**AASTHA SPINTEX PRIVATE LIMITED**

## DIRECTORS' REPORT

**To**
**The Members,**
**AASTHA SPINTEX PRIVATE LIMITED**

Your directors are pleased to present their Annual Report and the Company's audited financial statement for the financial year ended March 31, 2021.

**FINANCIAL RESULTS:**

The Company's financial performance, for the year ended March 31, 2021 is summarized below:

Amount in (Rs.)

| Particulars | YEAR ENDED ON 2020-21 | Year 2019-20 |
|---|---|---|
| **TOTAL INCOME** | 1,84,93,41,157 | 1,99,55,51,178 |
| **TOTAL EXPENDITURE** | 1,80,61,36,727 | 1,96,03,84,425 |
| **PROFIT BEFORE TAX** | 4,32,04,430 | 3,51,66,753 |
| Less: Current Tax | | |
| MAT Credit | | |
| Deferred Tax | (72,95,000) | (39,88,000) |
| **PROFIT FOR THE YEAR** | 3,59,09,430 | 3,11,78,753 |

**COMPANY'S PERFORMANCE:**

During the year the Company has earned income of Rs.1849341157 as compared to last year of Rs.1995551178. Accordingly net profit if the Company also decreased from Rs.31178753 to Rs.35909430.

**DIVIDEND:**

Your directors do not recommend any dividend for this financial year ended 31.03.2021.

**TRANSFER TO RESERVE:**

During the year under review, the Board does not propose to carry any amount to reserves out of profit.

**CHANGE IN NATURE OF BUSINESS:**

During the year under review, there was no change in the nature of business of the Company.

**MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

In terms of Section 134(3)(i) of the Companies Act, 2013, it is reported that, except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

**SIGNIFICANT AND MATERIAL ORDERS:**

There are no material orders passed by Regulators, Courts or Tribunals impacting the going concern status and company's operations in future.

**INTERNAL FINANCIAL CONTROLS:**

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

**FORMAL EVALUATION BY BOARD OF ITS OWN PERFORMANCE:**

The Statement in respect of Formal Evaluation by the Board of its own performance and that of its committees and individual directors is not applicable to the Company.

**DETAILS OF SUBSIDARY, JOINT VENTURE OR ASSOCIATE COMPANIES:**
The company does not have any Associate firm, Joint Venture or subsidiary.

**DEPOSITS:**
The Company has not accepted any deposits from the public within the meaning of section 73 of the companies Act, 2013 and Rules made their under.

**AUDITOR & AUDITOR'S REPORT:**

**M/s. S. N. SHAH & ASSOCIATES**, Chartered Accountants, Statutory Auditor of the Company has been appointed for the term of 5 years from F.Y. 2021-22 and holds office till the conclusion of Annual General Meeting for the Financial Year ending on 31st March, 2026.

The Notes on the financial statement referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation or adverse remark.

**EXTRACT OF ANNUAL RETURN**

Pursuant to the Section 92, 134 and Rule 12 of Companies (Management and Administration) Amendment Rules, 2020, The Company is not required to prepare Form MGT-9. Hence, there is no requirement to attach the Extract of the Annual Return in the Board's Report.

The Company shall place a copy of the annual return in Form MGT-7/Form MGT-7A (as per the applicability) on its website, if any.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:**

Company had adopted necessary technology and had taken initiatives to conserve the energy wherever possible and same being not in reportable size, hence the details as required to be reported under Rules 8(3) Companies (Accounts) Rules, 2015, is not given.

**FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The Company has no foreign exchange earnings and outgoing during the year under review.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the year, there are no change in directors of the Company.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Your directors state that:

a) In the preparation of the annual accounts for the year ended March 31, 2021, the applicable accounting standards read with requirements set out under schedule III to the Act, have been followed and there are no material departures from the same;

b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the profit of the Company for the year ended on that date;

c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d) The Directors have prepared the annual accounts on a 'going concern' basis;

e) 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

f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**MEETINGS OF THE BOARD:**
5 meetings of the Board of Directors were held during the year.

| SR. NO. | DATE OF BOARD MEETING |
|---|---|
| 1 | 01/05/2020 |
| 2 | 01/08/2020 |
| 3 | 28/10/2020 |

| | |
|---|---|
| 4 | 01/01/2021 |
| 5 | 05/03/2021 |

**ISSUE OF EQUITY SHARES WITH DIFFERENTIAL VOTING RIGHTS/SWEAT EQUITY SHARES/EMPLOYEE STOCK OPTION SCHEME:**

The Company has not issued any equity shares with differential voting rights or sweat equity shares or employee stock option scheme. Hence disclosure regarding the same is not given.

**PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED:**

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan given covered under the provisions of section 186 of the Companies Act, 2013 are provided in the notes to financial statements.

**CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:**

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis.
During the year, Company has not entered into any contract or arrangement or agreements with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013.

**VIGIL MECHANISM:**

The Company has not developed and implemented any vigil mechanism as the said provisions are not applicable.

**CORPORATE SOCIAL RESPONSIBILITY**

The provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility does not applicable to the Company.

**RISK MANAGEMENT POLICY**

The provisions related to risk management policy does not applicable to the Company.

**PARTICULARS OF EMPLOYEES**

There are no employees of the Company drawing remuneration required disclosure of information under Section 134 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

**DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**MAINTENANCE OF COST RECORDS**

In accordance with section 148 of the Companies act, 2013 read with the companies (cost records and audit) amendments rules, 2014, the maintenance of cost records is not applicable to company for F.Y.2020-21.

**DETAIL OF FRAUD AS PER AUDITORS REPORT**

As per auditor's report, no fraud u/s 143(12) reported by the auditor.

**BOARD'S COMMENTS ON AUDITORS REPORT:**

Observation made by the Statutory Auditors in their Report are self-explanatory and therefore, do not call for any further comments under section 134(3)(f) of the Companies Act, 2013.

**STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS:**

There is no mandatory requirement to appoint Independent Director of the Company. Therefore, a provision of Section 149(6) does not applicable to the Company.

**COMPLIANCE WITH SECRETARIAL STANDARDS:**

Your Director's confirm that, Company complies with applicable mandatory Secretarial Standards issued by The Institute of Company Secretaries of India.

**SECRETARIAL AUDIT REPORT:**

As per the provision of section 204 of the Companies Act,2013 and rule made there under the company is not required to appoint Secretarial Auditor to audit the Secretarial Compliances of Companies Act and all other act as applicable to the company.

**NOMINATION AND REMUNERATION OF COMMITTEE:**

As per the provision of section 178(1) of the Companies Act, 2013 and rules made there under, the company is not required to constitute nomination and remuneration of committee.

**CONSOLIDATED FINANCIAL STATEMENTS**

Company doesn't have any subsidiaries so there is no need to prepare consolidated financial statement for the F.Y. 2020-21.

**ACKNOWLEDGMENT:**

Your directors would like to express their sincere appreciation for the assistance and co-operation received from the customers, vendors, banks, members and government authorities during the year under review. Your directors also wish to place on record their deep sense of appreciation for the committed services by the company's staff and workers.

**BY ORDER OF THE BOARD OF DIRECTORS,**

**M/S AASTHA SPINTEX PRIVATE LIMITED**

| | |
|---|---|
| **DIVYANG JASHWANT PATEL** | **VIVEK R. GOTHI** |
| **(DIRECTOR)** | **(DIRECTOR)** |
| **DIN: 03148915** | **DIN: 03149400** |

**DATE: 02.11.2021**
**PLACE: AHMEDABAD**

# INDEPENDENT AUDITOR'S REPORT

To,
The Members,
AASTHA SPINTEX PRIVATE LIMITED
AHMEDABAD.

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS:

### OPINION:

We have audited the accompanying financial statements of AASTHA SPINTEX PRIVATE LIMITED, which comprise the Balance Sheet as at March 31, 2021 and the Statement of Profit and Loss and 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 Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit and cash flows for the year ended on that date.

### BASIS FOR OPINION:

We conducted our audit in accordance with the standards on auditing 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 Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### KEY AUDIT MATTERS:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

**INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON:**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

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

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

**MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS:**

The Company's Board of Directors is responsible for the matters in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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.

S. N. SHAH & ASSOCIATES
AHMEDABAD
CHARTERED ACCOUNTANTS

The 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 skepticism throughout the audit. We also:

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

S. N. SHAH & ASSOCIATES * AHMEDABAD * CHARTERED ACCOUNTANTS

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 issued by The Central Government Of India in term of section 143 (11) of The Companies Act, 2013, we enclose in the **Annexure-A** hereto a statement on the matters specified in paragraphs 3 and 4 of the said order, to the extent applicable to the company.

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 appears from our examination of those books;

c) The Balance Sheet, Statement of Profit and Loss & Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;

e) On the basis of written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013;

f) With respect to the adequacy of internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure-B; and

S. N. SHAH & ASSOCIATES AHMEDABAD CHARTERED ACCOUNTANTS

g) With respect to the other matters 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 does not have any pending litigations which would impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. There was no requirement to transfer any amount in the Investor Education and Protection Fund by the Company.

FOR AND ON BEHALF OF
S. N. SHAH & ASSOCIATES,
CHARTERED ACCOUNTANTS,
FIRM REG. NO. 109782W

S. N. SHAH & ASSOCIATES AHMEDABAD CHARTERED ACCOUNTANTS

PRIYAM S SHAH
PARTNER
M. No. 144892

PLACE: AHMEDABAD
DATED: 02nd November, 2021
**UDIN:21144892AAAAGQ2169**

## ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to Our Report of even date to the members of AASTHA SPINTEX PRIVATE LIMITED on the accounts of the company for the year ended 31st March, 2021:

On the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanation given to us during the course of audit **read with Notes on Accounts No. '1' to '24' to the Financial Statements, Note No. 1 on Significant Accounting Policies and Note No. 25 on Additional Information to the Financial Statements**, we further report that:

i. In respect of its fixed assets:

a) According to the information and explanations given to us, the company has maintained proper records of fixed assets showing full particulars including quantitative details and situation of fixed assets.

b) As explained to us, the management in accordance with a phased program of verification adopted by the company has physically verified the fixed asset. To the best of our knowledge, no material discrepancies have been noticed on such verification or have been reported to us.

c) According to the information and explanations given to us and on the basis of the examination of the records of the company, the title deeds of immovable properties are held in the name of the Company.

ii. The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.

iii. According to information and explanation given to us, the company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not applicable.

iv. According to the information and explanations given to us, the company has not entered into any transaction of the nature referred to in Sections 185 and 186 of The Companies Act, 2013 in respect of any loans, investments, guarantees and security.

v. According to the information and explanations given to us, the company has complied with the directives issued by the Reserve Bank of India, if applicable and the provisions Section 73 to 76 of The Companies Act, 2013, and The Companies (Acceptance of Deposits) Rules, 2014 in respect of deposits accepted by the company. According to the information and explanations given to us, the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal has not issued any order in respect of the deposits accepted by the company.

S. N. SHAH & ASSOCIATES AHMEDABAD CHARTERED ACCOUNTANTS

vi. We have broadly reviewed the cost records maintained by the Company pursuant to rules made by the Central Government under section 148 (1). We are of the opinion that prima facie the prescribed accounts and records have been maintained and made. We have however, not made a detailed examination of these records with a view to determine whether they are accurate or complete.

vii. In respect of Statutory Dues:

a) As per the information & explanations furnished to us, in our opinion the company is generally regular in depositing with appropriate authorities undisputed statutory dues of T.D.S., Provident Fund, GST and other material statutory dues applicable to it. There has been no outstanding as at 31st March, 2021 of undisputed liabilities outstanding for more than six months.

b) According to information and explanations given to us and so far as appears from our examination of books of account, there were following statutory dues outstanding as at 31st March, 2021 which have not been deposited on account of any dispute.

| Sr No. | Proceeding Name | Assessment Year | Amount |
|---|---|---|---|
| 1. | Proceeding u/s 143(3) | 2014-15 | 13,100/- |
| 2. | | 2017-18 | 12,240/- |
| 3. | | 2018-19 | 6,450/- |

viii. According to the information and explanations given to us, the company has repaid the principal amount and made payment of interest on loans or borrowings taken by it from banks or financial institutions as due during the year. As at 31st March, 2021 there was no default or irregularity in respect of repayment of principal amount of such loans or borrowings.

ix. There were no term loans raised during the year by the company. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).

x. According to the information and explanations given to us, no material fraud by the company or on the company by its Officers or Employees has been noticed or reported to us by the management during the year.

xi. According to the information and explanations given to us, the company had paid/provided managerial remuneration in accordance with the provisions of Section 197 of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013.

S.N. SHAH & ASSOCIATES * AHMEDABAD * CHARTERED ACCOUNTANTS

xii. As the company is not the Nidhi Company, clause (xii) of paragraph 3 of The Order, is not applicable to it during the year.

xiii. According to the information and explanations given to us, the company is in compliance with the provisions of sections 177 and 188 of the Companies Act, 2013, where applicable, for related party transactions and the details of related party transactions have been disclosed in the Notes to the Financial Statements in accordance with the applicable Accounting Standards.

xiv. According to the information and explanations given to us and based on 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, paragraph 3(xiv) of the order is not applicable.

xv. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable.

xvi. According to the information and explanations given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

FOR AND ON BEHALF OF
S. N. SHAH & ASSOCIATES,
CHARTERED ACCOUNTANTS,
FIRM REG. NO. 109782W

S. N. SHAH & ASSOCIATES * AHMEDABAD * CHARTERED ACCOUNTANTS

PRIYAM S SHAH
PARTNER
M. No. 144892

PLACE: AHMEDABAD
DATED: 02nd November, 2021
**UDIN:21144892AAAAGQ2169**

## ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT
## [REFERRED TO IN PARAGRAPH 2(f) UNDER "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS SECTION OF OUR REPORT OF EVEN DATE]
## FINANCIAL YEAR ENDED 31ST MARCH 2021

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

We have audited the internal financial controls over financial reporting of **AASTHA SPINTEX PRIVATE LIMITED (the Company)** as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

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

The management of the company is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India".

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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. 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.

S. N. SHAH & ASSOCIATES * AHMEDABAD * CHARTERED ACCOUNTANTS

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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and 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.

S. N. SHAH & ASSOCIATES * AHMEDABAD * CHARTERED ACCOUNTANTS

**Opinion**

In our opinion and to the best of our information and according to the information and explanations given to us, 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 commensurate with the nature of the business of the company and operating effectively as at March 31, 2021, 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".

FOR AND ON BEHALF OF
S. N. SHAH & ASSOCIATES,
CHARTERED ACCOUNTANTS,
FIRM REG. NO. 109782W

PRIYAM S SHAH
PARTNER
M. No. 144892

PLACE: AHMEDABAD
DATED: 02nd November, 2021
**UDIN:21144892AAAAGQ2169**

**AASTHA SPINTEX PRIVATE LIMITED**

**BALANCE SHEET AS AT 31st MARCH, 2021**

| SR. NO. | PARTICULARS | Note No | AS AT 31-Mar-21 | | AS AT 31-Mar-20 |
|---|---|---|---|---|---|
| I. | **EQUITY AND LIABILITIES** | | | | |
| 1 | **SHAREHOLDER'S FUND** | | | | |
| | (a) Share Capital | 2 | 27,30,98,940 | | 27,30,98,940 |
| | (b) Reserves and Surplus | 3 | 23,81,72,187 | | 20,25,36,543 |
| | | | | 51,12,71,127 | 47,56,35,483 |
| 2 | **NON-CURRENT LIABILITIES** | | | | |
| | (a) Long-Term Borrowings | 4 | 41,39,09,559 | | 38,47,08,690 |
| | (b) Deferred Tax Liabilities (Net) | 5 | 3,32,21,000 | | 2,59,26,000 |
| | | | | 44,71,30,559 | 41,06,34,690 |
| 3 | **CURRENT LIABILITIES** | | | | |
| | (a) Short-Term Borrowings | 6 | 26,37,18,523 | | 22,97,79,062 |
| | (b) Trade Payables | 7 | | | |
| | - Total Outstanding Dues of Micro Enterprises and Small Enterprises | | | | |
| | - Total Outstanding Dues of Creditors Other Than Above | | 25,40,68,992 | | 27,13,30,024 |
| | (c) Other Current Liabilities | 8 | 12,19,71,049 | | 7,89,40,472 |
| | (d) Short-Term Provisions | 9 | 84,84,191 | | 58,87,260 |
| | | | | 64,82,42,755 | 58,59,36,817 |
| | **TOTAL ..... ..... .....** | | | **1,60,66,44,441** | **1,47,22,06,990** |
| II. | **ASSETS** | | | | |
| 1 | **NON CURRENT ASSETS** | | | | |
| | **(a) FIXED ASSETS** | 10 | | | |
| | (i) Tangible assets | | 61,16,52,008 | | 65,24,97,233 |
| | (ii) Intangible assets | | 60,400 | | 1,92,448 |
| | (b) Long Term Loans and Advances | 11 | 2,38,442 | | 2,38,442 |
| | | | | 61,19,50,850 | 65,29,28,122 |
| 2 | **CURRENT ASSETS** | | | | |
| | (a) Inventories | 12 | 48,83,29,297 | | 38,51,51,088 |
| | (b) Trade Receivables | 13 | 18,61,50,212 | | 26,31,84,428 |
| | (c) Cash and Cash Equivalents | 14 | 18,87,06,893 | | 1,94,97,327 |
| | (d) Short-Term Loans and Advances | 15 | 13,15,07,190 | | 15,14,46,026 |
| | (e) Other Current Assets | 16 | - | | - |
| | | | | 99,46,93,591 | 81,92,78,868 |
| | **TOTAL ..... ..... .....** | | | **1,60,66,44,441** | **1,47,22,06,990** |
| III. | OTHER NOTES ON FINANCIAL STATEMENTS | 25 | | | |
| IV. | SIGNIFICANT ACCOUNTING POLICIES | 1 | | | |

**FOR AND ON BEHALF OF THE BOARD**
**AASTHA SPINTEX PRIVATE LIMITED**

Aastha Spintex Pvt. Ltd.

Aastha Spintex Pvt. Ltd.

Director

Director

| | | |
|---|---|---|
| **DIRECTOR** | **DIRECTOR** | |
| **DIN:03149400** | **DIN:03148915** | |
| **VIVEK R. GOTHI** | **DIVYANG J. PATEL** | |
| **PLACE: HALVAD** | | |
| **DATE: 02nd November, 2021** | | |

**AS PER OUR REPORT OF EVEN DATE**
**FOR S. N. SHAH & ASSOCIATES**
**CHARTERED ACCOUNTANTS**
**FIRM REG. NO.: 109782W**

S. N. SHAH & ASSOCIATES AHMEDABAD CHARTERED ACCOUNTANTS

**PRIYAM S SHAH**
**PARTNER**
**M. NO. 144892**

**AASTHA SPINTEX PRIVATE LIMITED**

**PROVISIONAL STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31st MARCH, 2021**

| SR. | PARTICULARS | Note No | AMOUNT | AMOUNT | FOR THE YEAR ENDING 31ST MARCH 2020 |
|---|---|---|---|---|---|
| I. | Revenue From Operations | 17 | 1,84,56,10,842 | | 1,99,27,37,444 |
| II. | Other Income | 18 | 37,30,315 | | 28,13,734 |
| III. | **TOTAL REVENUE (I +II)** | | | **1,84,93,41,157** | **1,99,55,51,178** |
| IV. | **EXPENSES** | | | | |
| 1 | Cost of Materials Consumed | 19 | 1,36,56,85,197 | | 1,60,39,18,552 |
| 2 | Changes in inventories of finished goods, work-in-progress and Stock-in-Trade | 20 | 2,77,30,155 | | (4,71,77,493) |
| 3 | Employee Benefit Expense | 21 | 6,34,00,944 | | 6,69,93,247 |
| 4 | Financial Costs | 22 | 8,57,01,337 | | 8,52,14,831 |
| 5 | Depreciation and Amortization Expense | 23 | 5,48,02,878 | | 5,48,53,383 |
| 6 | Other expenses | 24 | | | |
| | Manufacturing Expenses | | 17,59,15,511 | | 16,85,52,345 |
| | Administrative, Selling & Other Expenses | | 3,29,00,704 | | 2,80,29,560 |
| | | | 20,88,16,215 | | 19,65,81,905 |
| | **TOTAL EXPENSES** | | | **1,80,61,36,727** | **1,96,03,84,425** |
| V. | Profit before exceptional and extraordinary items and tax (III-IV) | | | **4,32,04,430** | **3,51,66,753** |
| VI. | Exceptional Items | | | - | |
| VII. | Profit before extraordinary items and tax (V - VI) | | | **4,32,04,430** | **3,51,66,753** |
| VIII. | Extraordinary Items | | | - | |
| V. | **PROFIT BEFORE TAX (III - IV)** | | | **4,32,04,430** | **3,51,66,753** |
| VI. | **Tax expense:** | | | | |
| | (1) Current tax | | (84,84,191) | | (58,87,260) |
| | (2) Deferred Tax Asset/ (Liability) | | (72,95,000) | | (39,88,000) |
| | (3) MAT Credit Reserve | | 84,84,191 | | 58,87,260 |
| | | | | (72,95,000) | (39,88,000) |
| VII. | **Profit(Loss) for the period from continuing operations (V-VI)** | | | **3,59,09,430** | **3,11,78,753** |
| VIII. | Earning per equity share: | | | | |
| | (1) Basic | | | 1.31 | 1.14 |
| | (2) Diluted | | | 1.31 | 1.14 |
| IX. | OTHER NOTES ON FINANCIAL STATEMENTS | 25 | | | |
| X. | SIGNIFICANT ACCOUNTING POLICIES | 1 | | | |

**FOR AND ON BEHALF OF THE BOARD**
**AASTHA SPINTEX PRIVATE LIMITED**

Aastha Spintex Pvt. Ltd. Aastha Spintex Pvt. Ltd.

**DIRECTOR** Director **DIRECTOR** Director
**DIN:03149400** **DIN:03148915**
**VIVEK R. GOTHI** **DIVYANG J. PATEL**
**PLACE: HALVAD**
**DATE: 02nd November, 2021**

**AS PER OUR REPORT OF EVEN DATE**
**FOR S. N. SHAH & ASSOCIATES**
**CHARTERED ACCOUNTANTS**
**FIRM REG. NO.: 109782W**

S. N. SHAH & ASSOCIATES AHMEDABAD CHARTERED ACCOUNTANTS

**PRIYAM S SHAH**
**PARTNER**
**M. NO. 144892**

## AASTHA SPINTEX PRIVATE LIMITED (2020-21)

**CORPORATE INFORMATION:**

**Aastha Spintex Private Limited is a private company domiciled in India and incorporated under the provisions of Companies Act 1956. The company is engaged in the business of manufacturing and trading of Cotton Products.**

**NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES**

**a) Accounting Conventions :**

The Financial Statements of the Company are prepared under the historical cost convention on accrual basis of accounting and in accordance with the mandatory accounting standards issued by the Institute of Chartered Accountants of India and referred to in section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and generally accepted accounting principles in India. The accounting policies not referred to otherwise have been consistently applied by the Company during the year.

**b) Use of Estimates**

The preparation of financial statements in accordance with the GAAP requires management to make estimates and assumptions that may affect the reported amount of assets and liabilities, classification of assets and liabilities into non-current and current and disclosures relating to contingent liabilities as at the date of financial statements and the reported amounts of income and expenses during the reporting period. Although the financial statements have been prepared based on the management's best knowledge of current events and procedures/actions, the actual results may differ on the final outcome of the matter/transaction to which the estimates relates.

**c) Fixed Assets :**

The Fixed Assets are stated at cost of acquisition/construction (less Accumulated Depreciation, if any). The cost of Fixed Assets comprises of their purchase price including freight, duties, taxes or levies and directly attributable cost of bringing the assets to their working conditions for their intended use. The Company capitalizes its Fixed Assets at a value net of GST received/receivable during the year in respect of eligible Capital Goods. Subsequent expenditures on Fixed Assets have been capitalized only if such expenditures increase the future benefits from the existing assets beyond their previously assessed standard of performance.

**d) Intangible Assets**

The Intangible Assets of Accounting Software, Server Software, Website Development etc. have been recognized at their cost of acquisition. On the basis of the availability of these assets for their intended use, relevant contractual agreements and technological changes that may affect the usefulness of these assets, the useful lives of these assets have been assumed to be of five years from the date of their acquisition.

**e) Depreciation**

The Depreciation on Fixed Assets is provided on straight line method for the period of acquisition/construction i.e. from the period from which such assets were available for their intended use on pro-rata basis on the basis of useful life of each of the fixed assets as per Schedule II of the Companies Act, 2013 and in the manner specified in Schedule II of the Companies Act, 2013. The plant & machineries are depreciated at the rates applicable to continuous process plant for the period for which respective plant & machineries were available for use.

Aastha Spintex Pvt. Ltd.

V. R. Patel

Director

Aastha Spintex Pvt. Ltd.

Director

S. N. SHAH & ASSOCIATES AHMEDABAD CHARTERED ACCOUNTANTS

| | |
|---|---|
| | The amount of depreciation for the year has been derived by subtracting five percent of the original cost of each of the assets as salvage value from the carrying amount respective assets as per the books of account as at the commencement of the year and the cost of acquisition in case of assets acquired during the year and such remaining carrying value or cost has been depreciated over the remaining years of useful life of assets.<br><br>The intangible assets have been depreciated on pro-rata basis over period of their estimated useful lives on straight line basis i.e. @ 20.00%. |
| f) | **Inventories** |
| | Inventories of Raw Materials and Work-in-Process have been valued at cost. Finished Goods have been valued at cost or net realizable value whichever is lower. Costs in respect of all items of inventories have been computed on FIFO basis. The cost of Raw Materials comprises of the purchase price including duties and taxes, freight inwards and other expenditure directly attributable to the acquisition. The purchase price does not include GST credit availed of by the Company during the year. Work-in-Process includes cost of Raw Materials and conversion cost depending upon the stage of completion as determined. The cost of Finished Goods includes cost of conversion and other costs incurred in bringing the inventories to their present location and conditions. The Finished Goods are valued at cost after availing of the GST credit on input materials. |
| g) | **Revenue Recognition** |
| | All income and expenses are accounted on accrual basis. The Company recognised Sale of Goods when it had transferred the property in Goods to the buyer for a price or all significant risks and rewards of ownership had been transferred to the buyer and no significant uncertainty existed as to the amount of consideration that would be derived from such sale. The recognition event is usually the dispatch of goods to the buyer such that the Company retains no effective control over the goods dispatched. Income from investments, where appropriate, is taken into revenue in full on declaration or accrual and tax deducted at source thereon is treated as advance tax. |
| h) | **Borrowing Costs** |
| | The borrowing costs incurred by the company during the year in connection with the borrowing of funds have been debited to the statement of profit and loss for the period. |
| i) | **Taxes On Income:** |
| | Taxes on income comprises of current tax and deferred tax. Taxes on income have been determined based on the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income taxes are determined for future consequences attributable to timing differences between financial determination of income and income chargeable to tax as per the provisions of Income Tax Act, 1961. Deferred tax liability has been worked out using the tax rate and tax laws that were in force as on the date of balance sheet and has not been discounted to its present value. |
| j) | **Provisions, Contingent Liabilities and Contingent Assets** |
| | The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of the Company's resources embodying economic benefits and a reliable estimate can be made of the amount of the obligation. A disclosure of contingent liabilities is made when there is a possible obligation that may, but probably will not, require an outflow of resources. As a measure of prudence, the contingent assets are not recognised. |

**Aastha Spintex Pvt. Ltd.** **Aastha Spintex Pvt. Ltd.**

Director Director

S. N. SHAH & ASSOCIATES CHARTERED ACCOUNTANTS AHMEDABAD

AASTHA SPINTEX PRIVATE LIMITED

Notes "1" to "25" on Financial Statements for the period Ended on 31st March,2021

NOTE 2:SHARE CAPITAL

| SR. NO. | PARTICULARS | AS AT 31-03-2021 | AS AT 31-03-2020 |
|---|---|---|---|
| | **EQUITY SHARES** | | |
| | **AUTHORISED** | | |
| | 3,00,00,000 Shares of ` 10/= each at par | 30,00,00,000 | 30,00,00,000 |
| | **Issued, Subscribed and Paid Up Capital** | | |
| | 2,73,09,894 Shares of Rs. 10/= each fully paid up | 27,30,98,940 | 27,30,98,940 |
| | (Previous Year 2,73,09,894 equity shares of `10/-each) | | |
| | TOTAL ..... ..... ..... | 27,30,98,940 | 27,30,98,940 |
| | **Reconciliation of Number Shares Outstanding at the beginning and at the end of the period** | | |
| | Outstanding as at the beginning of the year | 2,73,09,894 | 2,73,09,894 |
| | Add: Shares issued as fully paid up for consideration in cash | - | |
| | Add: Bonus Shares issued on | | |
| | Outstanding as at the End of the year | 2,73,09,894 | 2,73,09,894 |

Details of Shareholder Holding 5% or More Shares in the Company

| | Name of the Shareholder | As at 31st March, 2021 | | As at 31st March, 2020 | |
|---|---|---|---|---|---|
| | | No. of Shares | % of Total Holding | No. of Shares | % of Total Holding |
| | Mr.Chintankumar Sitapara (Diector) | 44,79,473 | 16.40% | 68,27,474 | 25.00% |
| | Mr.Divyang J Patel (Director) | 38,14,167 | 13.97% | 33,25,000 | 12.18% |
| | Mr.Jashwant V.Patel (Director) | 36,61,789 | 13.41% | 24,17,344 | 8.85% |
| | Mr.Rasikbhai V Patel | 31,66,900 | 11.60% | 31,66,900 | 11.60% |
| | Mr.Vivekbhai Patel (Director) | 40,26,911 | 14.75% | 35,65,000 | 13.05% |
| | Mr.Sanjay Saidva (Director) | 29,20,743 | 10.69% | 32,77,187 | 12.00% |
| | Devkinandan Paper Mill | 20,00,000 | 7.32% | 20,00,000 | 7.32% |

NOTE 3: RESERVE & SURPLUS

| SR. NO. | PARTICULARS | | AS AT 31-03-2021 | | AS AT 31-03-2020 |
|---|---|---|---|---|---|
| | **Profit & Loss Statement Surplus** | | | | |
| | Balance as at the beginning of the year | 20,25,36,543 | | 17,21,91,701 | |
| | Add: MAT Credit Reserve earlier year | - | | - | |
| | Add/Less: Excess/Short Provision of Income Tax | (2,75,665) | | (9,91,186) | |
| | Less: Prior Period Expense | 1,879 | | 1,57,275 | |
| | Add: Profit/(loss) during the year | 3,59,09,430 | | 3,11,78,753 | |
| | Balance Carried to Balance Sheet | | 23,81,72,187 | | 20,25,36,543 |
| | TOTAL ..... ..... ..... | | 23,81,72,187 | | 20,25,36,543 |

NOTE 4: LONG TERM BORROWINGS

| SR. NO. | PARTICULARS | AS AT 31-03-2021 | AS AT 31-03-2020 |
|---|---|---|---|
| | **From Banks** | | |
| | Bank Of Baroda Term Loan | 17,87,95,706 | 25,44,45,145 |
| | Bank Of Baroda GECL | 10,65,00,000 | - |
| | **Unsecured Loans** | | |
| | From Directors & Promoters | 8,15,86,803 | 8,84,00,853 |
| | From Banks and NBFC | 20,27,050 | 63,88,725 |
| | From Corporates | 4,40,00,000 | 3,54,73,967 |
| | From Others | 10,00,000 | |
| | TOTAL ..... ..... ..... | 41,39,09,559 | 38,47,08,690 |

**Primary Security:**

First and exclusive charge on all machineries, electrical installations, furniture fixtures,Factory Building and other movable properties in the name of Company

Hypothecation of Vehicles for Vehicle Loan

**Collateral Security & Personal Guarantee:**

**As per Note 25 ( c )**

*** Term Loans From BOB to be Repaid as by 83 monthly installment of Rs. 74.40 lacs and last 84th installment of Rs. 74.80 lacs.

GECL From BOB to be Repaid in equal 36 monthly installment of Rs. 29.58 Lacs from April-2022 onwards.

Aastha Spintex Pvt. Ltd.

Director

Aastha Spintex Pvt. Ltd.

Director

S. N. SHAH & ASSOCIATES * AHMEDABAD * CHARTERED ACCOUNTANTS

**NOTE 5: DEFERRED TAX LIABILITY/ASSETS**

| SR. NO. | PARTICULARS | AS AT 31-03-2021 | AS AT 31-03-2020 |
|---|---|---|---|
| | Opening Balance | 2,59,26,000 | 2,19,38,000 |
| | Add: Deferred Tax Assets | 72,95,000 | 39,88,000 |
| | Balance Carried to Balance Sheet | **3,32,21,000** | **2,59,26,000** |

**NOTE 6: SHORT TERM BORROWINGS**

| SR. NO. | PARTICULARS | AS AT 31-03-2021 | AS AT 31-03-2020 |
|---|---|---|---|
| I. | **SECURED** | | |
| | Bank of Baroda Cash Credit | 26,37,18,523 | 22,97,79,062 |
| | TOTAL ..... ..... ..... | **26,37,18,523** | **22,97,79,062** |
| | **Primary Security:** | | |
| | Secured by Hypothecation of all chargeable current assets of the company including Stock of Raw Material, Semi-Finished Goods, Finished Goods, Consumable Store, Book Debts etc. as primary security. | | |
| | **Other Security and Guarantees:** | | |
| | Same as in Note 3 | | |
| *** | Working capital loans repayable on demand. | | |

**NOTE 7: TRADE PAYABLES**

| SR. NO. | PARTICULARS | AS AT 31-03-2021 | AS AT 31-03-2020 |
|---|---|---|---|
| | Sundry Creditors for Other Expenses/Capital Goods | | |
| | -Micro, Small & Medium Enterprises | | |
| | -Others* | | |
| | (a) For Goods | 21,94,68,960 | 23,40,31,518 |
| | (b) For Expenses | 3,46,00,032 | 3,72,98,505 |
| | *(Refer to Note No. 25(h) | | |
| | TOTAL ..... ..... ..... | **25,40,68,992** | **27,13,30,024** |

**NOTE: DUES TO MICRO AND SMALL ENTERPRISES**

**The Company has dues outstanding as at the reporting date to certain suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act, 2006 are as follows: (See Note No. 25(h))**

| SR. NO. | PARTICULARS | AS AT 31-03-2021 | AS AT 31-Mar-20 |
|---|---|---|---|
| I | The principal amount remaining unpaid to any supplier at the end of the year. | - | - |
| II | Interest due as claimed remaining unpaid to any supplier at the end of the year. | - | - |
| III | The amount of interest paid by the company in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the suppliers beyond the appointed day during the year. | - | - |
| IV | The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006. | - | - |
| V | The amount of interest accrued and remaining unpaid at the end of accounting year. | - | - |
| VI | The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006. | - | - |
| | **TOTAL .... .... ....** | - | - |
| I | Trade payables are non-interest bearing and are normally settled within the normal credit period. | | |
| II | **See note No. 25 (h)** | | |

S. N. SHAH & ASSOCIATES * AHMEDABAD * CHARTERED ACCOUNTANTS

**Aastha Spintex Pvt. Ltd.**

**Director**

**Aastha Spintex Pvt. Ltd.**

**Director**

**NOTE 8: OTHER CURRENT LIABILITIES**

| SR. NO. | PARTICULARS | | AS AT 31-03-2021 | | AS AT 31-03-2020 |
|---|---|---|---|---|---|
| A. | **SECURED** | | | | |
| | **TERM LOANS*** | | | | |
| | Bank Of Baroda Term Loan | 8,92,80,000 | | 5,20,80,000 | |
| | Bank Of Baroda (COVID - 19 Loan) | 1,66,11,500 | | | |
| | **VEHICLE LOANS**** | - | | 1,02,819 | |
| | **UNSECURED LOANS FROM BANKS/NBFC** | 58,89,136 | | 1,37,05,799 | |
| | | | 11,17,80,636 | | 6,58,88,618 |
| B | Statutory Liability | | 31,05,575 | | 1,08,65,215 |
| C | **Other Current Liability** | | | | |
| | - Advance Received From Customer | | 70,84,838 | | 21,86,639 |
| | TOTAL ..... ..... ..... | | **12,19,71,049** | | **7,89,40,472** |
| * | Refer Note No. 3 for Security Offered, Personal Guarantee and Terms of Repayment. | | | | |
| ** | Refer Note No. 3 for Security Offered. | | | | |

**NOTE 9: SHORT TERM PROVISIONS**

| SR. NO. | PARTICULARS | AS AT 31-03-2021 | AS AT 31-03-2020 |
|---|---|---|---|
| | Provision for Tax | 84,84,191 | 58,87,260 |
| | TOTAL ..... ..... ..... | **84,84,191** | **58,87,260** |

**NOTE 11: LONG TERM LOANS & ADVANCES**

| SR. NO. | PARTICULARS | AS AT 31-03-2021 | AS AT 31-03-2020 |
|---|---|---|---|
| 1 | **DEPOSITS** | | |
| | Deposit with Elecricity Department | 1,62,102 | 1,62,102 |
| | VAT & CST Deposit | 20,000 | 20,000 |
| | Deposit Against Office Rent | 56,340 | 56,340 |
| | TOTAL ..... ..... ..... | **2,38,442** | **2,38,442** |

**NOTE 12: INVENTORIES**

| SR. NO. | PARTICULARS | | AS AT 31-03-2021 | | AS AT 31-03-2020 |
|---|---|---|---|---|---|
| I | | | | | |
| 1 | Raw Materials | 20,64,20,617 | | 8,78,89,770 | |
| 2 | Packing Material | 86,08,286 | | 57,07,231 | |
| 3 | Finished Cotton Yarn | 10,64,18,493 | | 12,24,78,349 | |
| 4 | Finished Cotton Seeds | 5,88,43,361 | | 5,17,08,941 | |
| 5 | Trading Goods | 3,70,354 | | 4,78,447 | |
| 6 | Work-in-Process | 3,04,51,450 | | 3,19,63,944 | |
| 7 | Cotton Waste | 4,44,34,012 | | 6,16,18,143 | |
| 8 | Store & Spares | 3,27,82,724 | | 2,33,06,262 | |
| | | | 48,83,29,297 | | 38,51,51,088 |
| | TOTAL ..... ..... ..... | | **48,83,29,297** | | **38,51,51,088** |

**NOTE 13: TRADE RECEIVABLES**

| SR. NO. | PARTICULARS | AS AT 31-03-2021 | AS AT 31-03-2020 |
|---|---|---|---|
| 1 | **Unsecured But Considered Good** | | |
| | -Outstanding for a period Exceeding Six Months | 8,04,12,553 | 7,43,92,083 |
| | (From the date from which they became due for payment) | | |
| | -Others | 10,57,37,659 | 18,87,92,345 |
| | TOTAL ..... ..... ..... | **18,61,50,212** | **26,31,84,428** |

**NOTE 14: CASH & CASH EQUIVALENT**

| SR. NO. | PARTICULARS | | AS AT 31-03-2021 | | AS AT 31-03-2020 |
|---|---|---|---|---|---|
| 1 | **Balance with Banks:** | | | | |
| | Bank of Baroda Current Account | 16,66,19,223 | | 30,97,623 | |
| | Fixed Deposits with Bank | 1,78,33,220 | | 1,52,44,374 | |
| | | | 18,44,52,444 | | 1,83,41,997 |
| 2 | Cash on Hand | | 42,54,450 | | 11,55,330 |
| | TOTAL ..... ..... ..... | | **18,87,06,893** | | **1,94,97,327** |

**Aastha Spintex Pvt. Ltd.** **Aastha Spintex Pvt. Ltd.**

**Director** **Director**

S. N. SHAH & ASSOCIATES * CHARTERED ACCOUNTANTS * AHMEDABAD

AASTHA SPINTEX PRIVATE LIMITED

NOTE "10" : FIXED ASSETS

| SR. No. | Description of Assets | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | As At 1st April 2020 | Addition During the year | Sold/Adjt. During the year | As at 31st March 2021 | Upto 1st April 2020 | For The Year | Adjustment During The year | As at 31st March 2021 | As At 31st March 2021 | As At 31st March 2020 |
| I. | TANGIBLE ASSETS | | | | | | | | | | |
| 1 | Land | 99,70,000 | - | - | 99,70,000 | - | - | - | - | 99,70,000 | 99,70,000 |
| 2 | Building | 16,13,28,551 | 18,12,048 | - | 16,31,40,599 | 2,44,89,447 | 51,20,126 | | 2,96,09,573 | 13,35,31,026 | 13,68,39,104 |
| 3 | Plant & Machinery | 69,62,82,967 | 1,00,16,230 | - | 70,62,99,196 | 21,77,78,406 | 4,45,47,952 | | 26,23,26,358 | 44,39,72,839 | 47,85,04,561 |
| 3 | Electrification | 3,10,52,369 | 8,15,500 | - | 3,18,67,869 | 1,46,92,965 | 29,75,210 | | 1,76,68,176 | 1,41,99,693 | 1,63,59,403 |
| 4 | Air Conditioner | 6,82,500 | 3,14,930 | - | 9,97,430 | 6,22,446 | 1,43,684 | | 7,66,130 | 2,31,301 | 60,054 |
| 5 | Computer, Laptop & Printer | 15,72,399 | - | - | 15,72,399 | 19,80,718 | - | (4,86,939) | 14,93,779 | 78,620 | (4,08,319) |
| 6 | Vehicle | 1,35,01,395 | 5,78,000 | - | 1,40,79,395 | 64,11,900 | 16,05,219 | | 80,17,119 | 60,62,276 | 70,89,495 |
| 7 | Furniture | 62,23,096 | - | - | 62,23,096 | 25,71,382 | 5,91,194 | | 31,62,576 | 30,60,520 | 36,51,714 |
| 8 | Office Equipment | 8,78,232 | 2,88,898 | - | 11,67,130 | 4,47,013 | 1,74,383 | | 6,21,396 | 5,45,734 | 4,31,219 |
| 9 | Software | 12,08,001 | - | - | 12,08,001 | 10,15,553 | 1,32,048 | | 11,47,601 | 60,400 | 1,92,448 |
| | T O T A L ..... .... .... | 92,26,99,510 | 1,38,25,606 | - | 93,65,25,116 | 27,00,09,830 | 5,52,89,817 | (4,86,939) | 32,48,12,708 | 61,17,12,408 | 65,26,89,680 |
| | Previous Year ..... .... | 91,33,94,636 | 93,04,874 | - | 92,26,99,510 | 21,51,56,446 | 5,48,53,383 | - | 27,00,09,830 | 65,26,89,680 | 69,82,38,189 |

Aastha Spintex Pvt. Ltd.

Director

Aastha Spintex Pvt. Ltd.

Director

S. N. SHAH & ASSOCIATES * AHMEDABAD * CHARTERED ACCOUNTANTS

**NOTE 15: SHORT TERM LOANS & ADVANCES**

| SR. NO. | PARTICULARS | | AS AT 31-03-2021 | | AS AT 31-03-2020 |
|---|---|---|---|---|---|
| I. | **Unsecured and Considered Good-From Government** | | | | |
| | MAT Credit Reserve | 5,52,38,533 | | 4,67,54,341 | |
| | Adv. Tax, T.D.S & Self Assessment Tax | 29,54,082 | | 16,00,946 | |
| | Balance with Government Authorities | 4,09,04,637 | | 5,04,28,936 | |
| | | | 9,90,97,252 | | 9,87,84,223 |
| II. | **Unsecured But Considered Good-From Others** | | | | |
| | Advance Receivable in Cash or Kind | 1,45,37,514 | | 2,71,88,453 | |
| | Advances To Others | 78,09,875 | | 34,99,641 | |
| | Advance to Supplier | 76,17,102 | | 1,91,11,914 | |
| | Prepaid Expenses | 24,45,446 | | 28,61,794 | |
| | | | 3,24,09,938 | | 5,26,61,803 |
| | TOTAL ..... ..... ..... | | **13,15,07,190** | | **15,14,46,026** |

**NOTE 16: OTHER CURRENT ASSETS**

| SR. NO. | PARTICULARS | AS AT 31-03-2021 | AS AT 31-03-2020 |
|---|---|---|---|
| 1 | Preliminary Exp | - | - |
| | TOTAL ..... ..... ..... | - | - |

**NOTE 17: REVENUE FROM OPERATIONS**

| SR. NO. | PARTICULARS | AMOUNT RS. | AMOUNT RS. |
|---|---|---|---|
| | Sale of Products | 1,81,52,38,166 | 1,92,72,61,289 |
| | Other Operating Income | 3,03,72,676 | 6,54,76,155 |
| | TOTAL ..... ..... ..... | **1,84,56,10,842** | **1,99,27,37,444** |

**NOTE 18: OTHER INCOME**

| SR. NO. | PARTICULARS | | AMOUNT RS. | | AMOUNT RS. |
|---|---|---|---|---|---|
| 1 | **Other Income** | | | | |
| | Interest Income | 21,22,968 | | 9,88,583 | |
| | Other Income | 16,07,347 | | 18,25,150 | |
| | | | 37,30,315 | | 28,13,734 |
| | TOTAL ..... ..... ..... | | **37,30,315** | | **28,13,734** |

**NOTE 19: COST OF MATERIALS CONSUMED**

| SR. NO. | PARTICULARS | | AMOUNT RS. | | AMOUNT RS. |
|---|---|---|---|---|---|
| I. | **RAW MATERIALS CONSUMED:** | | | | |
| A. | | | | | |
| | Opening Stock | 8,78,89,770 | | | 8,62,90,973 |
| | Add : Purchases | 1,48,34,43,419 | | | 1,59,46,07,682 |
| | Freight | 7,72,625 | | | 1,09,09,668 |
| | | 1,57,21,05,814 | | | 1,69,18,08,322 |
| | Less : Closing Stocks | (20,64,20,617) | | | (8,78,89,770) |
| | | | 1,36,56,85,197 | | 1,60,39,18,552 |
| | TOTAL ..... ..... ..... | | **1,36,56,85,197** | | **1,60,39,18,552** |

**NOTE 20: VARIATION IN INVENTORIES OF FINISHED GOODS AND WORK IN PROCESS**

| SR. NO. | PARTICULARS | AMOUNT RS. | AMOUNT RS. |
|---|---|---|---|
| | **Closing Stock** | | |
| | Finish Goods | 10,64,18,493 | 12,24,78,349 |
| | Ginning Division | 5,88,43,361 | 5,17,08,941 |
| | Trading Goods | 3,70,354 | 4,78,447 |
| | WIP | 3,04,51,450 | 3,19,63,944 |
| | Waste Goods | 4,44,34,012 | 6,16,18,143 |
| | **Opening Stock** | | |
| | Finish Goods | 12,24,78,349 | 12,76,27,479 |
| | Ginning Division | 5,17,08,941 | 3,38,02,249 |
| | Trading Goods | 4,78,447 | 4,62,179 |
| | WIP | 3,19,63,944 | 3,22,59,660 |
| | Waste Goods | 6,16,18,143 | 2,69,18,764 |
| | **Variation of Stock** | **2,77,30,155** | **(4,71,77,493)** |

S. N. SHAH & ASSOCIATES
AHMEDABAD
CHARTERED ACCOUNTANTS

Aastha Spintex Pvt. Ltd.
Director

Aastha Spintex Pvt. Ltd.
Director

**NOTE 21: EMPLOYEE BENEFIT EXPENSES**

| SR. NO. | PARTICULARS | AMOUNT RS. | AMOUNT RS. |
|---|---|---|---|
| 1 | Salaries, Wages & Labour Charges - Factory | 5,73,34,763 | 5,36,68,332 |
| 2 | Director Remuneration | - | 65,00,000 |
| 3 | Other Payments | 60,66,181 | 68,24,914 |
| | TOTAL ..... ..... ..... | **6,34,00,944** | **6,69,93,247** |

**NOTE 22: FINANCE COST**

| SR. NO. | PARTICULARS | AMOUNT RS. | AMOUNT RS. |
|---|---|---|---|
| 1 | Bank & Other Financial Charges | 23,17,488 | 24,66,815 |
| 2 | Interest Expense | 8,33,83,850 | 8,27,48,016 |
| | TOTAL ..... ..... ..... | **8,57,01,337** | **8,52,14,831** |

**NOTE 23: DEPRECIATION AND AMORTISATION EXPENSES**

| SR. NO. | PARTICULARS | AMOUNT RS. | AMOUNT RS. |
|---|---|---|---|
| 1 | Depreciation on Fixed Assets | 5,48,02,878 | 5,48,53,383 |
| 2 | Preliminary Exps. Written Off | | - |
| | TOTAL ..... ..... ..... | **5,48,02,878** | **5,48,53,383** |

**NOTE 24: OTHER EXPENSES**

| SR. NO. | PARTICULARS | | AMOUNT RS. | | AMOUNT RS. |
|---|---|---|---|---|---|
| I. | **MANUFACTURING EXPENSES** | | | | |
| 1 | **Stores-Spares and Packing Materials Consumed:** | | | | |
| | Stores, Spares and Repairs | 1,46,86,667 | | 1,49,75,780 | |
| | Packing Materials | 1,49,34,510 | | 1,80,81,761 | |
| | | | 2,96,21,177 | | 3,30,57,541 |
| 2 | Electricity Charges | | 14,26,75,480 | | 13,29,36,873 |
| 3 | Repair & Maintenance | | 27,88,736 | | 14,62,902 |
| 4 | Other Manufacturing Expense | | 8,30,118 | | 10,95,028 |
| | | | **17,59,15,511** | | **16,85,52,345** |
| II. | **ADMINISTRATIVE, SELLING AND OTHER EXPENSES** | | | | |
| 1 | Postage and Telephone Expenses | | 3,94,773 | | 2,50,444 |
| 2 | Computer Expense | | 62,827 | | 93,516 |
| 3 | Internet Charges | | 3,07,160 | | 1,56,350 |
| 4 | Stationery & Printing | | 1,07,748 | | 1,09,505 |
| 5 | Transport Charges | | 1,03,64,858 | | 38,21,779 |
| 6 | Travelling,Conveyance & Vehical Expenses | | | | |
| | -Vehicle Expense | 5,07,797 | | 5,85,220 | |
| | -Travelling & Conveyance | 5,25,056 | | 18,15,946 | |
| | -Petrol and Diesel Expense | 20,03,257 | | 23,89,841 | |
| | | | 30,36,110 | | 47,91,007 |
| 7 | Legal & Professional Charges | | 15,09,325 | | 13,09,300 |
| 8 | Rent, Rates & Taxes | | 9,53,400 | | 2,88,538 |
| 9 | Auditor's Remuneration | | | | |
| | - Statutory Audit Fees | 2,00,000 | | 2,00,000 | |
| | - Tax Audit Fees | 50,000 | | 50,000 | |
| | | | 2,50,000 | | 2,50,000 |
| 10 | Insurance Expense | | 28,09,544 | | 23,27,850 |
| 11 | **Selling & Distribution Expenses** | | | | |
| - | Sales Promotion Expenses | 27,940 | | 2,62,000 | |
| - | Clearing & Forwarding | - | | 85,463 | |
| - | Discount & Others | 15,56,799 | | 4,16,745 | |
| - | Commission & Brokerage | 59,21,007 | | 64,68,075 | |
| | | | 75,05,746 | | 72,32,284 |
| 12 | Other Expenses | | 55,99,213 | | 73,98,988 |
| | | | 3,29,00,704 | | 2,80,29,560 |
| | TOTAL ..... ..... ..... | | **20,88,16,215** | | **19,65,81,905** |

S. N. SHAH & ASSOCIATES
AHMEDABAD
CHARTERED ACCOUNTANTS

**Aastha Spintex Pvt. Ltd.** **Aastha Spintex Pvt. Ltd.**

**Director** **Director**

**NOTE 25 : OTHER INFORMATION**

**a) Earnings Per Share:**

The earnings per share as per AS-20 "Earning Per Share" has been computed on the basis of net profit after tax divided by the weighted average number of shares outstanding during the year.

| Particulars | | For the year ended | |
|---|---|---|---|
| | | 31st March, 2021 | 31st March, 2020 |
| Net Profit/Loss After Tax for the period (A) | | 3,59,09,430 | 3,11,78753 |
| Total No. of Weighted Average Shares | | 2,73,09,894 | 2,73,09,894 |
| Basic and Diluted Earnings per Share (C) (A/B) | | 1.31 | 1.14 |

**b) Related Party Disclosures:**

As per AS-18 "Related Party Disclosures" issued by the ICAI, the disclosure of transactions with relate parties as defined in the accounting standard has been given as under:

**A. List of Related Parties**

**Associate Concerns/ Entities in which managerial personnel/relative of key managerial personnel have significant influence:**

i. Apear Impex
ii. Devkinandan Paper Mills Pvt. Ltd.
iii. Krishna Paper Product
iv. Dwarkadhish Cotspin Pvt. Ltd.

**Key Management Personnel**

i. Vivek kumar R. Gothil
ii. Divyang kumar J Patel
iii. Chintan kumar Sitapara
iv. Jashwantbhai Valjibhai Patel
v. Sanjay Pranjivanbhai Saidva

**Relatives of Key Management Personnel**

i. Rasiklal Valjibhai Patel.
ii. Hasumatiben J. Patel
iii. Kushumben R. Patel

**B. Transaction with Related Parties**

| Nature of Transaction | Name of the Party | 2020-21 | 2019-20 |
|---|---|---|---|

S. N. SHAH & ASSOCIATES AHMEDABAD CHARTERED ACCOUNTANTS

| | | | | |
|---|---|---|---|---|
| | Loan Taken | Divyang Jashwant Patel | 3,34,00,000 | 3,56,30,000 |
| | | Devkinandan Paper Mills Pvt Ltd | 4,30,00,000 | 3,43,00000 |
| | | Chintan Dharamshibhai Sitapara | - | 7,73,000 |
| | | Jashwant Valjibhai Patel | 2,15,30,000 | 1,66,96,800 |
| | | Rasiklal Valjibhai Patel | 1,63,00,000 | 1,02,03,200 |
| | | Sanjay Pranjivan Saidva | - | 4,50,000 |
| | | Hasumatiben J. Patel | 82,00,000 | 1,00,000 |
| | | Kushumben R. Patel | 68,00,000 | 1,00,000 |
| | | Vivek Rasiklal Gothi | 3,49,80,000 | 1,12,00,000 |
| | Sales | Apear Impex | 27,62,589 | 9,95,68,248 |
| | | Dwarkadhish Cotspin Pvt. Ltd. | Nil | 19,58,816 |
| | Purchase | Dwarkadhish Cotspin Pvt. Ltd. | 2,57,65,986 | 2,17,95,619 |
| | | Krishna Paper Product | 1,46,951 | 1,48,004 |
| | Outstanding Balances as at the year end | Apear Impex (Dr.) | 7,75,77,811 | 8,73,02,956 |
| | | Dwarkadhish Cotspin Pvt. Ltd. | Nil | 970 |
| | | Krishna Paper Product | 53,720 | 1,48,004 |
| | Loan Repaid | Chintan Dharamshibhai Sitapara | - | 11,51,000 |
| | | Divyang Jashwant Patel | 5,04,72,225 | 2,96,07,186 |
| | | Jashwant Valjibhai Patel | 1,14,00,000 | 2,95,80,500 |
| | | Devkinandan Paper Mills Pvt Ltd | 7,84,73,967 | 1,90,00,000 |
| | | Rasiklal Valjibhai Patel | 2,58,95,000 | 65,70,000 |
| | | Sanjay Pranjivan Saidva | 72,19,000 | 10,60,000 |
| | | Vivek Rasiklal Gothi | 3,07,38,000 | 1,55,09,834 |
| | | Hasumatiben J. Patel | 50,000 | Nil |
| | | Kushumben R. Patel | - | Nil |
| | Outstanding Balances as at the year end-Loans Taken | Chintan Dharamshibhai Sitapara | | Nil |
| | | Devkinandan Paper Mills Pvt Ltd | Nil | 3,54,73,967 |
| | | Divyang Jashwant Patel | 1,36,90,084 | 3,07,62,309 |
| | | Jashwant Valjibhai Patel | 1,48,44,647 | 47,14,647 |
| | | Rasiklal Valjibhai Patel | 1,51,44,194 | 2,47,39,194 |
| | | Sanjay Pranjivan Saidva | 72,27,228 | 1,44,46,228 |
| | | Hasumatiben J. Patel | 82,50,000 | 1,00,000 |
| | | Kushumben R. Patel | 72,00,000 | 1,00,000 |
| | | Vivek Rasiklal Gothi | 1,33,23,475 | 90,81,475 |

**Aastha Spintex Pvt. Ltd.**

**Director**

**Aastha Spintex Pvt. Ltd.**

**Director**

S. N. SHAH & ASSOCIATES * AHMEDABAD * CHARTERED ACCOUNTANTS

| | | | | |
|---|---|---|---|---|
| | **Interest Expense (Net of TDS)** | Devkinandan Paper Mills Pvt Ltd | | 11,73,967 |
| | **Director Remuneration** | Divyang J Patel | | 32,40,000 |
| | | Vivek R Patel | | 32,40,000 |

| | | |
|---|---|---|
| c) | **Details of Collateral Security and Personal Guarantee:** | |
| | 1. | Legal Mortgage or factory land, situated at Revenue Block No. 1441, 1442, 1443/p2, 1448/1, 1449 & 1450/2/piky 2 at village-Halvad , Tal-Halvad, Dist- Morbi, belonging to M/s Aastha Spintex Pvt Ltd. |
| | 2. | Legal Mortgage of Factory Land,& Factory building thereon situated at Halvad Belonging to M/s. Krishna Packaging and It's Partners 1. Jasvantkumar Valjibhai Patel 2. Vivek Rasiklal Patel 3. Kamleshbhai Maganbhai Varmora 4. Manojkumar Pranjivanbhai Saidva |
| | 3. | Legal Mortgage of Residential House situated at City Survey No 671O. Property No. 3419, belonging to Mr. Jashvantbhai Valjibhai Patel (Directors) |
| | 4. | Legal Mortgage of Residential House, situated at S. No. 2026p, Plot 42, Uma society at Halad, Tal. Halvad,Dist. Morbi, belonging to Mr. Manojkumar Pranjivanbhai Saidva (Guarantor) |
| | 5. | Legal Mortgage of Residential House, situated at S. No. 2026, Plot No.38, '·Uma Society' At Halvad, , Surendranagar, belonging to Mr. Maganbhai Bhagvanjibhai Vidja (Guarantor) |
| | 6. | Legal Mortgage of Open Land,situated at R S No. 18p, Plot No. 82 Mahavir park, At. Haripar Rajkot. belonging to Mr. Chintanbhai Dharmishibhai Sitapara (Director) |
| | 7. | Legal Mortgage of open Land, situated at R S No. 18p ,plot No.83, belonging to Mr. Chintanbhai Dharmishibhai sitapara (Director) |
| | 8. | Legal Mortgage of Residential House,situated at S. No.1126/1, 1128 p,plot no 5,"shree Kamdhenu Apartment" somnath society,Ravapara road ,Morbi belonging to Mr.Rasiklal Valjibhai patel(Guarantor). |
| | 9. | Legal Mortgage of 82 residential open plot no.1 to 17, 22 to 32, 35 to 48, 66 to 105,situated at Rev. Survey No.1620/p,Village-Halvad,Tal-Halvad, Dist : Surendranagar Maliya Dhrangadhra State Highway,Near Sandipani High school, Halvad belonging to Mr. Rasiklal Valjibhai Patel (Guarantor). |
| | 10. | Legal Mortgage of residential open plot,situated at S No. 1407/1, 1406/p3, 1406/p2, 1408, 1409, 1406/p1,Plot No.110. "Umiya Township" At Halvad,Tal.Halvad,Dist:Surendranagar belonging to Mrs. Nishaben Jashubhai Patel(Guarantor). |
| | 11. | Legal Mortgage of residential open plot,situated at S No. 1407/1, 1406/p3, Plot No.111. "Umiya Township" At Halvad,Tal.Halvad,Dist:Surendranagar belonging to Mrs. Nishaben Jashubhai Patel(Guarantor). |

Aastha Spintex Pvt. Ltd.

Director

Aastha Spintex Pvt. Ltd.

Director

S. N. SHAH & ASSOCIATES
AHMEDABAD
CHARTERED ACCOUNTANTS

| | | |
|---|---|---|
| | 12. | Legal Mortgage of residential open plot,situated at S No. 1407/1, 1406/p3, Plot No.132. "Umiya Township" At Halvad,Tal.Halvad,Dist:Surendranagar belonging to Mrs. Nishaben Jashubhai Patel(Guarantor). |
| | 13. | Legal Mortgage of residential open plot,situated at R. S. 123/p/1, Plot No.12,Ishvariya,Gopi Park; belonging to Mr.Arunbhai Bhanjibhai Bavariya(Guarantor). |
| | 14. | Legal Mortgage of Open Land,situated at R S No.52/2 Plot No.45,46,47 at Haripar, Dist Rajkot belonging to Mr.Chintan Dharamshibhai Sitapara(Director) |
| | 15. | Legal Mortgage of Residential House,situated at R S No 2026 paiki, plot No 20, Uma Society, Halvad,Dist Morbi belonging to Mr. Jayeshbhai Maganbhai Varmora(Guarantor) |
| | 16. | Hypothecation of Stocks viz. stock of raw material,WIP,Finished Goods, Book Debts, and fixed assets of the Company including Plant & Machinaries, Equipments, spares, vehical,etc.(Existing & Future). |
| | **Personal Guarantees are as follows:** | |
| | 1. | Mr. Jasvantbhai Valjibhai Patel |
| | 2. | Mr.Divyangkumar Jasvantbhai patel |
| | 3. | Mr.Vivekkumar Rasiklal Patel |
| | 4. | Mr.Sanjaybhai Pranjibhai Saravada |
| | 5. | Mr.Chintanbhai Dharamshibhai Sitapara |
| | 6. | Mr.Kamleshbhai Maganbhai Varmora |
| | 7. | Mr.Manojkumar Pranjivanbhai Saidva |
| | 8. | Mrs.Nishaben Jashubhai Patel |
| | 9. | Mr.Maganbhai Bhagvanjibhai Vidja |
| | 10. | Mr.Rashiklal Valjibhai Patel |
| | 11. | Mr.Arunbhai B. Bavariya |
| | 12. | M/S. Krishna Packaging (corporate Guarantee) |
| | 13. | Mr. Jayeshkumar Maganlal Varmora |

| | |
|---|---|
| **d)** | **Taxes on Income:** |
| | Taxes on income comprises of current tax and deferred tax. Taxes on income have been determined based on the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income taxes are determined for future consequences attributable to timing differences between financial determination of income and income chargeable to tax as per the provisions of Income Tax Act, 1961. Deferred tax liability has been worked out using the tax rate and tax laws that were in force as on the date of balance sheet and has not been discounted to its present value. |

Aastha Spintex Pvt. Ltd.

Director

Aastha Spintex Pvt. Ltd.

Director

S. N. SHAH & ASSOCIATES * AHMEDABAD * CHARTERED ACCOUNTANTS

| | |
|---|---|
| | Minimum Alternative Tax (MAT) is recognized as an asset only when, and to the extent there is convincing evidence that the company will pay normal income tax during the specific period. If the MAT credit becomes eligible to be recognized as an asset in accordance the recommendations contained in the Guidance note issued by ICAI, the said is created by the way of credit to the statement of Profit & Loss & shown as MAT credit entitlement. |
| e) | **Provisions, Contingent Liabilities and Contingent Assets** |
| | The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of the Company's resources embodying economic benefits and a reliable estimate can be made of the amount of the obligation. A disclosure of contingent liabilities is made when there is a possible obligation that may, but probably will not, require an outflow of resources. As a measure of prudence, the contingent assets are not recognised. |
| f) | The subsidies granted or to be granted to the company are subject to compliance of various standard conditions. As per the management of the company, The company has complied with the condition as on 31st March, 2020 and is accordingly eligible for the subsidy. Being technical matter, The auditor have relied on the management representation. |
| g) | **Prior Period Items:** |
| | There is expenses/income relating to prior periods which was adjusted to the carrying amount of surplus of Statement of Profit & Loss as follows:<br>1. Provident Fund Payable – Rs. 1,879 |
| h) | The company has communicated suppliers to provide confirmations as to their status as Micro, Small or Medium Enterprise registered under the applicable category as per the provisions of the Micro, Small and Medium Enterprises (Development) Act, 2006 (MSMED Act, 2006). As the company has not received any confirmations upto the date of Balances Sheet and accordingly other suppliers are classified as Non-MSME Suppliers irrespective of their status as per the provisions of the Micro, Small and Medium Enterprises (Development) Act, 2006 (MSMED Act, 2006). |
| i) | In the opinion of the Board of Directors, Current Assets & Loans and Advances have a value on realisation in the ordinary course of business equal to the amount at which they are stated in the balance sheet. In the opinion of the Board of Directors, claims receivable against property/goods are realizable as per the terms of the agreement and/or other applicable relevant factors and have been stated in the financial statements at the value which is most probably expected to be realized. |
| j) | The company has obtained balance confirmation from some of the parties for Unsecured Loans, Sundry Creditors, Sundry Debtors and parties to whom loans/advance have been granted. All other |

Aastha Spintex Pvt. Ltd.
Director

Aastha Spintex Pvt. Ltd.
Director

S. N. SHAH & ASSOCIATES * AHMEDABAD * CHARTERED ACCOUNTANTS

| | |
|---|---|
| | balances of debtors and creditors, loans and advances and unsecured loans are subject to confirmation and subsequent reconciliation, if any. |
| **k)** | The previous year's figures have been reworked, regrouped and reclassified wherever necessary so as to make them comparable with those of the current year.<br><br>Paise are rounded up to the nearest of rupee. The negative figures have been shown in brackets. |

**SIGNATURES TO NOTES '1' TO '25'**

| | | |
|---|---|---|
| FOR, AASTHA SPINTEX PRIVATE LIMITED | | FOR, S.N. SHAH & ASSOCIATES<br>CHARTERED ACCOUNTANTS,<br>FIRM REG. NO.: 109782W |
| Aastha Spintex Pvt. Ltd.<br>Director | Aastha Spintex Pvt. Ltd.<br>Director | S.N. SHAH & ASSOCIATES AHMEDABAD CHARTERED ACCOUNTANTS |
| ( DIRECTOR)<br>DIN:03149400<br>VIVEK R. GOTHI | (DIRECTOR)<br>DIN:03148915<br>DIVYANG J. PATEL | (PRIYAM S SHAH)<br>PARTNER<br>M. NO. 144892<br>PLACE : AHMEDABAD<br>DATE : 02ND NOVEMBER, 2021 |