2	PBT To Net Worth (B3/A7)	%	25.20%	7.72%
3	PBT To Value Added (B3/ B1)	%	67.31%	24.51%
4	PBT To Net Net Revenue from Operations (B3/ B2)	%	3.82%	1.17%
D.	Other Financial Ratios			
1	Debt-Equity Ratio		0.546	1.017
2	Current Assets To Current Liabilities		1.324	1.535
3	Value Added To Net Revenue from Operations	%	5.67%	4.78%
E.	Working Capital Ratio			
1	Raw Materials Stock To Consumption	Months	0.18	0.20
2	Stores & Spares To Consumption	Months	-	-

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PART - D 5. RELATED PARTY TRANSACTIONS (For the company as a whole)

(₹ in Lakhs)

Sr.No.	Name and CIN of Related Party	Name of the Product/Service	Nature of Transaction (Sale,Purchase,Services,etc.)	Quantity	Transfer Price	Amount	Normal Price	Basis Adopted to determine the Normal Price
1	Sparsh Fabrics Pvt. Ltd.	Yarn	Purchase	1,00,677.68	245.500	247.164	245.500	Any Other Method Approved By Management
2	Rikin Fabrics Pvt. Ltd.	Yarn	Purchase	28,162.00	230.807	65.000	230.807	Any Other Method Approved By Management
3	Sparsh Fabrics Pvt. Ltd.	Fabrics Sales	Sales	4,43,148.42	294.022	1,302.953	294.022	Any Other Method Approved By Management
4	Rikin BharatBhushan Agarwal	Remuneration to director -	Remuneration to director -		-	6.000	-	Any Other Method Approved By Management

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PART - D 6. RECONCILIATION OF INDIRECT TAXES (For the company as a whole)

(₹ in Lakh)

Sr. No.	Particulars	Taxable Value/Assessable Value	Excise Duty/VAT, CST, Cess etc./Other State Taxes if any	CGST	SGST/UTGST	IGST	Cess and others
	Duties/Taxes Payable						
	Excise Duty						
1	Domestics						
2	Export						
3	Stock Transfers (Net)						
4	Duty Free Clearance, Others etc.						
5	Total Excise Duty (1 to 4)	-	-	-	-	-	-
6	VAT, CST, Cess etc.						
7	Other State Taxes if any						
	Goods & Services Tax						
8	Outward Taxable Supplies (other than zero rated, Nil Rated and Exempted)	36,821.552		921.461	921.461	3.164	
9	Outward Taxable Supplies (zero rated)	-		-	-	-	
10	Inward Supplies (liable to Reverse Charge)	80.028		2.523	2.523	-	
11	Other Outward Supplies (Nil Rated, Exempted)	-		-	-	-	
12	Non-GST Outward Supplies	-		-	-	-	
13	Total (8 to 12)	36,901.580	-	923.984	923.984	3.164	-
14	Total Duties / Taxes Payable (5+6+7 to 13)	36,901.580	-	923.984	923.984	3.164	-
	Duties/ Taxes paid [by Utilisation of Input Tax Credit and Payment through Cash Ledger, as the case may be]						
15	CGST/CENVAT			772.270	-	0.034	
16	SGST/UTGST/VAT			-	900.015	-	
17	IGST			149.191	21.446	3.131	
18	Cess			-	-	-	
19	Transitional Credit			-	-	-	
20	Others, if any (Specify)			-	-	-	
21	Total Input Tax Credit Utilised (15 to 20)	-	-	921.461	921.461	3.164	-
22	Payment through Cash Ledger			2.523	2.523	-	
23	Total Duties / Taxes Paid (21+22)	-	-	923.984	923.984	3.164	-
	Difference Between Duties / Taxes Paid and Recovered		-	(0.000)	(0.000)	(0.000)	-
24	Interest / Penalty / Fines Paid			0.002	0.002	-	