

35th
Annual Report
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SHREE BHAVYA FABRICS LIMITED
[CIN: L17119GJ1988PLC011120]

**35th ANNUAL REPORT- 2022-23****BOARD OF DIRECTORS**

Mr. Purushottam R. Agarwal
Chairman and Managing Director

Mr. Kishan M. Yadav
Director

Mr. Ramniwas K. Pandia
Independent Director

Mr. Rameshkumar P. Agarwal
Independent Director

Mrs. Vaishali S. Soni
Independent Director

KEY MANAGERIAL PERSONNEL

Mr. Jagdish S. Kanzariya (upto 18.03.2023)
Company Secretary & Compliance Officer

Mr. Chetan Dilipkumar Jain
Company Secretary & Compliance Officer

Mr. Kishan M. Yadav
Chief Financial Officer

BANKERS

Bank of Baroda
Bank of India

STATUTORY AUDITOR

M/s. Nahta Jain & Associates
Chartered Accountants Ahmedabad

M/s. Kamal M. Shah & Co.
Chartered Accountants
Ahmedabad

SECRETARIAL AUDITORS

M/s. Mukesh H. Shah & Co.
Company Secretaries
Ahmedabad

COST AUDITORS

M/s. Kiran J. Mehta & Co.
Cost Accountants Ahmedabad

REGISTRAR & SHARE TRANSFER AGENT
BIGSHARE SERVICES PRIVATE LIMITED

REGISTERED OFFICE ADDRESS: - E-3 Ansa
Industrial Estate, Saki Vihar Road, Sakinaka,
Mumbai-400072

OFFICE ADDRESS: - Pinnacle Business Park,
Office No S6-2, 6th, Mahakali Caves Rd, next to
Ahura Centre, Andheri East, Mumbai,
Maharashtra 400093

REGISTERED OFFICE/PLANT

Survey No. 170, Opp. Advance Petrochem Limited,
Pirana Road, Piplej, Ahmedabad 382405, Gujarat,
India.
E-mail: csjd7bhavyafabrics@gmail.com Website:
www.shreebhavyafabrics.com

CORPORATE OFFICE

252 New Cloth Market, O/S Raipur Gate,
Ahmedabad – 380002 Gujarat, India.
Tel: 079-22133383

COMMITTEES OF BOARD OF DIRECTORS

- Audit Committee
- Stakeholder's Relationship Committee
- Nomination and Remuneration Committee

STOCK EXCHANGE

BSE Limited

ISIN

INE363D01018

CIN

L17119GJ1988PLC011120

INTERNAL AUDITORS

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SHREE BHAVYA FABRICS LIMITED

Corporate Office :- 252, New Cloth Market, Ahmedabad-380 002. Ph.: 079-22172949 Telefax:22133383
CIN:L17119GJ1988PLC011120 Web Site : www.shreebhavyafabrics.com

NOTICE

Notice is hereby given that the 35th Annual General Meeting of the Members of Shree Bhavya Fabrics Limited will be held on **Monday, the 25th day of September 2023 at 11:00 A.M.** at 252, New Cloth Market, O/s. Raipur Gate, Ahmedabad - 380002, Gujarat to transact the following business:

ORDINARY BUSINESS:

Item No. 1: Adoption of Financial Statements

To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2023, the reports of the Board of Directors and the Auditors thereon.

Item No. 2: Appointment of Director

To re-appoint Mr. Kishan Madanlal Yadav [DIN: 02845697] who retires by rotation and being eligible, offers him-self for re-appointment.

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

“RESOLVED THAT Mr. Kishan Madanlal Yadav (holding DIN: 02845697), who retires by rotation as Director at this meeting pursuant to the provisions of Section 152 of the Companies Act, 2013 and rules made thereunder, Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) being eligible has offered himself for re-appointment, be and is hereby re-appointed as a director of the company, liable to retire by rotation.”

SPECIAL BUSINESS:

Item No.3: Ratification of remuneration payable to Cost Auditor for the financial year 2023-24.

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

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Cost Audit and Record) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Kiran J. Mehta & Co., Cost Accountants (Firm Registration No. 000025), on the recommendation of the Audit Committee and approval by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2023-24, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting be and is hereby approved and ratified.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things and take all such steps as may be necessary, proper and expedient to give effect to this resolution.”



SHREE BHAVYA FABRICS LIMITED

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Item No.4: To Approve of Related Party transaction under Section 188 of Companies Act, 2013

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

“RESOLVED THAT pursuant to provision of section 188 of the Companies act, 2013 read with Rule 15 of the Companies (Meetings of Board and Its Powers) Rules 2014, Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modifications or re-enactment thereof, for the time being in force) and the consent of the Audit Committee and Board of Directors and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (including any Committee thereof) to enter into contract(s)/arrangement(s)/transaction(s) /for availing of advances/loans/corporate guarantee, and security, whether material or not, hitherto with Balhanuman Fabrics Private Ltd and Anunay Fabrics Limited in which Mr Purushottam Agarwal Managing Director is interested, a related party within the meaning 2(76)of the act and details of transactions as set out in the Explanatory Statement annexed to the Notice convening this Meeting.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties, doubts that may arise with regard to the aforesaid related party transaction(s) and execute such agreements, documents and writings and to make such filings, as may be necessary or desirable for the purpose of giving effect to this resolution.”

PLACE: AHMEDABAD

By Order of the Board of Directors

DATE: 10-08-2023

of SHREE BHAVYA FABRICS LIMITED

SD/-

[PURUSHOTTAM R. AGARWAL]

Registered Office:

Chairman & Managing Director

Survey No. 170, Opp. Advance Petrochem Ltd.,
Pirana Road, Piplej, Ahmedabad- 382405,
Gujarat, INDIA.
CIN: L17119GJ1988PLC011120

DIN: 00396869

**NOTES:**

1. A member entitled to attend and vote at the meeting is also entitled to appoint one or more proxies and that a proxy need not be a member of the company. Proxies in order to be effective must be deposited not less than 48 hours before the commencement of the meeting. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in aggregate not more than 10(ten) percent of the total share capital of the company. However, a member holding more than 10% (ten percent) of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other member. Proxies submitted on behalf of the Companies, Societies, etc., must be supported by an appropriate resolution/authority as applicable.
2. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
3. Notice of the AGM along with the Annual Report 2022-23 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same and Annual Report for the financial year 2022-23 will also be available on the Company's website www.shreebhavyafabrics.com; and websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com.
4. Body Corporates whose Authorized Representatives are intending to attend the AGM are requested to send to the Company on the Email Id **csjd7bhavyafabrics@gmail.com**, a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting and through e-voting.
5. Pursuant to Section 72 of the Companies Act, 2013, Members who hold shares in the physical form can nominate a person in respect of all the shares held by them singly or jointly.
6. All the documents referred to in the Notice will be available for inspection at the Company's registered office during normal business hours on working days up to the date of AGM.
7. To support the 'Green Initiative', we request the Members of the Company to register their Email Ids with their DP or with the Share Transfer Agent of the Company, to receive documents / notices electronically from the Company in lieu of physical copies. Please note that, in case you have already registered your Email Id, you are not required to re-register unless there is any change in your Email Id. Members holding shares in physical form are requested to send email at bssahd@bigshareonline.com to update their Email Ids or to the company at csjd7bhavyafabrics@gmail.com,
8. Those Members whose Email Id are not registered can get their Email Id registered as follows:
 - a. Members holding shares in demat form can get their Email Id registered / updated by contacting their respective Depository Participant.
 - b. Members holding shares in the physical form can get their Email Id registered by contacting our Registrar & Share Transfer Agent "Bigshare Service Private Limited" on their Email Id bssahd@bigshareonline.com.
9. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 19th September, 2023 till Monday, 25th September, 2023 (both days inclusive).
10. Members who hold shares in physical form in multiple folios, in identical names or joint holding in the same order of names are requested to send share certificates to Registrar & Share Transfer Agent of the Company, for consolidation into a single folio.
11. SEBI has mandated submission of Permanent Account Number (PAN) by every participant in securities market for transaction of transfer, transmission / transposition and deletion of name of deceased holder Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar & Share Transfer Agent of the Company i.e. Bigshare Service Private Limited.
12. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the Registrar & Transfer Agent of the Company. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.
13. Members desiring any information as regards to Accounts are requested to send an email to csjd7bhavyafabrics@gmail.com, 10 days in advance before the date of the meeting to enable the



Management to keep full information ready on the date of AGM.

14. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection.
15. In case of joint holders, only such joint holder who is higher in the order of names will be entitled to vote.
16. Members of the Company holding shares either in physical form or in dematerialized form as on Benpose date i.e. Friday 25th August, 2023 will receive Annual Report for the financial year 2022-23.
17. Members are requested to quote their Folio No. or DP ID / Client ID, in case shares are in physical / dematerialized form, as the case may be, in all correspondence with the Company / Registrar & Share Transfer Agent.
18. **THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:**
 - a. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized e-Voting's agency.
 - b. The Notice calling the AGM along with Annual Report has been uploaded on the website of the Company at www.shreebhavyafabrics.com. The Annual Report can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evotingindia.com.
 - c. The remote e-voting period begins on **Thursday, September 21st, 2023 at 9:00 a.m. and will end on Sunday, September 24th, 2023 at 5:00 p.m.** The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. **Monday 18th September, 2023**, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **Monday 18th September, 2023**.
 - d. The facility of voting at the venue of AGM will be available only to the Members who have not cast their vote through remote e-voting. Members who have cast their vote by remote e-voting prior to AGM may attend the meeting but shall not be entitled to cast their vote again.
 - e. The Company has appointed M/s Mukesh H. Shah & Co, Practicing Company Secretary (Membership No. FCS: 5827; CP No: 2213), to act as the Scrutinizer for conducting the remote e-Voting process as well as the Voting at the AGM, in a fair and transparent manner.

Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242** dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retailshareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

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

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





Step 1: Access to NSDL e-Voting system**A) Login method for e-Voting for Individual shareholders holding securities in demat mode**

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.



	<p style="text-align: center;">NSDL Mobile App is available on</p> <p style="text-align: center;">  App Store  Google Play </p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System My Easi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>



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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***



5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

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

Facility for Non – Individual Shareholders and Custodians –Remote Voting

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to evoting@nsdl.co.in
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; **csjd7bhavyafabrics@gmail.com**, if they have voted from individual tab & not uploaded same in the NDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THECOMPANY/DEPOSITORIES.

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



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

18. Contact Details:

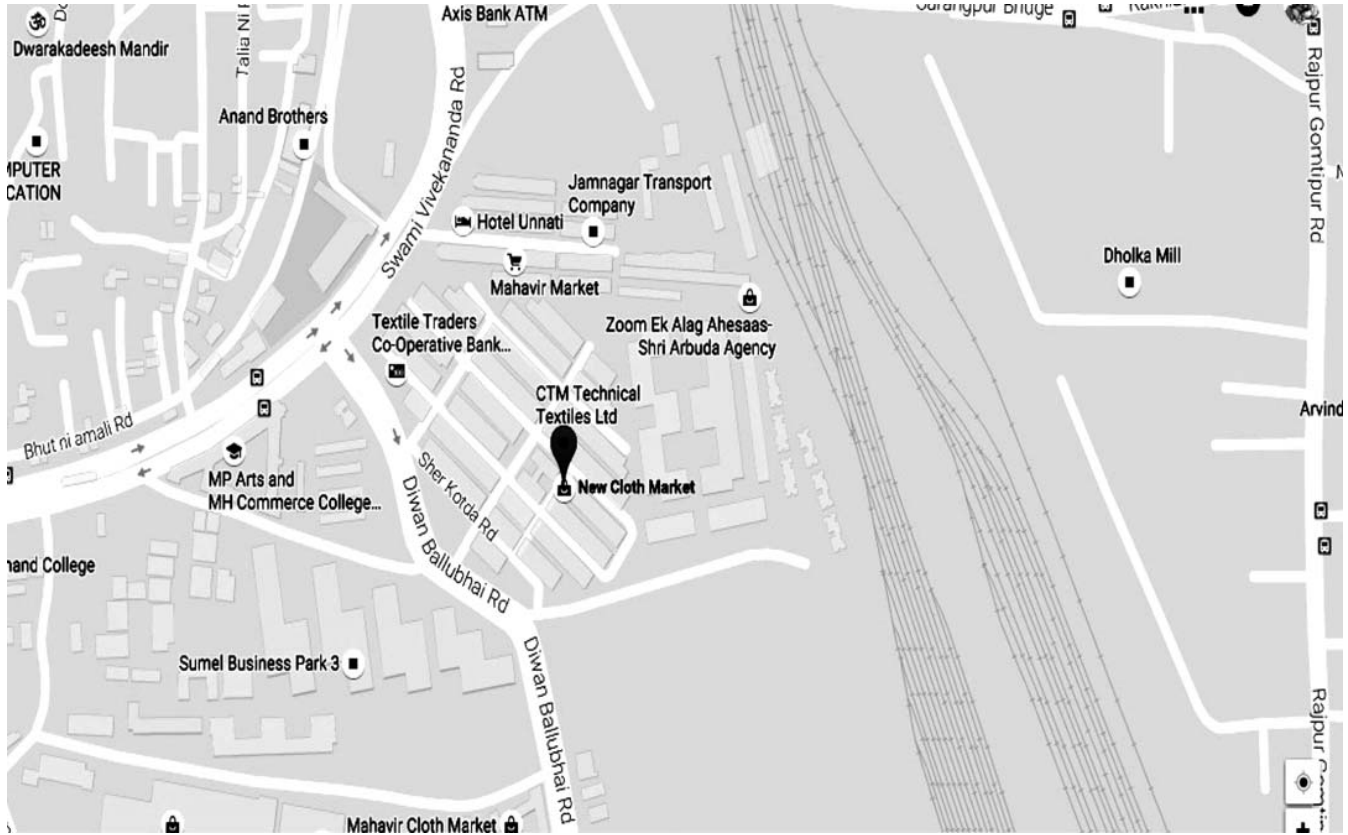
Company	Shree Bhavya Fabrics Limited Survey No. 170, Pirana Road, Piplej, Ahmedabad – 382405 Email Id: csjd7bhavyafabrics@gmail.com
Registrar & Share Transfer Agent	Bigshare Services Private Limited A-802 Samudra Complex, Near Classic Gold Hotel, Off. C G Road, Ahmedabad-380009, Gujarat. Ph. No.: 079-40024135 Email: bssahd@bigshareonline.com Website: www.bigshareonline.com
E-Voting Agency	National Services Depository Limited E-mail ID: evoting@nsdl.co.in Phone: 022 - 4886 7000 and 022 - 2499 7000
Scrutinizer	M/s. Mukesh H. Shah & Co. Practising Company Secretary E-Mail id: mukeshshahcs@gmail.com

19. Pursuant to Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, the details of Directors seeking appointment/re-appointment in the Annual General Meeting to be held on **Monday, the 25th day of September 2023** are provided hereunder. The Directors have furnished consent/ declaration for appointment/ reappointment as required under the Companies Act, 2013 and the Rules made thereunder:

Name of the Director	Mr. Kishan M.Yadav
Directors Identification Number [DIN]	02845697
Date of Birth	21.06.1963
Date of appointment on the Board	29.09.2020
Qualifications	Graduate
Directorship held in other Public Companies (excluding foreign, private and Section 8 companies)	NIL
Memberships/ Chairmanships of Committee of other public companies (includes only Audit Committee & Stakeholders' Relationship Committee)	NIL
Number of shares held in the Company	NIL
Expertise in Specific Area	Finance



ROUTE MAP OF 35th ANNUAL GENERAL MEETING



**EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013**

The following Statement sets out all mentioned facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 3;

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of Kiran J. Mehta & Co., Cost Accountants, Ahmedabad as the Cost Auditor, to conduct the audit of the cost accounts / cost records of the Company for the financial year 2023-24 on a remuneration of INR 50,000 plus goods and service tax as applicable and reimbursement of out-of pocket expenses.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor, as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, consent of the members is being sought for passing an Ordinary Resolution as set out at Item No. 3 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year 2023-24.

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

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the members.

Item No. 4;

Pursuant to the first proviso of Section 188(1) of the Companies Act, 2013, as our paid up capital is nearby Rs.10 Crore, no contract or arrangement can be entered in to with a related party for any item specified in sub section (1) except with the prior approval of the general meeting by special resolution. With the change in proviso under the New Companies Act, 2013, the approval is sought for the arrangement of job-work, purchase and sales of Textile goods on order to order basis with related parties as per the details given in table placed herein below for a period of Five years

Sr No.	Name of the Party	Nature of Interest/ Relationship	Nature of Transaction	Value Estimate transaction per contract
1.	Balhanuman Fabrics Private Limited	Associate Company	Purchase -	Rs 10.00 Cr.
			Sales-	Rs 10.00 Cr.
2.	Annuay Fab Limited	Associate Company	Purchase -	Rs 40.00 Cr.
			Sales-	Rs 40.00 Cr.

PLACE: AHMEDABAD

DATE: 10.08.2023

By Order of the Board of Directors
of **SHREE BHAVYA FABRICS LIMITED**

SD/-

[PURUSHOTTAM R. AGARWAL]

Chairman & Managing Director
DIN: 00396869

Registered Office:

Survey No. 170, Opp. Advance Petrochem Ltd.,
Pirana Road, Piplej, Ahmedabad- 382405,
Gujarat, INDIA.
CIN: L17119GJ1988PLC011120

**DIRECTORS' REPORT**

To the Members,

Your Directors have great pleasure in presenting the 35th Annual Report together with the Audited statements of Accounts of your Company for the financial year ended on 31st March, 2023.

➤ **FINANCIAL SUMMARY:**

The Highlights of the financial performance of the Company during the period ended March 31st, 2023:

(Amount in Lacs)

Particulars	Financial Year 2022-23	Financial Year 2021-22
Revenue from operations	19,408.03	15,830.70
Other income	74.47	16.74
Total Revenue	19,482.49	15,847.44
Expenses		
(d) Employee benefits expense	658.40	529.06
(e) Finance costs	736.07	717.59
(f) Depreciation and amortization expense	86.45	98.25
(g) Other expenses	8441.60	14,433.45
Total Expenses	19,297.25	15,778.35
Profit/ (Loss) before tax	185.24	69.09
Tax expense:		
(a) Current tax expense	53.00	17.65
(b) Deferred tax	-1.32	0.86
(c) Prior Period Adjustment	-20.27	1.05
Profit / (Loss) for the year	153.83	49.54
Earnings per share (face value Rs.10/-) Basic & Diluted	01.62	0.52

➤ **OPERATIONS REVIEW:**

The Company's total revenue from operations during the financial year ended 31st March 2023 were Rs. 19,480.03 Lacs as against Rs. 15,830.70 Lacs of the previous year representing increase of approximately about 18.75% over the corresponding period of the previous year with total expenses of Rs. 19,297.25 lacs (previous year of Rs. 15,778.35 lacs)

The Company has made Net Profit of Rs. 153.83 Lacs as against Rs. 49.54 Lacs of the previous year. The EPS of the Company for the year 2022-23 is Rs. 01.62.

A detailed discussion on performance and outlook appears as part of Management Discussion and Analysis attached to this report.

➤ **TRANSFER TO RESERVES:**

During the year under review, the Company has not transferred any amount to the 'General Reserve' and entire amount of profit for the year forms part of the 'Retained Earnings'.

➤ **DIVIDEND:**

No dividend has been recommended in respect of the financial year ended 31st March, 2023 and the entire surplus be ploughed back to the business to meet the needs for additional finance for capital expenditure.



➤ **EXPORTS:**

During the financial year, the Company has achieved export sales of Rs. 314.20 Lakhs (previous year of Rs. 165.83 Lakhs).

➤ **DEPOSIT:**

The Company has neither accepted nor invited any deposit from public, falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

➤ **SHARE CAPITAL:**

During the year under review there is no change in share capital of the Company.

The Authorised Share Capital of the Company as at 31st March, 2023 stood at Rs.10,00,00,000/-and the Paid-up Equity Share Capital of the Company as at 31st March, 2023 stood at Rs.9,50,00,000/-

Your Directors state that no disclosure or reporting is required in respect of the following items as there were notransactions on these items during the year under review:

- a. Issue of equity shares with differential rights as to dividend, voting or otherwise.
- b. Issue of shares (including sweat equity shares) to employees of the Company under any scheme including Employee Stock Option Scheme.
- c. Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees.

During the year under review, the Company has not issued any Share Capital.

➤ **REPORTING OF FRAUD:**

During the year under review there was no instance of any fraud which has been reported by any auditor to the audit committee or the board.

➤ **SUBSIDIARY, JOINT VENTURE (JV) AND ASSOCIATES COMPANIES:**

During the year under review, the Company does not have any Subsidiary, Joint Venture (JV) or Associates Company.

➤ **DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):**

The Board of Directors consists of 5 (Five) members, of which 3 (Three) are Independent Directors. The Board also comprises of one woman Independent Director.

➤ **Key Managerial Personnel (KMP):**

As per the provisions of Section 203 of the Companies Act, 2013, Mr. Purushottam R. Agarwal, Chairman and Managing Director, Mr. Kishan M. Yadav, Director and Chief Financial Officer and Mr. Chetan Jain, Company Secretary are the Key Managerial Personnel of the Company.

➤ **Retirement of Director by Rotation:**

In accordance with the provisions of section 152 (6) of the Act and in terms of the Articles of Association of the Company, Mr. Kishan Madanlal Yadav (DIN: 02845697), Director will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The Board recommends the re-appointment of Mr. Kishan Madanlal Yadav (DIN: 02845697) as Director of the Company liable to retire by rotation.

➤ **Declaration by Independent Directors:**

All Independent Directors have given declarations that they meet the criteria of Independence as laid down under Section 149 (6) of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms and conditions of the Independent Directors are incorporated on the website of the Company www.shreebhavyafabrics.com

➤ **Profile of Directors seeking Appointment/Re-appointment:**

As required under Regulation 36(3) of the SEBI (LODR) Regulations, 2015, particulars of Directors seeking appointment/ re-appointment at the ensuing Annual General Meeting are annexed to this notice convening Thirty Fifth Annual General Meeting. None of the Directors of the Company is disqualified for being appointed as Director as specified in Section 164 (2) of the Companies Act, 2013.



➤ **NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:-**

During the year under review 8 (Eight) Board Meetings were convened and held as per the details below:-

Sr No.	Dates of Board Meetings
01.	16.04.2022
02.	20.04.2022
03.	30.05.2022
04.	13.08.2022
05.	14.11.2022
06.	10.01.2023
07.	13.02.2023
08.	18.03.2023

The intervening gap between the two meetings was within the period prescribed under the Companies Act, 2013.

During the year, your Company has complied with applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

The details of the meetings are furnished in the Corporate Governance Report which forming part of this Annual Report.

➤ **COMMITTEES OF THE BOARD OF DIRECTORS:**

Your Company has several Committees which have been established as part of the best Corporate Governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

The Company has following Committees of the Board of Directors:

- ◆ Audit Committee
- ◆ Stakeholder's Relationship Committee
- ◆ Nomination and Remuneration Committee

The details with respect to the compositions, powers, terms of reference and other information of relevant committees are given in details in the Corporate Governance Report which forming parts of this Annual Report.

➤ **POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION:**

The Company has a Nomination and Remuneration Committee. The Committee reviews and recommend to the Board of Directors about remuneration for Directors and Key Managerial Personnel and other employee up to one level below of Key Managerial Personnel. The Company does not pay any remuneration to the Non-Executive Directors of the Company. Sitting fee is paid as per the policy of the company for attending the Meetings of the Board of Directors and Committees of the Board. Remuneration to Executive Directors is governed under the relevant provisions of the Act and approvals.

The Company has devised the Nomination and Remuneration Policy for the appointment, re-appointment and remuneration of Directors, Key Managerial. All the appointment, re-appointment and remuneration of Directors and Key Managerial Personnel are as per the Nomination and Remuneration Policy of the Company.

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

Information relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo, required under Section 134 (3) (m) of the Companies Act, 2013 forms part of this Annual Report as **Annexure-I**.



➤ **ANNUAL RETURN OF THE COMPANY:**

Pursuant to Sub-section 3(a) of Section 134 and Sub-section (3) of Section 92 of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014, the copy of the draft Annual Return of the Company for the Financial Year ended on 31st March 2023 in Form MGT-7 will be uploaded on website of the Company and can be accessed at www.shreebhavyafabrics.com.

➤ **CORPORATE GOVERNANCE REPORT:**

The Company has taken adequate steps to adhere to all the stipulations laid down under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. A report on Corporate Governance included as a part of this Annual Report is given in **Annexure-II**.

A certificate from the Practicing Company Secretary of the company confirming the compliance with the conditions of Corporate Governance as stipulated under Reg. 27 & 34 the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached to this Annual Report.

➤ **MANAGEMENT DISCUSSION AND ANALYSIS:**

The Management Discussion and Analysis Report for the financial year under review as stipulated under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in the separate section forming part of this Annual Report.

➤ **CORPORATE SOCIAL RESPONSIBILITY:**

In terms of the provisions of Section 135 of the Act and Rule 9 of the Companies (Accounts) Rules, 2014, the Company has not require to formulate and implement any Corporate Social Responsibility Initiatives as the said provisions are not applicable to the Company during the year under review.

➤ **INSURANCE:**

Assets of your Company are adequately insured against various policies.

➤ **MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY**

There are no material changes and commitments, affecting the financial position of the Company which has occurred between the end of financial year as on 31st March, 2023 and the date of Director's Report i.e. 10.08.2023.

➤ **LISTING WITH STOCK EXCHANGE:**

The Company's shares are listed on the BSE Limited (BSE) at P. J. Towers, Dalal Street, Mumbai 400001. The Company has paid the Annual Listing Fees for the year 2023-24 to BSE Limited.

➤ **VIGIL MECHANISM:**

The Company has established a vigil mechanism and accordingly framed a Whistle Blower Policy. The policy enables the employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct. Further the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provide for adequate safe guards against victimization of Whistle Blower who avails of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases. The functioning of vigil mechanism is reviewed by the Audit Committee from time to time. None of the Whistle blowers has been denied access to the Audit Committee of the Board. The Whistle Blower Policy of the Company is available on the website of the Company www.shreebhavyafabrics.com.

➤ **RISK MANAGEMENT POLICY:**

The Company has a structured risk management policy. The Risk management process is designed to safeguard the organization from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business. The potential risks are inventoried and integrated with the management process such that they receive the necessary consideration during decision making. It is dealt with in greater details in the management discussion and analysis section.



➤ **SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. During the financial year 2022-23, the Company has not received any complaints on sexual harassment.

➤ **BOARD EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a structured questionnaire was prepared after taking into consideration of the various aspects of the Board's functioning, Composition of the Board and Committees, culture, execution and performance of specific duties, obligation and governance. The performance evaluation of the Independent Directors was completed.

During the financial year under review, the Independent Directors met on 13th February, 2023 inter-alia, to discuss:

- ◆ Performance evaluation of Non Independent Directors and Board of Directors as a whole;
- ◆ Performance evaluation of the Chairman of the Company;
- ◆ Evaluation of the quality of flow of information between the Management and Board for effective performance by the Board.

The Board of Directors expressed their satisfaction with the evaluation process.

➤ **COMPLIANCE WITH THE SECRETARIAL STANDARDS:**

The company has complied with all the provisions of Secretarial Standards on Board Meetings and General Meetings issued by the Institute of Company Secretaries of India.

➤ **DIRECTORS' RESPONSIBILITY STATEMENT:**

As stipulated in Section 134(3) (c) read with sub section 5 of the Companies Act, 2013, Directors subscribe to the "Directors' Responsibility Statement", and confirm that:

- a) In preparation of annual accounts for the year ended 31st March, 2023, the applicable accounting standards have been followed and that no material departure have been made from the same;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that year;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts for the year ended 31st March, 2023 on going concern basis.
- e) The Directors had laid down the internal financial controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

➤ **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

The details of Loans, Guarantees or Investments covered under the provisions of section 186 of the Companies Act, 2013 made during the year under review are disclosed in the financial statements.



➤ **PARTICULARS OF EMPLOYEES**

The information required under Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows:

Remuneration Ratio of Directors/ KMP/ Employees:

Name	Designation	Remuneration Paid		Increase in remuneration from previous year (Rs.)	Ratio/ Times per Median of employee remuneration
		FY 2022-23 (Rs.)	FY 2021-22 (Rs.)		
Mr. Purushottam R. Agarwal	Managing Director (MD)	36,02,400	36,02,400	0	0
Mr. Jagdish S. Kanzariya	Company Secretary (CS)	5,01,055	4,89,700	11,355	0.02%
Mr. Kishan M. Yadav	Chief Financial Officer (CFO)	0	0	0	0

The particulars of the employees who are covered by the provisions contained in Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows:

- Employed throughout the year: Nil
- Employed for part of the year : Nil

The numbers of permanent employees as on rolls of Company are **148** as on 31st March, 2023.

The remuneration paid to all Key management Personnel was in accordance with remuneration policy adopted by the Company.

➤ **CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All the related party transactions that were entered during the financial year were in the Ordinary course of business of the Company and were on arm's length basis. There were no materially significant related party transactions entered by the Company with its Promoters, Directors, Key Managerial Personnel or other persons which may have potential conflict with the interest of the Company.

All Related Party transactions are placed before the Audit Committee for approval, wherever applicable. Prior omnibus approval for normal business transactions is also obtained from the Audit Committee for the related party transactions which are of repetitive nature and accordingly the required disclosures are made to the Committee on quarterly basis in terms of the approval of the Committee. The details of Related Party Transactions are given in the notes to the financial statements. The policy on Related Party Transactions as approved by the Board of Directors is uploaded on the website of the Company www.shreebhavyafabrics.com

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, as prescribed in **Form AOC-2. Annexure III.**



➤ **INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

Your Company has laid down the set of standards, processes and structure which enables to implement internal financial control across the Organization and ensure that the same are adequate and operating effectively. To maintain the objectivity and independence of Internal Audit, the Internal Auditor reports to the Chairman of the Audit Committee of the Board.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with the operating systems, accounting procedures and policies of the Company. Based on the report of Internal Auditor, the process owners undertake the corrective action in their respective areas and thereby strengthen the Control. Significant audit observation and corrective actions thereon are presented to the Audit Committee of the Board.

➤ **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

There are no significant material orders passed by the Regulators/ Courts which would impact the going concern status of the Company and its future operations.

➤ **AUDITORS AND AUDITOR'S REPORT:**

The current Statutory Auditors of the Company are M/s. Nahta Jain & Associates., Chartered Accountants, Ahmedabad (Firm Registration No. 106801W) who have been appointed as Statutory Auditors of the Company at the 34th Annual General Meeting held on September 27th, 2022, for a term of five (5) consecutive financial years from the conclusion of the 34th Annual General Meeting till the conclusion of 39th Annual General Meeting.

The Auditors' Report does not contain any qualification, reservation, or adverse remark on the financial statements for the financial year ended March 31st, 2023. The Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

➤ **INTERNAL AUDITORS:**

M/s. Kamal M. Shah & Co., Chartered Accountants, Ahmedabad has been appointed as Internal Auditors of the Company for FY 2022-23. Internal Auditors are appointed by the Board of Directors of the Company on a yearly basis, based on the recommendation of the Audit Committee. The Internal Auditor reports their findings on the Internal Audit of the Company, to the Audit Committee on a quarterly basis. The scope of internal audit is approved by the Audit Committee.

➤ **SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company has appointed M/s Mukesh H. Shah & Co, a firm of Company Secretaries in practice to undertake the Secretarial Audit of the Company for FY 2022-23.

The Secretarial Audit Report issued by them for the financial year ended March 31st, 2023, is attached as Annexure IV to this Report.

The Secretarial Audit Report does not contain any qualifications, reservations, or adverse remarks. During the year under review, the Statutory Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its officers or employees, to the Audit Committee under Section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this Report.

➤ **COST AUDITORS:**

Pursuant to provisions of Section 148 read with Companies (Audit & Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, the Board of Directors had, on recommendation of the Audit Committee, re-appointed Kiran J. Mehta & Co., Cost Accountants, Ahmedabad, as the Cost Auditor of the Company for the financial year 2022-23, on the remuneration terms as approved by the members at the last Annual General Meeting held on 27th September 2022.

The Cost Audit report for the financial year 2021-22 was filed within the due date. The due date for submission of the Cost Audit Report for the financial year 2022-23 is within 180 days from 31st March, 2023.



The Board has re-appointed M/s Kiran J. Mehta & Co., Cost Accountants, Ahmedabad for the Financial Year 2023-24 as a Cost Auditor of the Company in the Board meeting held on 29th May, 2023, after obtaining its willingness and eligibility letter for appointment as Cost Auditor of the Company. As required under the Act and Rules made thereunder, the remuneration payable to the Cost Auditor is required to be placed before the Members in a general meeting for ratification. Accordingly, a resolution seeking ratification by members for the remuneration payable to Kiran J. Mehta & Co. is included in the Notice convening 35th Annual General Meeting of the Company.

➤ **WEBSITE OF YOUR COMPANY**

Your Company maintains a website www.shreebhavyafabrics.com where detailed information of the Company and specified details in terms of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 has been provided.

➤ **DETAILS OF APPLICATIONS MADE OR PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE 2016:**

During the year under review, there were no applications made or proceedings pending under the Insolvency and Bankruptcy Code, 2016.

➤ **DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS:**

During the year under review, there has been no one time settlement of loans from the Bank or Financial Institutions.

➤ **GENERAL:**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Companies Act, 2013.
2. Issue of Equity Shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and ESOS.
4. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

➤ **APPRECIATION:**

Your Directors express their gratitude for the dedicated services put in by all the employees of the Company.

➤ **ACKNOWLEDGEMENT:**

Your Directors place on record their sincere appreciation for the continued co-operation and support extended to the Company by financial institutions, banks, and customers during the year under review. The Directors also thank the Company's vendors, investors, business associates, Stock Exchanges, Government of India, State Government and various departments and agencies for their support and co-operation.

PLACE: AHMEDABAD

Directors DATE : 10.08.2023

For and behalf of the Board of

SHREE BHAVYA FABRICS LIMITED

Registered Office:

Survey No. 170,

Opp. Advance Petrochem Ltd.,

Pirana Road,

Piplej,

Ahmedabad-

382405, Gujarat,

INDIA

CIN: L17119GJ1988PLC011120

SD/-

[PURUSHOTTAM R. AGARWAL]

Chairman & Managing Director

DIN: 00396869

**ANNEXURE- I**

The information relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo, required under Section 134(3)(m) of the Companies Act, 2013 are asunder:

A. CONSERVATION OF ENERGY:

Energy Conservation Measures Taken

Conservation of Energy has always been an area of priority in the Company's operations. The Company is in the process of installation of energy efficient machinery. Further, details of power and fuel consumption have been mentioned in the Notes to the financial statements.

B. RESEARCH & DEVELOPMENT:

The Company has no specific Research & Development Department. However, the Company has Quality Control Department to check the quality of different product manufactured.

C. TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION:

The Company always keeps itself updated with all latest technological innovations by way of constant communications and consulting. Efforts are being made to reduce cost and to improve performance.

D. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign Exchange Earnings and Outgo	2022-23	2021-22
a) Foreign exchange earnings	3,14,19,500	1,65,82,676
b) CIF Value of imports	-	-
c) Expenditure in foreign currency	-	-

PLACE: AHMEDABAD

DATE : 10.08.2023

**For and on behalf of the Board
SHREE BHAVYA FABRICS LIMITED**

SD/-

**[PURUSHOTTAM R. AGARWAL]
Chairman & Managing Director
DIN: 00396869**



ANNEXURE - II

REPORT ON CORPORATE GOVERNANCE

A report on Corporate Governance is set out in compliance with the Corporate Governance requirements as stipulated in Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations):.

1. COMPANY'S POLICY ON CORPORATE GOVERNANCE

Shree Bhavya Fabrics Limited believes that good corporate governance enshrines the goal of achieving the highest level of transparency, accountability and ethical behaviour in all spheres of its operations. Your Company continuously endeavours for excellence and at the same time focuses on enhancement of long - term stakeholder's value viz. shareholders, employees and customers through adoption of best governance, sound management and disclosure practices. Corporate governance broadly refers to the mechanisms, processes and relations by which company are controlled and directed. Corporate governance includes the processes through which company's objectives are set and pursued in the context of the social, regulatory and market environment. Governance mechanisms include monitoring the actions, policies, practices, and decisions of companies, their agents and affected stakeholders. The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable to the Company, with regard to corporate governance.

2. BOARD OF DIRECTORS:

(A) Composition of the Board:

The Company has a balanced board with optimum combination of Executive and Non-Executive Directors, including independent professionals, which plays a crucial role in Board processes and provides independent judgment on issues of strategy and performance. The Board of Directors of Shree Bhavya Fabrics Limited as on March 31, 2023, comprised of five (5) Directors with optimum combination of Executive and Non-Executive Directors i.e., two Executive Directors and three Non-Executive Independent Directors including one-woman Directors. The Board Members are not related to each other, and the number of Directorships/Committee memberships held by Executive and Non-Executive Independent Directors are within the permissible limits under SEBI (LODR), Regulations, 2015 and Companies Act, 2013.

- Mr. Purushottam R Agarwal, Promoter and Executive Director, is the Chairman and Managing Director of the Company, heading the Board.
- Mr. Kishan Yadav is Executive Director and Chief Financial Officer of the Company.
- Mr. Ramniwas Pandia and Mr. Ramesh Agarwal serves as Non-Executive/ Independent Director on the Board of the Company.
- Ms. Vaishali Soni serves as Non-Executive/ Independent- Women Director on the Board of Directors Thus, the Company complies with the requirement of appointment of Women Director under the Companies Act, 2013 and Regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**(B) Category of Directors, their attendance at the Board and AGM, etc.**

The category of Directors, their attendance at the Board Meetings for the year 2022-23 and the last Annual General Meeting, the particulars of no. of other Directorships and Committee Memberships held are as follows:

Attendance record of Directors attending the Board meetings and Annual General Meetings during the year 2022-23:

Name of the Director, their Designation & (DIN)	Category of Director	Directorship in other listed and unlisted company(ies) as on 31-03-2023	Number of Committee positions held in other Public Companies	No. of Shares held & % holding (of the Company) (As on March 31, 2023)
Purushottam R. Agarwal (00396869)	Executive Director	03	01	18,07,581
Kishan M. Yadav (02845697)	Executive Director	NIL	NIL	NIL
Ramniwas K. Pandia (02875168)	Non-Executive & Independent Director	NIL	NIL	NIL
Vaishali S. Soni (07245825)	Non-Executive & Independent Director	NIL	NIL	NIL
Ramesh P. Agarwal (07706882)	Non-Executive & Independent Director	NIL	NIL	NIL

*Including Private Companies, **Committees include Audit Committee & Stakeholder's Grievance and Relationship Committee for the purpose of Regulation 26(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(C) Information on Board Directors and Board Meetings:

The Board Meetings are held at least once in every quarter inter-alia, to review the quarterly results of the Company. The gap between the two Board Meetings does not exceed 120 days. Every Director on the Board is free to suggest any item for inclusion in the agenda for the consideration of the Board. The Board Meetings are generally held at the Registered Office of the Company. All the mandatory items as prescribed in Regulation 17(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are placed before the Board of Directors.

During the year under review the Board of Directors met 8 (Eight) times on 16.04.2022, 20.04.2022, 30.05.2022, 13.08.2022, 14.11.2022, 10.01.2023, 13.02.2023, 18.03.2023

The Board of Directors periodically reviews Letter of Assurance to strengthening the legal framework step by step in order to ensure the compliance with all the applicable Laws pursuant to Regulation 17(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board of Directors has its own plan on orderly succession for appointment to the Board of Directors and Senior Management pursuant to Regulation 17(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Performance evaluation of Independent Directors has been evaluated by the Board of Directors in its Board Meeting held on 13.02.2023 for the financial year 2022-23 pursuant to Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



A separate Meeting of Independent Directors was held on 13.02.2023 to review the performance of Non- Independent Directors and Board of Directors as whole pursuant to Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the terms and conditions of Independent Directors are incorporated on the website of the Company www.shreebhavyafabrics.com.

(A) **Disclosure of relationships between Directors inter-se:** None of the Directors are related to each other.

(B) **Number of Shares held by Non-Executive Independent Directors**

The details of Shares held by Non-Executive Directors of the Company pursuant to Regulation 26(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on 31st March, 2023 are as under:

No.	Name of Non-Executive Director	No. of Shares held	% Held
1.	Mr. Ramesh Agarwal	Nil	-
2.	Mr. Ramniwas Pandia	Nil	-
3.	Ms. Vaishali Soni	Nil	-

(C) **Code of Conduct:**

The Board has laid down a Code of Business Conduct and Ethics (the “Code”) for all the Board Members and Senior Management of the Company. Reference of part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in compliance with in Compliance with Regulation 17(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has adopted a Code of Ethics for principal Executives and the Senior Management Personnel covering duties of Independent Directors as laid down in the Companies Act 2013. All the Board Members and Senior Management Personnel have affirmed Compliance with the Code of Conduct. The Code is available on the website of the Company. A declaration signed by the Chairman and Managing Director to this effect is attached at the end of this report.

(A) **CEO/ CFO certification:**

Pursuant to Regulation 17(8) and Regulation 33(2)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, CEO and CFO of the Company have certified to the Board of Directorsthe financial statement for the financial year ended 31st March, 2023.

(B) **Risk Management**

The Company has framed a formal Risk Management Framework for risk assessment and risk minimization which is periodically reviewed to ensure smooth operation and effective management control. The Audit Committee also reviews the adequacy of the risk management framework of the Company, the key risks associated with the business and measure and steps in place to minimize the same. The Board undertakes periodic review of various matters.

3. COMMITTEES OF THE BOARD:

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of diverse matters. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board for review.

A. AUDIT COMMITTEE:

Apart from all the matters provided in 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 177 of the Companies Act 2013, the Audit committee reviews reports of the internal auditor, meets statutory auditors as and when required and discusses their findings, suggestions, observations and other related matters. It also reviews major accounting policies



followed by the company. The Chief Financial Officer, representatives of Statutory Auditors, Internal Auditor and Finance & Accounts department are invited to the meetings of the Audit Committee.

Composition and Attendance:

The Audit Committee comprises of three (3) Directors and all are Non-Executive and Independent Directors. The Chairman of the Audit Committee is a Non-Executive and Independent Director. The Constitution of the Committee meets the requirements of Section 177 of the Companies Act, 2013 as well as Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Statutory Auditors and Internal Auditors attend the meetings by invitation. Mr. Ramniwas K. Panida, Chairman of the Audit Committee was present at the last Annual General Meeting of the Company.

During the year the Audit Committee met 5 times on 30.05.2022, 13.08.2022, 14.11.2022, 10.01.2022 and 13.02.2023 attendance of the members as under:

Name of the Director	Designation	Category	No. of Meeting attended	
			Held	Attended
Mr. Ramniwas K Panida	Chairman	Non-Executive & Independent Director	5	5
Mr. Ramesh P. Agarwal	Member	Non-Executive & Independent Director	5	5
Mrs. Vaishali S. Soni	Member	Non-Executive & Independent Director	5	5

Brief description of terms of reference:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Disclosure of any related party transactions.
 - g) Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;



11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Management discussion and analysis of financial condition and results of operations;
22. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
23. Transactions done with promoter or promoter group holding 20% or more of Equity or Preference share capital will require prior approval of audit committee.
24. Review the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments made.
25. Disclosures of transactions of the listed entity with any person or entity belonging to the promoter/promoter group which holds 10% or more shareholding in the listed entity.
26. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
27. Management letters / letters of internal control weaknesses issued by the statutory auditors;
28. Internal audit reports relating to internal control weaknesses; and
29. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
30. Statement of Deviations:
 - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b) Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7).

The Committee is authorised by the Board of Directors in the manner as envisaged under Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as under Section 177 of the Companies Act, 2013. The Committee has been assigned task as listed under Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee reviews the information as listed under Regulation 18(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as under Section 177 of the Companies Act, 2013.

B. STAKEHOLDERS RELATIONSHIP COMMITTEE:

Composition and Attendance:

The Stakeholder's Relationship Committee comprises of 3(three) Directors, all are Non-executive Independent Directors. The Chairman of this Committee is Non-Executive Independent Director.



During the financial year under review 4 (Four) Shareholder Relationship Committee meetings were held on 30.05.2022, 13.08.2022, 14.11.2022 and 13.02.2023 attendance of the members as under:

Name of the Director	Designation	Category	No. of Meeting attended	
			Held	Attended
Mr. Ramniwas K Pandia	Chairman	Non-Executive & Independent Director	4	4
Mrs. Vaishali S. Soni	Member	Non-Executive & Independent Director	4	4
Mr. Ramesh P. Agarwal	Member	Non-Executive & Independent Director	4	4

Terms of reference and complaints:

The Stakeholders' Relationship Committee deals with the matter of redressal of Shareholders and Investors complaints for transfer of shares, non-receipt of balance sheet and non-receipt of declared dividend, etc.

The Board has delegated the said powers for approving transfer and transmission of shares and issue of duplicate shares to Transfer Committee. The status of transfer, duplicate etc., is periodically reported to the Committee. Other details for shareholders have been provided separately in Shareholders' Information.

- 1) Name of Non-executive Director heading the Committee: Mr. Ramniwas K. Pandia.
- 2) Number of shareholders' complaints received: During the year 2022-23, the Company received complaints: Nil
- 3) Number not solved to the satisfaction of shareholders: Nil
- 4) Number of pending share transfers: Nil
- 5) During the year the Committee met: 4 times.

C. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination & Remuneration Committee for appointment and remuneration of executive directors was constituted and consists of Non-executive Independent Directors and Non-executive and Non-independent which evaluates and finalizes among other things, compensation and benefits of the Executive Directors. The Constitution of the Committee meets the requirements of Section 178 of the Companies Act, 2013 as well as Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Composition and Attendance at the N&RC meetings

During the financial year, 2 (Two) Nomination and Remuneration Committee Meetings were held on 13.08.2022 and 13.02.2023. The Committee reviews the information as listed under Regulation 19(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as under Section 178 of the Companies Act, 2013.

Name of the Director	Designation	Category	No. of Meeting attended	
			Held	Attended
Mr. Ramniwas K Pandia	Chairman	Non-Executive & Independent Director	2	2
Mrs. Vaishali Soni	Member	Non-Executive & Independent Director	2	2
Mr. Ramesh Agarwal	Member	Non-Executive & Independent Director	2	2

The terms of reference of the Remuneration Committee are inter alia:

- 1) To recommend to the Board, the remuneration packages of Company's Managing/Whole Time/Executive Directors, including all elements of remuneration package (i.e. salary, benefits, bonuses, perquisites, commission, performance incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc.)



- 2) The Company's policy on specific remuneration packages for Company's Managing/Joint Managing/ Executive Directors, including pension rights and any compensation payment.
- 3) To implement, supervise and administer any share or stock option scheme of the Company.
- 4) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a) use the services of an external agencies, if required;
 - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c) consider the time commitments of the candidates.
- 5) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, Key managerial personnel and other employees.
- 6) Formulation of criteria for evaluation of performance of Independent Directors and the Board.
- 7) Devising a policy on Board diversity.
- 8) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- 9) Whether to extend or continue the term of appointment of the independent director, on the basis of thereport of performance evaluation of independent directors.
- 10) The Nomination and Remuneration Committee shall recommend to the board, all remuneration payable to the Senior Management, in any form;
- 11) The Board is required to make provision for orderly succession of all persons termed as Senior Management;
- 12) Members of the Senior Management must comply with a code of conduct framed by the company; and
- 13) Members of the Senior Management must disclose any transactions which may result in a conflict of interest

4. REMUNERATION OF DIRECTORS

(a) Remuneration Policy:

The Objective of Remuneration Policy is directed towards having the compensation structure that will reward and retain the talent.

The Company has adopted and implemented the provision of Section 178 of the Companies Act, 2013 on the requirement of the Committee to recommend to the Board a policy, relating to the remuneration of the Directors, Key management personnel and Senior Management.

The remuneration payable to Directors, Key Managerial Personnel and Senior Management Person will involve a balance between fixed and incentive pay reflecting short term and long term performance objectives appropriate to the working of the Company and its goal.

The remuneration levels are governed by industry pattern, qualification and experience of employee, responsibilities shouldered, individual performance and Company performance.

Non-Executive Directors have no pecuniary relationship or transaction with the Company, except receiving sitting fees for attending Meetings. The Company does not pay any severance fee and no stock option is available to the directors.

**(a) Disclosures with respect to Remuneration:**

The aggregate value of salary, perquisites, commissions, Performance incentive & Sitting fees paid for the year 2022-23 to all the Directors are as follows.

(Rs.In Lacs)

Name of Director	Status Category	Sitting Fees					Remuneration	Total
		BM	AC	SGRC	NRC	IDM	Fixed Salary	
Mr. Purushottam R. Agarwal	ED	-	-	-	-	-	36.02	36.02
Mr. Kishan M. Yadav	ED	-	-	-	-	-	-	-
Mr. Ramniwas K Panida	ID&NED	3.02	-	-	-	-	-	3.02
Mrs. VaishaliSoni	ID&NED	0.24	-	-	-	-	-	0.24
Mr. Ramesh Agarwal	ID&NED	-	-	-	-	-	-	-
Total		3.26	-	-	-	-	36.02	39.28

Notes: BM- Board Meeting, AC- Audit Committee Meeting, SGRC- Shareholders Grievance and Relationship Committee Meeting, NRC- Nomination and Remuneration Committee Meeting, IDM- Independent Director Meeting.

Fixed Salary includes Salary, Perks & Retirement Benefits.

5. INFORMATION ABOUT GENERAL BODY MEETINGS:**A. Annual General Meetings/Extra-Ordinary General Meetings**

Location and time for last 3 years Annual General Meetings/ Extra Ordinary General Meetings held asunder:

Financial Year	AGM	Location/ Place of Meeting	Date	Time a.m./ p.m.
2021-22	34 rd	252, New Cloth Market, O/s. Raipur Gate, Ahmedabad – 380002	27.09.2022	11.00 A.M.
2020-21	33 rd	Through Video Conferencing/Other Audio Visual Means.	28.09.2021	02.30 P.M
2019-20	32 nd	Through Video Conferencing/Other Audio Visual Means	29.09.2020	01.30 P.M.

No Extra-Ordinary General Meeting was held during the financial year 2022-23.

B. Special Resolution

Particulars of Special Resolution passed at last 3 years Annual General Meetings/ Extra Ordinary General Meetings are as follows:

FY (AGM/EGM)	Particulars	Date
2021-22(AGM)	<ol style="list-style-type: none"> 1. Re-appointment of Mr. Purushottam R. Agarwal as a Director of the Company 2. To appoint M/s. Nahta Jain & Associates, Chartered Accountants, Ahmedabad as a Statutory Auditors of the Company to hold office for a period of 5 (Five) Consecutive financial years 3. Re-Appointment of Mr. Rameshkumar P. Agarwal (DIN 07706882) as an Independent Director of the Company for the second term of 5 years 4. Ratification of remuneration payable to Cost Auditor for the financial year 2022-23 	27.09.2022
2020-21(AGM)	<ol style="list-style-type: none"> 1. Re-appointment of Mr. Purushottam R. Agarwal as a Managing Director of the Company for the period of 5 years. 	28.09.2021



2019-20(AGM)	<ol style="list-style-type: none"> 1. Re-appointment of Vaishali Soni (DIN: 07245825) as an Independent Director for a second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013. 2. Approval of Related Party transaction pursuant to provision of section 188(1) of the Companies act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 	29.09.2020
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C. Postal Ballot:

During the financial year under review the Company had not transacted any business- special resolution through Postal Ballot.

6. MEANS OF COMMUNICATION

The Company has submitted its quarterly, half yearly and yearly financial results to the Stock Exchanges as well as published in leading Newspapers normally in leading English and in Vernacular daily Newspapers immediately after its approval by the Board. The Company did not send the half yearly report to the Shareholders of the Company.

a) Financial Results for the Quarter ended:

30th June, 2022	45 days from end of Quarter 30th June, 2022
30th September, 2022	45 days from end of Quarter 30th September, 2022
31st December, 2022	45 days from end of Quarter 31st December, 2022
Audited Results for the year ended on 31st March, 2023	60 days from end of Financial Year (i.e. on or before 30th May, 2023)

b) SEBI Complaints Redress System (Scores):

SEBI has initiated SCORES for processing the investor complaints in a centralized web based redress system and online redressal of all the shareholders complaints. The company is in compliance with the SCORES and redressed the shareholders complaints well within the stipulated time.

c) BSE Listing Centre:

The new electronic system introduced by BSE Limited for submission of Quarterly/ Half Yearly/ yearly compliance like Shareholding Pattern, Corporate Governance Report, Board Meeting intimation of the Company and other corporate announcements in e-mode. BSE Listing Centre is web based application designed by the BSE Limited for Corporate.

GENERAL INFORMATION FOR SHAREHOLDERS

Date of Incorporation of the Company	16 th August, 1988
Financial year	01.04.2022 to 31.03.2023
Day, date and time of AGM	Monday, 25 th September, 2023 at 11:00 A.M.
Venue of Annual General Meeting	At 252, New Cloth Market, Opp. Raipur Gate, Ahmedabad, Gujarat, 380002
Dates of Book Closure	19.09.2023 to 25.09.2023 (both days inclusive)

a) LISTING ON STOCK EXCHANGE/S

The Shares of the Company are listed at BSE Limited.

b) **STOCK CODE AND ISIN NO.**

Stock Exchange	Scrip Code	ISIN
BSE Ltd.-Mumbai	521131	INE363D01018

c) **STOCK MARKET DATA**

Monthly high and low of closing quotations of shares traded on BSE Limited, Mumbai.

Month	High Price (Rs)	Low Price (Rs)
April, 2022	16.50	12.20
May, 2022	17.09	12.10
June, 2022	14.50	11.90
July, 2022	15.00	10.41
August, 2022	13.49	11.00
September, 2022	22.50	11.60
October, 2022	19.55	16.85
November, 2022	17.30	15.05
December, 2022	18.25	14.00
January, 2023	17.25	14.50
February, 2023	17.25	12.20
March, 2023	15.50	11.35

d) **SHAREHOLDING PROFILE:**

Mode of Holding	As on 31st March, 2023			As on 31st March, 2022		
	No. of holders	No. of Shares	% to Equity	No. of holders	No. of Shares	% to Equity
Demat	1961	86,39,455	90.94	2026	86,36,855	90.91
Physical	1575	8,60,545	9.06	1580	8,63,145	9.09
Total	3536	95,00,000	100	3606	95,00,000	100

e) **SHAREHOLDING PATTERN (AS OF 31ST MARCH 2023)**

No.	Categories	No. of shares	% of total holding
A	Promoters Holding		
	Promoter & Promoter Group		
	Indian	44,90,675	47.27
	Foreign	-	-
B	Non-Promoter Holding		
	Institutional :		
	Mutual Fund	-	-
	Non-Institutional :		
	Bodies Corporate	3,82,517	4.03
	Individuals :		
	Capital upto Rs.2 Lacs	19,69,336	20.73



Capital greater than Rs.2 Lacs	20,33,417	21.40
Any Others:		
HUF	6,03,928	6.36
NBFC registered with RBI	-	-
Clearing Member	211	0.0
NRIs	19916	0.21
Total	9500000	100.00

f) **DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2023**

Share Balance	Holders	% of Total	Share Amount	% of Total
Upto 1- 5000	2847	80.5147	6,12,744	6.499
5001- 10000	332	9.3891	2,74,499	2.8895
10001- 20000	148	4.1855	2,27,890	2.3988
20001- 30000	42	1.1878	1,10,315	1.1612
30001- 40000	25	0.7070	88,400	0.9305
40001- 50000	31	0.8767	1,47,390	1.5515
50001- 100000	46	1.3009	3,44,318	3.6244
100001- 999999999	65	1.8382	76,94,444	80.99441
TOTAL	3536	100.00	9,50,00,000	100

g) **REGISTRAR AND SHARE TRANSFER AGENT (RTA)M/s. Bigshare Services Private Limited**
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis Apartments (next to Keys Hotel), Marol Maroshi Road, Andheri East, Mumbai 400059.

Ahmedabad Branch office:

A-802 Samudra Complex,
Near Klassic Gold Hotel, Off. C. G. Road
Ahmedabad-380009, Gujarat, INDIA
Phone No.: 079-40024135

Email: Website: www.bigshareonline.com

h) **Investors Communication and Investors Complaints to be address to:**

For Share Transfers/ Dematerialization or other queries relating to

Shares:M/s. Bigshare Services Private Limited

A-802 Samudra Complex, Near Klassic Gold Hotel,
Off. C G Road, Ahmedabad-380009,
Gujarat Ph. No.: 079-40024135

Email: bssahd@bigshareonline.com

Website: www.bigshareonline.com

For other inquiry write to Company:

Mr. Chetan Dilipkumar Jain- Company Secretary

Registered Office: 170, Opp. Advance Petrochem Ltd, Pirana Road, Piplej,

Ahmedabad – 382405. Gujarat, INDIA

Phone No.: 079- 22133383

E-mail: csjd7bhavyafabrics@gmail.com

**i) SHARE TRANSFER SYSTEMS**

Applications for transfer of shares in physical form are processed by the Registrar and Share Transfer Agent of the Company. The Transfer Committee constituted for transfer/transmission of shares, issue of duplicate shares, demat/ remat request and allied matters considers and approves the share transfer once in fortnight subject to transfer instrument being valid and complete in all respects.

The Company obtained Certificates from Company Secretary in Practice for Compliance of Share transfer formalities pursuant to Regulation 40(9) of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on half yearly basis. The Company also carried out quarterly Secretarial Audit for the reconciliation of Share Capital regularly.

j) RECOMMENDATION TO GET THE SHARES DEMATERIALIZED

The trading in the Company's equity shares is compulsorily in dematerialized mode. The Company has tied up with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL). Thus the investors can exercise dematerialization and transfer actions through a recognized Depository Participant (DP) who is connected to NSDL or CDSL. We strongly recommend all the members holding shares in physical form to promptly get their shares dematerialized.

k) REGISTRATION OF EMAIL-ID FOR RECEIPT OF NOTICES OF GENERAL MEETINGS, ANNUAL REPORT, ETC. IN E-FORM

The Ministry of Corporate Affairs has taken 'Green Initiative in Corporate Governance' by allowing paperless compliances by the Company and has issued circulars allowing service of notices/ documents including Annual Report by email to its members. To support this green initiative of the Government in full measure, members who have not registered their email addresses so far, are requested to register the same in respect to electronic holdings with the Depository through their Depository Participants.

Members holding shares in physical form are requested to get their email addresses registered with the Company/ its Registrar & Share Transfer Agent

l) OUTSTANDING GDRS/ADRS/WARRANTS/OPTIONS OR ANY CONVERTIBLE INSTRUMENTS

The Company has no outstanding GDRs/ADRs/Warrants/Options or any convertible instruments as on 31st March 2023.

m) PROCEEDS FROM PUBLIC ISSUE/ RIGHTS ISSUE/ PREFERENTIAL ISSUE/ WARRANT CONVERSION

During the financial year, the Company has not raised any fund through Public Issue/ Rights Issue/ Preferential Issue/Warrant Conversion

n) CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Company has adopted the Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders in accordance with the requirement of SEBI (Prohibition of Insider Trading) Regulations, 2015 and Companies Act, 2013.

o) DISCLOSURE OF ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENT

Your Company has followed all relevant Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) while preparing Financial Statements.

7. OTHER DISCLOSURES**A. Related Party Transaction**

All the transactions entered into with Related Parties as defined under Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 during the financial year were in the Ordinary Course of business and on arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. Prior approval of the Audit Committee is obtained for all Related Party Transactions. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Related Party Transactions during the year



have been disclosed at notes on financial statements as per the requirement of “Accounting Standards - 18-Related Party Disclosure issued by ICAI.

The Board has approved a policy for related party transactions which has been uploaded on Company’s website www.shreebhavyafabrics.com

B. Management Discussion and Analysis

The Management Discussion and Analysis Report have been given separately in this Annual Report as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

C. Details of non-compliance by the Company

Your Company has complied with all the requirement of regulatory authorities. No penalty/ strictures were imposed on the Company by Stock Exchange/s or SEBI or any statutory authority on any matter related to capital markets.

D. Vigil Mechanism

The Company has implemented a Whistle Blower Policy covering the employees. The Policy enables the employees to report to the management instances of unethical behavior, actual or suspected fraud or Violation of the Company’s code of Conduct. Employees can lodge their Complaints through anonymouse- mails besides usual means of communications like written complaints. No personnel have been denied access to the Audit Committee.

E. Policy on Material Subsidiaries

The Company is not having any subsidiary Company; however, the Company has formulated the Policy for determining ‘Material Subsidiaries’ which has been put up on the website of the Company.

F. Policy on Related Party Transactions

The Company has formulated the Policy on dealing with Related Party Transactions which has been put upon the website of the Company.

8. Non-Mandatory Requirements

- (a) **The Board:** Since the Company has an Executive Chairman on its Board, there is no requirement for maintaining separate office.
- (b) **Shareholder’s Right:** Half yearly financial results including summary of the significant events are presently not being sent to shareholders of the Company. However quarterly financial results are published in the leading newspapers and are also available on the website of the Company.
- (c) **Audit Qualification:** There is no qualification in the Auditor’s Report on the Financial Statements to the shareholders of the Company.
- (d) **Separate Post of Chairman and CEO:** Mr. Purushottam R. Agarwal, Chairman and Managing Director of the Company also act as CEO of the Company.
- (e) **Reporting of Internal Auditor:** The Company’s Internal Auditor’s reports directly to the Audit Committee.

PLACE: AHMEDABAD
DATE : 10.08.2023

For and on behalf of the Board of Directors
of SHREE BHAVYA FABRICS LIMITED

SD/-

[PURUSHOTTAM R. AGARWAL]
Chairman & Managing Director
DIN: 00396869



ANNEXURE- III

FORM NO. AOC-2

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

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

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

SHREE BHAVYA FABRICS LIMITED has not entered into any contract/ arrangement/ transaction with its related parties which are not in ordinary course of business or at arm's length during financial year 2022-23. The Company has laid down policies and procedures so as to ensure compliance to the subject section in the Companies Act, 2013 and the corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.

(a)	Name(s) of the related party and nature of relationship	: NA
(b)	Nature of contracts/arrangements/transactions	: NA
(c)	Duration of the contracts /arrangements/transactions	: NA
(d)	Salient terms of the contracts or arrangements or transactions including value, if any	: NA
(e)	Justification for entering into such contracts or arrangements or transactions	: NA
(f)	Date(s) of approval by the Board	: NA
(g)	Amount paid as advances, if any	: NA
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	: NA

2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Anunay Fab Ltd	Balhanuman Fabrics Ltd
Nature of contracts/arrangements/transactions	Sales Purchase	Sales Purchase
Duration of the contracts/arrangements/transactions	1Year	1 Year
Salient terms of the contracts or arrangements or transactions including the value, if any	46.05 Crores	39.72 Crores
Date(s) of approval by the Board, if any	29.05.2023	29.05.2023
Amount paid as advances, if any	NIL	NIL

PLACE: AHMEDABAD
DATE : 10.08.2023

For and on behalf of the Board of Directors
of SHREE BHAVYA FABRICS LIMITED

SD/-
[PURUSHOTTAM R. AGARWAL]
Chairman & Managing Director
DIN: 00396869



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i)
of the SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015)

To,
The Members of
SHREE BHAVYA FABRICS LIMITED
S.No.170, Opp. Advance Petrochem
Limited, Pirana Road, Piplej
Ahmedabad-382405, Gujarat, India

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **SHREE BHAVYA FABRICS LIMITED** having CIN: L17119GJ1988PLC011120 and having registered office at S.No.170, Opp. Advance Petrochem Limited, Pirana Road, Piplej, Ahmedabad-382405, Gujarat, India, produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para- C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of Director	DIN	Date of appointment in Company*
1	Purushottam Radheshyam Agarwal	00396869	04/12/2009
2	Ramniwas Kodaram Pandia	02875168	28/12/2009
3	Vaishali Sureshkumar Soni	07245825	24/07/2015
4	Rameshkumar Parmeshwarilal Agarwal	07706882	13/01/2017
5	Kishan Madanlal Yadav	02845697	29/09/2020

*the date of appointment is as per the MCA Portal.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad
Date: 10.08.2023
UDIN NO.:F005827E000783538

For, MUKESH H. SHAH & CO.
Company Secretaries

SD/-

MUKESH H. SHAH
PROPRIETOR
FCS NO: 5827 & CP. NO. 2213



FORM MR-3
SECRETARIAL AUDIT REPORT
For the financial year ended March 31, 2023
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule
No. 9 of the Companies (Appointment and Remuneration Personnel)
Rules, 2014]

To the Members,
SHREE BHAVYA FABRICS LIMITED
S.No.170, Opp. Advance Petrochem
Limited, Pirana Road, Piplej
Ahmedabad-382405, Gujarat, India

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Shree Bhavya Fabrics Limited (hereinafter called "the Company") Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

I have examined the books, papers, minute books, forms and returns filed and maintained by the Company for the financial year ended on 31st March, 2023 and made available to me according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder as applicable; except as following:
As Confirmed by management that the Company has accepted deposited by way of unsecured loan from promoters, their relatives and friends in pursuance of a stipulation of the Bank.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (**Not applicable to the Company during the audit period**);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and 2015, as amended from time to time;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not applicable to the Company during the audit period**);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (**Not applicable to the Company during the audit period**);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations. 2008
(**Not applicable to the Company during the audit period**);



- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(Not applicable as the Company is not registered as a Registrars to an Issue or Share Transfer Agent during the financial year under review);**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the audit period); and**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the audit period);**
- (vi) The Management has identified and confirmed the following laws as specifically applicable to the Company:
- 1) The Environment (Protection) Act, 1986;
 - 2) The Factories Act, 1948;
 - 3) Employees Provident Funds & Misc. Provisions Act
 - 4) Employees State Insurance Act, 1948
 - 5) The Air (Prevention and Control of pollution) Act, 1981
 - 6) The Water (Prevention and Control of pollution) Act, 1974

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has generally complied with the all material aspects of applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

- a) The Compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.
- b) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors, Women Directors and Independent Directors. The changes if any in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- c) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- d) All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

Place: Ahmedabad
Date: 10.08.2023
UDIN No.: F005827E000783483

For, MUKESH H. SHAH & CO.
Company Secretaries

SD/-
MUKESH H. SHAH
PROPRIETOR
CP. NO. 2213 FCS NO.: 5827
Peer Review Certificate No.: 690/2020

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.



ANNEXURE- A

To the Members,

SHREE BHAVYA FABRICS LIMITED

S.No.170, Opp. Advance Petrochem
Limited, Pirana Road, Piplej
Ahmedabad-382405, Gujarat, India

My secretarial audit report for the financial year 31st March, 2023 is to be read along with this letter.

Management's Responsibility

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on audit.

Auditor's Responsibility

2. My Responsibility is to express an opinion on these secretarial records, standards and procedures followed by the company with respect to secretarial compliances.
3. I believe that Audit evidence and information obtained from the company's management is adequate and appropriate for us to provide a basis for my opinion.
4. Wherever required, I have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
6. I have not verified the correctness and appropriateness of financial records and books of account of the company.

Place: Ahmedabad

Date: 10.08.2023

UDIN No.: F005827E000783483

For, MUKESH H. SHAH & CO.

Company Secretaries

SD/-

MUKESH H. SHAH

PROPRIETOR

CP. NO. 2213 FCS NO.: 5827

Peer Review Certificate No.: 690/2020

**Compliance Certificate on Corporate Governance**

To,
The Members of,
Shree Bhavya Fabrics Limited

We have examined the compliance of conditions of Corporate Governance by Shree Bhavya Fabrics Limited (“the Company”) for the year ended on 31st March, 2023, as stipulated in chapter IV of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified in chapter IV of the Listing Regulations.

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

Place: Ahmedabad

Date: 10.08.2023

UDIN No.: F005827E000783551

**For, MUKESH H. SHAH & CO.
Company Secretaries**

SD/-

**MUKESH H. SHAH
PROPRIETOR
CP. NO. 2213 FCS NO.: 5827**

**CERTIFICATION BY CEO AND CFO OF THE COMPANY**

We, Purushottam R. Agarwal, Chairman & Managing Director and Mr. Kishan M. Yadav, Chief Financial Officer responsible for the finance function certify that:

- a) We have reviewed the financial statements and cash flow statement for the financial year ended 31st March, 2023 to the best of our knowledge and belief:
 - I. These statements do not contain any materially untrue statements or omit any material facts or contain statements that might be misleading.
 - II. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the financial year 2022-23, which are fraudulent, illegal or violate the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control systems of the Company for such reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies, if any, in the design or operation of such internal controls, of which we are aware of and the steps taken and /or proposed to be taken to rectify these deficiencies.
- d)
 - i) Significant changes in internal control over financial reporting during the year.
 - ii) Significant change in accounting policies during the year requiring disclosure in the notes to the financial statements.
 - iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

SD/-

[PURSHOTTAM R. AGARWAL]
Chairman & Managing Director
DIN:00396869

Place: Ahmedabad
Date: 10.08.2023

SD/-

[KISHAN M. YADAV]
Chief Financial Officer
DIN:02845697



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Directors have pleasure in presenting the management discussion and analysis report for the year ended on March 31st, 2023.

1. GLOBAL ECONOMIC OUTLOOK

The Russia-Ukraine war impacted the pace of the global market recovery from the COVID-19 pandemic. The war has led to economic sanctions on multiple countries, a surge in commodity prices and supply chain disruptions, causing inflation across goods and services affecting many markets across the globe. However, the global textile market grew from \$573.22 billion in 2022 to \$610.91 billion in 2023 at a compound annual growth rate (CAGR) of 6.6%. Growth of E-commerce - Increasing demand for online shopping is expected to drive the textile manufacturing market. The Textile market is expected to grow to \$755.38 billion in 2027 at a CAGR of 5.5% (Source-Business Research Company).

2. INDUSTRY STRUCTURE, DEVELOPMENT AND INDIAN ECONOMY:

India has become fifth largest economy with USD 3.7 trillion economy is expected to become the third largest economy by 2031. There are forecasts of India's GDP growth rate in FY 2023, ranging from 7.00% (the Prime Minister's advisory council) to 7.4 % (IMF) and 5.9% (Goldman Sachs). In addition, GDP growth in FY 2023-24 is predicted to be between 6.00% and 6.2%, and between 6.2% and 6.5% in FY 2024-25. According to the central bank, inflation will be approximately 5.1% to 5.2% in 2023. With the geopolitical scenario expected to improve in the near future, businesses and investors will likely focus on the economy's fundamentals and chances for growth.

A positive business environment, robust industrial output have provided a strong momentum for the growth of India's economy, with an estimated GDP growth of 6.2% for FY 2023-24.

Various indicators, including enhanced Goods and Services Tax (GST) receipts, increased acceptance of transactions based on Unified Payments Interface (UPI), positive growth in Index of Industrial Production (IIP) and rising private spending, all point to a promising economic rebound. While several macroeconomic parameters indicate sustained growth, geopolitical tensions such as the Russia-Ukraine conflict have resulted in a spike in inflation rates, driven by higher oil prices, increased input costs, and supply chain disruptions. The Reserve Bank of India's (RBI's) Monetary Policy Committee (MPC) has maintained an accommodative stance to promote economic growth while keeping inflation under control. Despite a variety of challenges such as climate-related concerns, new Covid-19 variants, persistent unemployment and healthcare infrastructure issues, India's strong economic fundamentals have provided the essential cushion to keep up the growth momentum.

Indian textile industry

The textile industry in India is a vast and dynamic sector, playing a significant role in the country's economy. With a rich history of textiles that dates back millennia, India continues to be a major producer and exporter of fabrics, clothing, and home textiles. At present, India holds a 4% stake in the worldwide trade of textiles and apparel. It is predicted that India's textile and apparel sector will expand at a rate of 10% per annum from 2019-20 to 2025-26, taking the industry's value to US\$ 190 billion. The industry employs millions of people, from farmers and spinners to weavers and tailors, and is considered a key driver of economic growth and development. In recent years, the textile industry in India has undergone significant modernization, with investment in new technology and infrastructure. This has allowed Indian textile companies to improve their competitiveness on a global scale and increase their exports to markets around the world.

The new budget for 2023-24 contains a sizeable increase in grants for the textile industry, with a total allocation of Rs. 4,389.34 crore. These and other features of the budget show the government's priorities for the textile industry. The total allocation for the sector is an impressive 22.6% higher than the previous year's budget and shows the government's commitment to aiding the growth of the sector. All in all, this financial support should create a favourable environment for the



continued success of India's textile industry.

The Indian textile industry operates in both organized high scale and fragmented low scale structure. At one end of the spectrum, the traditional handspun located mostly in rural areas operates and on the other is the largely urban-based capital – intensive sector. The Indian textile and apparel industry contributes about 7% to industry output in value terms and approximately 4% to the country's GDP. Further, the industry contributes 14% to the manufacturing and 13% to the export earnings of the country. The industry is the second largest employer after agriculture, employing over 45 million people directly and over 65 million people indirectly. The industry accounts for nearly 15 percent of total exports.

Currently, India is the third largest exporter of textiles and apparels with about 4.6% market share.

India is behind only China and the European Union. China accounts for 35.15% global share, while Vietnam holds 4.11% and Bangladesh enjoys 4.07% global textile share leading the Textile and Apparel exports as major manufacturing activities are concentrated in these regions.

3. REVIEW & FUTURE OUTLOOK OF THE COMPANY

The Company's operational performance has bounce back during FY 2022-23 after getting affected during the previous year primarily on account of adverse circumstances caused by the pandemic. The Company is continuously trying to accomplish the desired results. Steps have been taken for cost diminution and manufacturing quality products by various installed machineries of the Company. Various aspects of working conditions of workers, health related issues, minimizing risk of accidents at work place etc. are being taken care of by the Company. The Company will achieve more turnovers by various marketing strategies, offering more quality products, launching new products etc. in coming years followed by increase in profit margin by way of various cost cutting techniques and optimum utilization of various resources of the Company. Moreover the company has started exporting the goods and is working towards expansion of export business.

4. OPPORTUNITIES & THREATS:

Business scenario is undergoing a major change during recent times and company is better equipped to use it to its advantage. The Government is committed to encourage the healthy growth of Capital Market for development of the Economy. While the government seems committed to reforms to address the challenges, political compromises and high populist spending in an election year will mean that tough decisions are more likely to be deferred. However, steps by RBI to stabilize the exchange rate by reducing liquidity support to the banking system will create a challenging environment for investments. Uncertainties posed by the current business environment are likely to be crucial for the business operations.

Liquidity management and financial soundness of business partners will be of high importance. A constant vigiland higher validations will need to be put in place for better risk management.

5. SEGMENT-WISE PERFORMANCE:

The Company's main business activity is textile and its related activities which fall under single reportable segment i.e. 'Textiles'. The Company has majorly focused on quality and production.

6. OUTLOOK:

The Company continues to explore the possibilities of expansion and will make the necessary investments when attractive opportunities arise.

7. RISK & CONCERNS:

The Company is exposed to specific risks that are particular to its business, including interest rate volatility, economic cycle, market risk and credit risk. The management continuously assesses the risks and monitors the business and risk management policies to minimize the risk.

Current global and domestic headwinds need to be closely monitored for its impact on the business operations. Liquidity management and financial soundness of business partners will also be of high importance. Company continues to keep constant vigil for better risk management.



Mitigation – Shree Bhavya Fabrics has demonstrated extending its regional reach and diversifying its product offering, the Company. Over the past few decades, the Company has created a strong relationship with local customers, from whom it continues to enjoy unwavering support. The Company always strives to reduce political or regulatory risks by utilising adequate legal consultations and maintaining proper documentation.

8. INTERNAL CONTROL SYSTEMS & THEIR ADEQUEACY:

Internal Control comprises of the plan of organization and all the coordinate methods and measures adopted within a business to safeguard its assets; check the accuracy and reliability of its accounting data and completeness of accounting records; promote operational efficiency; to encourage adherence to the prescribed managerial policies, to assist in achieving the orderly and efficient conduct of business; prevention and detection of fraud and errors and timely preparation of financial statements.

Our Internal Control System is fully equipped with necessary checks and balances ensuring that the transactions are adequately authorized and reported correctly. The Directors have appointed M/s. Kamal M. Shah & Co, Chartered Accountants as the Internal Auditors of the Company for the Financial Year 2023-24.

The Internal Auditor conducts regular Audits of various departments and Units to ensure that necessary controls are in place. The Audit Committee while reviewing the system and the Internal Audit Report, call for comments of Auditors on internal control systems and discuss any related issues with the Auditors and the Management of the company before submission to the Board. The Independent Directors also satisfy themselves on the integrity of financial information and ensure that financial controls including Signature controls, Budget Controls, Data control and systems of risk management are in place. The systems and procedures are documented by way of Manual.

9. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

During the year, the Company has recorded a turnover of Rs. 19,480.03 Lacs as compared to Rs. Rs. 15,830.70 Lacs in the previous year. The Company has made Net Profit of Rs. 153.83 Lacs as against Rs. 49.54 Lacs of the previous year after providing depreciation, tax, etc.

10. HUMAN RESOURCE DEVELOPMENT:

Company considers it's Human Resources as a very important asset and a key in achieving operational performance. Company continues to provide them with a safe and comfortable working environment. During the difficult pandemic times, the company has taken numerous precautions to protect its staff and workers. The company regularly complies with all stipulated environmental and safety norms.

The Company continues to run an in-house training program held at regular intervals and aimed at updating their knowledge about issues.

A structured and digitalised performance management system was created, with a focus on performance-based remuneration tied to both Company and individual performance, with equal weightage to both. Structured Compliance Management, Learning & Development with the objective of enhancing people's competency via continuous learning, and structured cadre development for succession planning have been additional areas of concentration. Safety, welfare, and development of employees remain the Company's top priorities.

**11. CAUTIONERY STATEMENT:**

Statements in the Board's Report and the management discussion and analysis containing the objectives, expectations or predictions of the company may be forward-looking within the meaning of securities laws and regulations. Actual results may differ materially from those expressed in the statement. The operations of the Company could be influenced by various factors such as domestic and global demand and supply conditions affecting sales volumes and selling prices of finished goods, input availability and cost, government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

**PLACE: AHMEDABAD
DATE: 10.08.2023**

**For and on behalf of the Board of Directors
of SHREE BHAVYA FABRICS LIMITED**

**SD/-
[PURUSHOTTAM R. AGARWAL]
Chairman & Managing Director
DIN: 00396869**



Independent Auditors' Report

To the Members of
M/S. SHREE BHAVYA FABRICS LIMITED

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **SHREE BHAVYA FABRICS LIMITED** ("the Company"), which comprises the Balance Sheet as at March 31st, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the statement of Changes in Equity and Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian accounting Standards prescribed under section 133 of the Act read with the companies (Indian Accounting standards)Rule, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023 and its profit & total Comprehensive Income, Changes in equity and its 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 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 separate opinion on these matters. Based on the circumstances and facts of the audit and entity, there are no key audit matters to be communicated in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's 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 during the course of our audit or otherwise appears to be materially misstated.

Based on the work we have performed, we conclude that there is a no material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibility of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone 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 maintenance of adequate accounting records in accordance with the provisions of Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies; making judgements and estimates that are responsible 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 Financial Statement

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.

A further description of the auditor's responsibilities for the audit of the financial statements is included in **Annexure A**. This description forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B, statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 purpose of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c) The Standalone Balance sheet, the statement of Standalone Profit and loss, other comprehensive Income, Statement of changes in Equity and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.



- e) On the basis of written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act; and
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure C”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) 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 standalone financial statements.
- ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any.
- iii) The Provisions of transfer of funds to Investor Education and Protection Fund not applicable to the Company.
- iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.



- v) The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

**For and on Behalf of
Nahta Jain & Associates
Chartered Accountants
Firm Regn. No.
106801W**

Place : Ahmedabad

SD/-

**Date: 29/05/2023
UDIN: 23116735BGVVQ16900**

**(CA. Gaurav Nahta)
Partner
M.No.116735**



Annexure “A” to the Independent Auditor’s Report
Responsibilities for Audit of Financial Statement

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 my 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, I am also responsible for expressing my opinion on whether the company has internal financial controls with reference to Financial Statements 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. I consider quantitative materiality and qualitative factors in (i) planning the scope of my audit work and in evaluating the results of my work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I 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 my independence, and where applicable, related safeguards.

For and on Behalf of
Nahta Jain & Associates
Chartered Accountants
Firm Regn. No. 106801W

SD/-

Place : Ahmedabad
Date : 29/05/2023

(CA. Gaurav Nahta)
Partner
M.No.116735

**Annexure “B” to the Independent Auditor’s Report**

The Annexure referred to in our Independent Auditor’s Report to the members of the Company on the Standalone financial statements for the year ended 31 March 2023, we report that;

- (i) In respect of Fixed Assets:
- a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
(B) The Company has maintained proper records showing full particulars of intangible assets.
 - b) As per the information and explanations given to me, all the assets have been physically verified by the management during the year and there is a regular program of verification which, in my opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies are noticed on such verification.
 - c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
 - d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.
 - e) Based on the information and explanations furnished to us, no proceedings have been initiated or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.
- (ii) In respect of Inventory:
- (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable. As informed to us there were no material discrepancies noticed on verification between the physical stocks and the book records and any discrepancies found has been properly dealt within the books of accounts.
 - (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 been sanctioned new working capital limits in excess of five crore rupees at any point of time during the year, from banks on the basis of security of current assets. Therefore, reporting under this clause is not applicable.
- (iii) During the year under audit, the Company has not granted any loans or advances, secured or unsecured or provided any guarantee or securities, to the companies, firms and other parties covered in the register maintained under section 189 of the Companies Act, 2013 hence clause 3 (iii) (a) (b) (c), (d), (e), (f) of the Companies (Auditor’s Report) Order, 2020 are not applicable.
- (iv) In my opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) According to the information and explanation given to us, the company has not accepted any deposit from the public during the year. Therefore, the provisions of clause (v) of paragraph 3 of the order are not applicable to the company.



- (vi) The central government has prescribed maintenance of cost records under section 148(1)(d) of the companies act 2013 in respect of certain manufacturing activities of the company. Company has obtained cost audit report for the financial year 2021-22 during the year. We have broadly reviewed the accounts and records of the company in this connection and are of the opinion, that prima facie, the prescribed accounts and records have been made and maintained. We have not, however carried out detailed examination of the same.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The company is generally regular in depositing the undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Wealth Tax, Sales Tax, Goods and Service Tax, Custom Duty, Excise Duty, Service Tax, Value Added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of afore mentioned dues were outstanding as at 31st March 2023 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, no statutory dues that have not been deposited on account of disputes.
- (viii) According to the information and explanations given to me and the records of the Company examined by me, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- (ix) a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions or banks. As there are no debentures, the question of repayment does not arise.
- b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Willful Defaulter by any bank or financial institution or government or any government authority.
- c) According to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained.
- d) According to the information and explanations given to me, funds raised on short term basis have not been utilized for long term purposes.
- e) According to the information and explanations given to me, Company doesn't have 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 me Company doesn't have 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 money 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 me and on the basis of my 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 me, considering the principles of materiality outlined in Standards on Auditing, I report that no fraud by the Company or on the Company has been noticed or reported during the course of the Audit.
- (b) According to the information and explanations given to me, no report under sub-section (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) During the course of my examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to me, the Company has not received any whistle-blower complaints during the year.
- (xii) According to the information and explanations given to us, the Company is not Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.



- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
(b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (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 him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per 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 (CIC) 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 me during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(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) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and my knowledge of the Board of Directors and Management plans and based on my examination of the evidence supporting the assumptions, nothing has come to my attention, which comes me to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. I, however, state that this is not an assurance as to the future viability of the Company. I further state that my reporting is based on the facts up to the date of the audit report and I 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) In our opinion and according to the information and explanations given to me, provisions of sub-section (5) of Section 135 of the Companies Act, 2013 is not applicable. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

**For and on Behalf of
Nahta Jain & Associates
Chartered Accountants
Firm Regn. No. 106801W**

Place : Ahmedabad

SD/-

Date : 29/05/2023

**(CA. Gaurav Nahta)
Partner
M.No.116735**

**Annexure “C” to the Auditors’ Report****Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (‘the Act’)****Opinion**

We have audited the internal financial controls over financial statements of **SHREE BHAVYA FABRICS LIMITED** (“the Company”), as of 31 March, 2023, in conjunction with our audit of the standalone financial statements of the Company as at and for the year ended that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to standalone financial statements 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 (the “Guidance Note”).

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal controls 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 responsibility include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the ‘Guidance Note’) and the Standards of Accounting, 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, 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 were 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 or 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 judgement, 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 the 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.

**For and on Behalf of
Nahta Jain & Associates
Chartered Accountants
Firm Regn. No.
106801W**

Place : Ahmedabad

Date : 29/05/2023

**SD/-
(CA. Gaurav Nahta)
Partner
M.No.116735**



SHREE BHAVYA FABRICS LIMITED
Standalone Balance Sheet as at March 31, 2023

(Amount in INR)

	Notes	As at31 March,2023	As at31 March,2022
ASSETS			
Non-Current assets			
a) Property, Plant and Equipment	1	6,49,61,836	6,74,15,901
b) Other Intangible Assets	2	4,65,92,117	4,89,45,049
c) Financial Assets			
(i) Other financial assets	3	68,72,004	60,78,584
d) Deferred tax assets (net)	14	9,03,649	-
		11,93,29,606	12,24,39,534
Current assets			
a) Inventories	4	65,55,45,050	71,82,78,935
b) Financial Assets			
(i) Trade Receivables	5	75,88,65,672	58,86,23,175
(ii) Cash and Cash Equivalents	6	5,04,792	7,77,737
(iii) Bank balance other than cash and cash equivalents.	7	1,36,80,953	1,80,38,129
(iv) Other Financial Assets	8	3,60,084	3,46,220
c) Current Tax Assets	9	1,91,10,583	1,71,75,754
d) Other Current Assets	10	3,00,33,622	3,37,82,954
Total Current assets		1,47,81,00,756	1,37,70,22,904
Total Assets		1,59,74,30,362	1,49,94,62,438
EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	11	9,50,00,000	9,50,00,000
b) Other Equity	12	21,57,35,108	30,03,51,810
Total Equity		31,07,35,108	29,53,51,810
Non-Current Liabilities			
a) Financial Liabilities			
(i) Borrowings	13	21,56,93,372	21,62,30,750
b) Deferred Tax Liabilities (Net)	14	-	11,23,556
c) Other Non-Current Liabilities	15	-	1,50,00,000
Total Non-Current Liabilities		21,56,93,372	23,23,54,306
Current Liabilities			
a) Financial Liabilities			
(i) Borrowings	13	37,24,00,382	34,78,82,676
(ii) Trade and Other Payables			
a) total outstanding due to MSME	16	13,88,758	1,80,82,947
a) total outstanding due to other than MSME	16	25,14,46,169	15,84,10,720
b) Other current liabilities	17	43,94,45,359	44,15,19,481
c) Provisions	18	63,21,213	58,60,497
Total Current Liabilities		1,07,10,01,881	97,17,56,321
Total Liabilities		1,28,66,95,253	1,20,41,10,627
Total Equity And Liabilities		1,59,74,30,361	1,49,94,62,437

The accompanying notes are an integral part of the Standalone financial statements



As per my attached report of even date

For Nahta Jain and Associates

Chartered Accountants

Firm Regn. No. 106801W

For and on behalf of the Board of Directors

SHREE BHAVYA FABRICS LIMITED

SD/-

(CA. Gaurav Nahta)

Partner

M. No. 116735

Place : Ahmedabad

Date : 29.05.2023

SD/-

Purshottam R. Agarwal

(Managing Director)

(DIN-00396869)

SD/-

Ramnivas Pandia

(Director)

(DIN-02875168)

SD/-

Kishan Yadav

(Director & Chief Financial officer)

(DIN: 02845697)



SHREE BHAVYA FABRICS LIMITED

Standalone Statement of Profit and Loss for the year ended March 31, 2022

Particulars	Notes	(Amount in INR)	
		For the year ended 31 March, 2023	For the year ended 31 March, 2021
INCOME			
Revenue from Operations	19	1,94,08,02,596	1,58,30,70,144
Other Income	20	74,46,894	16,74,351
Total Income		1,94,82,49,490	1,58,47,44,495
EXPENSES			
Cost of Material Consumed	21	79,29,40,010	83,11,37,467
Purchase of stock in trade	22	6,10,94,631	1,94,61,367
Changes in inventory of finished goods, stock in trade and WIP	23	8,34,38,046	(8,31,20,227)
Employee Benefit Expenses	24	6,58,40,333	5,29,06,201
Finance Costs	25	7,36,07,323	7,17,59,352
Depreciation and Amortization Expense		86,44,767	98,24,605
Other Expenses	26	84,41,60,082	67,58,66,535
Total Expense		1,92,97,25,192	1,57,78,35,300
Profit(Loss) before exceptional items and tax		1,85,24,298	69,09,195
Exceptional items			
Profit(Loss) Before Tax		1,85,24,298	69,09,195
Tax Expense:			
Current Tax	27	53,00,000	17,65,000
Tax charge relating to earlier periods	27	(1,31,795)	1,04,726
Deferred Tax	27	(20,27,205)	85,902
Total Tax Expenses		31,41,000	19,55,628
Profit/(Loss) for the period from continuing operations	(A)	1,53,83,298	49,53,567
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Income tax relating to items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss			
Income tax relating to items that will be reclassified to profit or loss		-	-
		-	-
Total Other comprehensive income	(B)	-	-
Total Comprehensive Profit / (Loss) for the year	(A)+(B)	1,53,83,298	49,53,567
Earnings/(Loss) per Share - (Face value of Rs. 10 each)			
Basic and Diluted (in ₹)	27	1.61	0.52

The accompanying notes are an integral part of the Standalone financials

statements. As per my attached report of even date

For Nahta Jain and Associates

Chartered Accountants

Firm Regn. No. 106801W

SD/-

(CA. Gaurav Nahta)

Partner

M. No. 116735

Place : Ahmedabad

Date : 29.05.2023

For and on behalf of the Board of Directors

SHREE BHAVYA FABRICS LIMITED

SD/-

Purshottam R. Agarwal

(Managing Director)

(DIN-00396869)

SD/-

Kishan Yadav

(Director Chief Financial Officer)

(DIN: 02845697)

SD/-

Ramnivas Pandia

(Director)

(DIN-02875168)



SHREE BHAVYA FABRICS LIMITED
Standalone Cash Flow Statement for the Year Ended as on 31.03.2023

PARTICULARS	(Amount in INR)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash Flow From Operating Activities		
Profit (Loss) Before Tax	1,85,24,298	69,09,195
Adjustments For:		
Profit on discard of Property, Plant and Equipment	(39,284)	-
Profit on discard of Intangible Assets	(23,23,568)	-
Depreciation and Amortisation Expenses	86,44,767	98,24,605
Finance Income	(3,69,650)	(4,94,847)
Income From Dividend	-	-
Profit on Sale of Current Investments (Net)	-	-
Interest on Income Tax Refund	(6,38,278)	(1,94,698)
Provision for Non-moving Inventory	-	-
Finance Expense	6,84,89,998	6,67,51,925
Provision For Doubtful Advances (Net)		
Operating (Loss) Before Working Capital Changes	9,22,88,283	8,27,96,180
Movements in Working Capital :		
(Increase) in Inventories	6,27,33,885	(10,41,90,864)
Decrease / (Increase) in Trade Receivables	(17,02,42,498)	10,73,64,254
(Increase) in Other Financial Assets	35,49,892	64,81,588
(Increase) in Other Assets	18,14,503	(55,52,195)
Increase in Trade Payables	7,63,41,260	(8,20,22,207)
Increase in Lease Liabilities		
Increase in Other Financial Liabilities		
Increase in Other Liabilities	(1,70,74,122)	18,21,25,459
Increase in Provision	4,60,716	7,97,278
Cash (used) in operations	4,98,71,919	18,77,99,492
Direct Taxes Paid (Net of Refunds)	(51,68,205)	(18,69,726)
Net Cash Outflow From Operating Activities	4,47,03,714	18,59,29,766
B. Cash Flows From Investing Activities		
Payment for Purchase of Property, Plant and Equipments and Intangible Assets (Including Capital work in progress and Capital Advances)	(62,21,418)	(2,56,40,974)
Proceeds from Sale of Investment		
Proceeds from sale of fixed assets	53,30,109	79,390
Interest Received	10,07,928	6,89,545
Income from dividend	-	-
Net Cash (Outflow) from Investing Activities	1,16,619	(2,48,72,039)
C. Cash Flows From Financing Activities		
Proceeds from issuance of Share Capital/ Share Application Money Pending Allotment		
Proceeds from Long-Term Borrowing		
Proceeds/Repayment of Long-Term Borrowings	(5,37,377)	(8,18,22,078)
Proceeds from Short-Term Borrowing		



Repayment of Short-Term Borrowings	2,45,17,706	(1,26,98,042)
Proceeds from Issuance of Share		
Capital Interest and Finance Charges Paid	(6,84,89,998)	(6,67,51,925)
Net Cash Inflow from Financing Activities	(4,45,09,669)	(16,12,72,044)
D. Net Increase in Cash & Cash Equivalents (A+B+C)	3,10,664	(2,14,317)
E. Cash & Cash Equivalents at the beginning of the year / period	7,77,737	9,92,054
F. Cash & Cash Equivalents at the end of the year / period	5,04,792	7,77,737
Component of Cash and Cash Equivalents		
Cash on hand	5,04,792	7,77,737
Balances with Scheduled Bank		
- On Current Accounts	-	-
- Deposits with original maturity of less than three months	-	-
Margin money deposits (restricted Cash)		
Cash and Cash Equivalents at the end of the year / period	5,04,792	7,77,737

Notes:

- (1) The Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7 on Cash Flow Statements notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).
- (2) Disclosure with regards to changes in liabilities arising from Financing activities as set out in Ind AS 7 – Statement of Cash flows is presented under:

As at March 31, 2023	Opening Balance	Cash Flows	Non Cash Changes	Closing Balance
Long term Borrowings (Incl. Current maturity)	21,62,30,7450	0	(5,37,377)	21,56,93,372
Short term Borrowings	34,78,82,676	0	2,45,17,706	37,24,00,382
Total liabilities from financing activities	56,41,13,426	0	2,39,80,329	58,80,93,754

As at March 31, 2022	Opening Balance	Cash Flows	Non Cash Changes	Closing Balance
Long term Borrowings (Incl. Current maturity)	29,80,52,827	0	(81,822,077)	21,62,30,750
Short term Borrowings	36,05,80,718	0	(1,26,98,042)	34,78,82,676
Total liabilities from financing activities	658,633,545	0	(9,45,20,119)	56,41,13,426

Ind AS 7 Statement of Cash Flows: Disclosure Initiative

Ind AS 7 require entities to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses). The Company has provided the information for current period.



As per my attached report of even date

***For Nahta Jain and Associates
Chartered Accountants
Firm Regn. No. 106801W***

SD/- Purshottam R. Agarwal (Managing Director) (DIN-00396869)	SD/- Ramnivas Pandia (Director) (DIN-02875168)
--	---

**SD/-
(CA. Gaurav Nahta)
Partner
M. No. 116735
Place : Ahmedabad
Date : 29/05/2023**

**SD/-
Kishan Yadav
(Director & Chief
Financial Officer)
(DIN: 02845697)
Place : Ahmedabad
Date : 29/05/2023**



Statement of Changes in Equity for the year ended March 31, 2022

For the year ended March 31, 2023

Amount in INR

Particulars	Reserves and Surplus				Other Item of OCI (Specify nature)	Money items against share capital	Total received
	Capital Reserve	Security Premium	Other Reserves	Retained Earnings			
Balance as at 01/04/2022	61,09,750	1,73,66,500	-	17,68,75,560	-	-	20,03,51,810
Changes in accounting policy or prior period error	-	-	-	-	-	-	-
Profit/(Loss) for the period	-	-	-	1,53,83,298	-	-	1,53,83,298
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-
Total Comprehensive (Loss) for the year	-	-	-	-	-	-	-
Changes in Equity Share Capital due to prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-
Re-Classification of CCDs as Equity Instrument	-	-	-	-	-	-	-
Any other changes (to be specified)	-	-	-	-	-	-	-
Balance as at 31/03/2021	61,09,750	1,73,66,500	-	19,22,58,858	-	-	21,57,35,108



For the year ended March 31, 2022

Amount in INR

Particulars	Reserves and Surplus				Other Item of OCI (Specify nature)	Money items against share capital	Total received
	Capital Reserve	Security Premium	Other Reserves	Retained Earnings			
Balance as at 01/04/2021	61,09,750	1,73,66,500	-	17,19,21,993	-	-	19,53,98,243
Changes in accounting policy or prior period error	-	-	-	-	-	-	-
Profit/(Loss) for the period	-	-	-	49,53,567	-	-	49,53,567
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-
Total Comprehensive (Loss) for the year	-	-	-	-	-	-	-
Changes in Equity Share Capital due to prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-
Re-Classification of CCDs as Equity Instrument	-	-	-	-	-	-	-
Any other changes (to be specified)	-	-	-	-	-	-	-
Balance as at 31/03/2022	61,09,750	1,73,66,500	-	17,68,75,560	-	-	20,03,51,810

The accompanying notes are an integral part of the Standalone financial statements.

As per my attached report of even date

For Nahta Jain and Associates

Chartered Accountants

Firm Regn. No. 106801W

SD/-

(CA. Gaurav Nahta)

Partner

M. No. 116735

Place : Ahmedabad

Date : 29/05/2023

SD/-

Purshottam R. Agarwal

(Managing Director)

(DIN-00396869)

SD/-

Kishan Yadav

(Director and Chief Financial Officer)

(DIN: 02845697)

Place : Ahmedabad

Date : 29/05/2023

SD/-

Ramnivas Pandia

(Director)

(DIN-02875168)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023****1. General Information**

Shree Bhavya Fabrics Limited (“the Company”) incorporated in 1988 in India. The principal activity of the Company is to be in the business of textile. The Company has manufacturing facilities in India. The company manufactures textile products. The registered office and factory address of Company is SURVEY NO. 170 OPP.ADVANCE PETROCHEM LIMITED, PIRANA ROAD, PIPLEJ AHMEDABAD-382405, GUJARAT. Company has no holding, Subsidiary Company.

2. Significant Accounting policies**i. Statement of compliance:**

These Financial Statements have been prepared in accordance with Indian Accounting Standards (referred to as “Ind AS”) as prescribed under Section 133 of the Companies Act, 2013 (Act) read with Companies (Indian Accounting Standards) Rules as amended from time to time. The Financial Statements have been prepared under historical cost convention basis except for certain financial assets and financial liabilities which have been measured at fair value. Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The Company’s presentation and functional currency is Indian Rupees and all values are rounded to the Lakhs.

ii. Basis of preparation and presentation:

These financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Company’s normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

iii. Current and non-current classification:

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is classified as current when it satisfies any of the following criteria: it is expected to be realized in, or is intended for sale or consumption in, the Company’s normal operating cycle.

It is held primarily for the purpose of being traded Non-Current;

- It is expected to be realized within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
- All other assets are classified as non-current.

It is held primarily for the purpose of being traded Current

- A liability is classified as current when it satisfies any of the following criteria:
- It is expected to be settled in the Company’s normal operating cycle;
- It is held primarily for the purpose of being traded
- It is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.
- All other liabilities are classified as non-current.
- Deferred tax assets and liabilities are classified as non-current only
- The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.



- Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Standalone Financial Statements have been presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the nearest two decimals, unless otherwise stated.

IV. Use of estimates & Judgments

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires management of the Company to make informed judgments, reasonable assumptions and estimates that affect the amounts reported balances of Assets and Liabilities, disclosures of contingent Liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented. Uncertainty about these could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in the future periods. These assumptions and estimates are reviewed periodically based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit & Loss in the period in which the estimates are revised and in any future periods affected.

In the assessment of the Company, the most significant effects of use of judgments and/or estimates on the amounts recognized in the financial statements are in respect of the following:

- Useful lives of property, plant & equipment;
- Valuation of inventories;
- Measurement of recoverable amounts of assets / cash-generating units;
- Assets and obligations relating to employee benefits;
- Evaluation of recoverability of deferred tax assets; and
- Provisions and Contingencies

V. Functional and presentation currency:

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest lakhs, except as stated otherwise.

VI. Significant accounting policies

A. Revenue recognition

Revenue from contract with customers Revenue from contracts with customers is recognized upon transfer of control of promised goods/ products to customers at an amount that reflects the consideration to which the Company expect to be entitled for those goods/ products. To recognize revenues, the Company applies the following five-step approach:

- Identify the contract with a customer,
- Identify the performance obligations in the contract,
- Determine the transaction price,
- Allocate the transaction price to the performance obligations in the contract, and
- Recognize revenues when a performance obligation is satisfied.

1. Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, related discounts & incentives and volume rebates. It includes excise duty and excludes value added tax/ sales tax/goods and service tax.

**2. Sale of goods – non-cash incentive schemes (deferred revenue)**

The company operates a non-cash incentive scheme program where dealers / agents are entitled to non-cash incentives on achievement of sales targets. Revenue related to the non-cash schemes is deferred and recognized when the targets are achieved. The amount of revenue is based on the realization of the sales targets to the period of scheme defined.

3. Interest income

For all financial instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. Interest income is included in other income in the statement of profit and loss.

4. Dividends

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

B. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that a company incurs in connection with the borrowing of funds.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying asset is deducted from the borrowing costs eligible for capitalization.

C. Export Benefits

Duty free imports of raw materials under advance license for imports, as per the Foreign Trade Policy, are matched with the exports made against the said licenses and the net benefits / obligations are accounted by making suitable adjustments in raw material consumption.

D. Taxes**1. Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on the rates and tax laws enacted or substantively enacted, at the reporting date in the country where the entity operates and generates taxable income.

Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2. Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their corresponding carrying amounts for the financial reporting purposes.

Deferred tax assets are the amounts of income taxes recoverable in future periods in respect of:

- i. deductible temporary differences;
- ii. the carry forward of unused tax losses; and
- iii. the carry forward of unused tax credits.



The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

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

Minimum Alternative 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 the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with recommendations contained in Guidance Note issued by ICAI, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to an extent there is no longer convincing evidence to the effect that the company will pay normal Income Tax during the specified period.

E. Leases

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

1) Right-of-use assets

- The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use).
- 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 recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. 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, as follows:
 - Leasehold buildings 8 to 10 years
 - Leasehold Land 75 to 80 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (p) Impairment of non-financial assets.

2) Lease Liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do



not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest 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. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments.

3) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value.

Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

F. Employee Benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized during the period in which the employee renders related service.

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered the service entitling them to the contribution.

No benefits has been provided by the Company under the defined benefits plan. Thus no re measurement comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

No net defined benefit obligation as an expense has been recognized in the statement of profit and loss:

1. Long-term employee benefits

Post-employment and other employee benefits are recognized as an expense in the statement of profit and loss for the period in which the employee has rendered services. A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

2. Defined contribution plans

The company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid.

G. Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at acquisition cost of the items. Acquisition cost includes expenditure that is directly attributable to getting the asset ready for intended use. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.



An item of spare parts that meets the definition of 'property, plant and equipment' is recognized as property, plant and equipment. The depreciation on such an item of spare part will begin when the asset is available for use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. In case of a spare part, as it may be readily available for use, it may be depreciated from the date of purchase of the spare part.

Capital work in progress is stated at cost and net of accumulated impairment losses, if any. All the direct expenditure related to implementation including incidental expenditure incurred during the period of implementation of a project, till it is commissioned, is accounted as Capital work in progress (CWIP) and after commissioning the same is transferred / allocated. Pre-operating costs, being indirect in nature, are expensed to the statement of profit and loss as and when incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated to allocate the cost of assets, net of their residual values, over their estimated useful lives. Components having value significant to the total cost of the asset and life different from that of the main asset are depreciated over its useful life. However, land is not depreciated. The useful lives so determined are as follows:

Assets	Estimated useful life
Lease hold land	Lease term (99 years)
Buildings	30 to 60 years
Plant and machinery	10 to 40 years
Furniture and fixtures	10 years
Office equipment	10 years
Vehicles	8 to 10 years

Depreciation on fixed assets has been provided in the accounts based on useful life of the assets prescribed in Schedule II to the companies Act, 2013 based on Straight Line Method/Written Down Method.

Depreciation on additions is calculated on pro rata basis with reference to the date of addition.

Depreciation on assets sold/ discarded, during the period, has been provided up to the preceding month of sale / discarded.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains / (losses).

H. Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.



There are no Investment Properties in name of Company.

I. Intangibles

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the company and the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

J. Inventories

Inventories are valued at the lower of cost and net realizable value.

1. **Raw materials:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
2. **Finished goods and work in progress:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on lower of cost or net realizable value.
3. **Stores and spares:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis. An item of spare parts that does not meet the definition of 'property, plant and equipment' has to be recognized as a part of inventories.
4. **Fuel:** cost includes cost of purchase and other cost incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

K. Investment in subsidiaries, joint ventures and associates

Investments in subsidiaries, joint ventures and associates are recognized at cost as per Ind AS 27. Except where investments accounted for at cost shall be accounted for in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

There are no Investment in Subsidiaries, Joint Ventures and Associates as defined as per INDAS 27.

L. Financial Instruments

● **Financial assets**

i. Initial recognition and measurement

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

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

ii. Subsequent measurement

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

- a. Debt instruments at amortized cost
- b. Debt instruments at fair value through other comprehensive income (FVTOCI)
- c. Financial assets at fair value through profit or loss (FVTPL)
- d. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

**iii. Debt instruments at amortized cost**

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

iv. Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b. The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

v. Financial instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

vi. Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

**vii. Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognized (i.e. removed from the company's balance sheet) when:

- a. The rights to receive cash flows from the asset have expired, or
- b. The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - a) the company has transferred substantially all the risks and rewards of the asset, or
 - b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognize the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

viii. Impairment of financial assets

The company assesses impairment based on expected credit loss (ECL) model to the following:

- a. Financial assets measured at amortized cost;
- b. Financial assets measured at fair value through other comprehensive income (FVTOCI); Expected credit losses are measured through a loss allowance at an amount equal to:
 - a. The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
 - b. Full time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The company follows 'simplified approach' for recognition of impairment loss allowance on:

- a. Trade receivables or contract revenue receivables; and

Under the simplified approach, the company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.



Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L.

ix. Financial assets measured as at amortized cost, contractual revenue receivables and lease receivables

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

• **Financial liabilities**

i. Initial recognition and measurement

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

The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

ii. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

- a. Loans and borrowings
- b. Financial guarantee contracts
- c. Financial guarantee contracts

iii. Financial liabilities at FVTPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit and loss. The company has not designated any financial liability as at fair value through profit and loss.

**iv. Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

v. De recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

• Off-setting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

M. Impairment of non-financial assets

The company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or company's assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is determined:

- i. In case of individual asset, at higher of the fair value less cost to sell and value in use; and
- ii. In case of cash-generating unit (a company of assets that generates identified, independent cash flows), at the higher of the cash-generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation surplus.

**N. Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

O. Segment accounting

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The Operating segments have been identified on the basis of the nature of products/services.

The accounting policies adopted for segment reporting are in line with the accounting policies of the company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter Segment revenue is accounted on the basis of transactions which are primarily determined based on market/fair value factors. Revenue, expenses, assets and liabilities which relate to the company as a whole and are not allocated to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

The Company is primarily engaged in the business of manufacturing, distribution and marketing of textile product. These, in the context of Ind AS 108 on Operating Segments Reporting are considered to constitute single business segment.

P. Provisions, Contingent liabilities, Contingent assets and Commitments General

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liability is disclosed in the case of:

1. A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
2. A present obligation arising from the past events, when no reliable estimate is possible;
3. A possible obligation arising from the past events, unless the probability of outflow of resources is remote. Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

The company provides for the expenses to reclaim the quarries used for mining. The total estimate of reclamation expenses is apportioned over the estimate of mineral reserves and a provision is made based on the minerals extracted during the year. Mines reclamation expenses are incurred on an ongoing basis and until the closure of the mine. The actual expenses may vary based on the nature of reclamation and the estimate of reclamation expenditure.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

**Q. Dividend**

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

The Company recognizes a liability to make cash distributions to equity holders of the Company when the distribution is authorized, and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. The interim dividends declared during the year are approved by the Board of Directors.

However no dividend has been paid by Company during the year.

R. Earnings per share

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. The diluted potential equity shares have been arrived at, assuming that the proceeds receivable were based on shares having been issued at the average market value of the outstanding shares. In computing dilutive earnings per share, only potential equity shares that are dilutive and that would, if issued, either reduce future earnings per share or increase loss per share, are included.

S. Use of estimates and judgements

The presentation of the financial statements is in conformity with the Ind AS which requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Current tax
- Fair valuation of unlisted securities

T. Statement of cash flows

Cash flow are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals of accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and finance activities of the company are segregated.

**U. Current and non-current classification**

The company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

Expected to be realized or intended to be sold or consumed in normal operating cycle;

- i. Held primarily for the purpose of trading;
- ii. Expected to be realized within twelve months after the reporting period, or
- iii. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current. A liability is current when:

- i. It is expected to be settled in normal operating cycle;
- ii. It is held primarily for the purpose of trading;
- iii. It is due to be settled within twelve months after the reporting period, or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after thereporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating Cycle

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The company has identified twelve months as its operating cycle.

V. Foreign currency translation

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is company's functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

W. Fair value measurement

The company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

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



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

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

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

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

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

For assets and liabilities that are recognized in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The company's Valuation Committee determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. The Valuation Committee comprises of the head of the investment properties segment, heads of the company's internal mergers and acquisitions team, the head of the risk management department, financial controllers and chief finance officer.

External valuers are involved for valuation of significant assets, such as unquoted financial assets. Involvement of external valuers is decided upon annually by the Valuation Committee after discussion with and approval by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuers are normally rotated every three years. The management decides, after discussions with the company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

On an interim basis, the Valuation Committee and the Company's external valuers present the valuation results to the Audit Committee and the company's independent auditors. This includes a discussion of the major assumptions used in the valuations.

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

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- i. Disclosures for valuation methods, significant estimates and assumptions.
- ii. Quantitative disclosures of fair value measurement hierarchy.



- iii. Investment in unquoted equity shares (discontinued operations).
- iv. Financial instruments (including those carried at amortized cost).

X. Earnings Per Share

Basic earnings per share is computed and disclosed by dividing the net profit after tax by using the weighted average number of common shares outstanding during the year. Dilutive earning per share is computed and disclosed using the weighted average number of common and dilutive common equivalent shares outstanding during the year, except when the results would be anti-dilutive.

Y. Exceptional items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the company is such that its disclosure improves the understanding of the performance of the company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

Z. Rounding off

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakhs as per the requirements of Schedule III, unless otherwise stated.

- **Recent accounting pronouncements**

Recent pronouncements Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Group does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Group is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

The Group does not expect this amendment to have any significant impact in its financial statements.

- **Other Statutory Information:**

1. **Details of Benami Property:** The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.



2. **Details of Charges:** The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
3. **Details of crypto currency or virtual currency:** The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
4. **Utilization of borrowed funds and share premium:**
The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
5. **Undisclosed income:** The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
6. **Willful Defaulter:** The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.
7. **Compliance with number of layers of companies:** As the company has no holding or subsidiary company, requirement with respect to number of layers prescribed under clause 87 of sub section 2 of the Companies Act, 2013 read with companies (restriction on number of layers) rules, 2017 is not applicable.
8. **Valuation of PP&E, intangible asset and investment property:** The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.
9. **Compliance with approved scheme(s) of arrangements:** The Company has not entered into any scheme of arrangement which has an accounting impact on current financial statements.

For Nahta Jain and Associates
Chartered Accountants
Firm Regn. No. 106801W

Sd/-
(CA. Gaurav Nahta)
Partner
M. No. 116735
Place : Ahmedabad
Date : 29/05/2023

Sd/- **Purshottam R. Agarwal** Sd/- **Ramnivas Pandia**
(Managing Director) **(Director)**
(DIN-00396869) **(DIN-02875168)**

Sd/-
Kishan Yadav
(Director & Chief
Financial Officer)
(DIN: 02845697)
Place : Ahmedabad
Date : 29/05/2023



Notes forming part of the standalone financial statements

1. Property, Plant and Equipment

For the year ended March 31, 2023

Amount in INR.

Description of Assets	Building	Computer	Furniture & Fixture	Plant and machinery	Vehicles	Total
I. Cost						
Balance as at 1st April, 2022	8,72,42,550	45,44,774	1,39,61,440	37,70,22,021	3,51,34,197	51,79,04,982
Additions during the year	-	1,13,008	15,86,874	42,65,811	2,55,725	62,21,418
Disposals during the year	-	-	-	-	6,14,325	6,14,325
Balance as at March 31, 2023	8,72,42,550	46,57,782	1,55,48,314	38,12,87,832	3,47,75,597	52,35,12,075
II. Accumulated depreciation						
Balance as at 1st April, 2020	6,50,44,352	42,51,995	1,16,99,473	33,72,89,859	3,22,03,402	45,04,89,081
Depreciation expense for the year	20,79,933	1,40,357	5,96,599	53,36,463	4,91,415	86,44,767
Disposals during the year	-	-	-	-	5,83,609	5,83,609
Balance as at March 31, 2022	6,71,24,285	43,92,352	1,22,96,072	34,26,26,322	3,21,11,208	45,85,50,239
III. Net Block						
As at March 31, 2023	2,01,18,265	2,65,430	32,52,242	3,86,61,510	26,64,389	6,49,61,836



For the Year ended March 31 2022

Amount in INR.

Description of Assets	Building	Computer	Furniture & Fixure	Plant and Machinery	Vehicles	Total
Cost						
Balance as at March 31, 2021	8,72,42,550	44,26,977	1,34,87,310	37,63,81,434	3,51,34,197	51,66,72,468
Additional during the year		1,17,797	4,74,130	21,96,047	-	27,87,974
Disposals during the year			-	15,55,460		15,55,460
Balance as at March 31, 2022	8,72,42,550	45,44,774	1,39,61,440	37,70,22,021	3,51,34,197	51,79,04,982
II. Accumulated depreciation						
Balance as at 1st April, 2021	6,27,48,564	42,03,654	1,10,98,998	33,25,58,087	31,531,243	442,140,546
Depreciation expense for the year	22,95,788	48,341	600,475	62,07,842	6,72,159	9,824,605
Disposals during the year	-	-	-	14,76,070		1,476,070
Balance as at March 31, 2022	6,50,44,352	42,51,995	1,16,99,473	33,72,89,859	3,22,03,402	45,04,89,081
III. Net Block						
As at March 31, 2022	2,21,98,198	2,92,779	22,61,967	3,97,32,162	29,30,795	67,415,901

**2. Other Intangible Assets**

For the year ended March 31, 2023

Amount in INR.

Description of Assets	Computer Software	Total
I. Cost		
Balance as at 1st April, 2022	7,36,76,343	7,36,76,343
Additions during the year	-	-
Disposals during the year	33,57,855	33,57,855
Balance as at March 31, 2023	7,03,18,488	7,03,18,488
II. Accumulated amortization		
Balance as at 1st April, 2022	2,47,31,294	2,47,31,294
Amortization expense for the year	-	-
Disposals during the year	10,04,923	10,04,923
Balance as at March 31, 2023	2,37,26,371	2,37,26,371
III. Net Block		
As at March 31, 2023	4,65,92,117	4,65,92,117

For the year ended March 31, 2022

Amount in INR.

Description of Assets	Pipelines (ROU)	Total
I. Cost		
Balance as at 1st April, 2021	5,08,23,343	5,08,23,343
Additions during the year	2,28,53,000	2,28,53,000
Disposals during the year	-	-
Balance as at March 31, 2022	7,36,76,343	7,36,76,343
II. Accumulated Amortization		
Balance as at 1st April, 2021	2,47,31,294	2,47,31,294
Amortization expense for the year	-	-
Disposals during the year	-	-
Balance as at March 31, 2022	2,47,31,294	2,47,31,294
III. Net Block		
As at March 31, 2022	48,945,049	48,945,049

As at March
31, 2023
Amount in
INR.As at March
31, 2022
Amount in
INR.**3. Other Financial Assets**

Security deposits	68,72,004	60,78,584
Bank deposits with more than 12 months maturity	-	-
	68,72,004	60,78,584

4. Inventories

(a) Raw Materials	9,30,74,691	7,24,51,469
(b) Work-in-Progress	7,41,94,834.00	10,45,62,248
(c) Finished Goods	40,00,49,363	45,31,19,995



(d) Stores and Spare	4, 46, 48,456	3, 17, 66,662
(e) Others (specify nature)		
(i)Color Chemicals	3, 55, 67,387	4, 71, 80,975
(ii) Packing Materials	38, 52,029	13, 45,088
(iii) Coal & Fire Wood	<u>41, 58,290</u>	<u>78, 52,498</u>
	<u>65,55,45,050</u>	<u>71,82,78,935</u>

5. Trade Receivables

Undisputed Trade receivables - Considered good	76, 19, 27,894	58, 92, 12,387
Less Expected Credit Loss	<u>(30, 62,222)</u>	<u>(589,212.00)</u>
	<u>75,88,65,672</u>	<u>58,86,23,175</u>

Includes dues from companies where directors are interested

Trade Receivables Ageing Schedule**As at March 31, 2023****Amount in INR.**

Sr No	Particulars	Outstanding for following periods from due date of receipt				Total
		Less than 6 months	6 Months - 1 year	1-2 Years	More than 3 Years	
1	Undisputed Trade receivables- Considered good	63,98,30,987	34,62,231	33,59,078	9,65,46,447	74,31,98,743
2	Undisputed Trade receivables - which have significant increase in risk	-	-	-	-	-
3	Undisputed Trade receivables - credit impaired	-	-	-	-	-
4	Disputed Trade receivables - Considered good	-	1,56,806	2,90,744	1,82,81,688	1,87,29,238
5	Disputed Trade receivables - which have significant increase in risk	-	-	-	-	-
6	Disputed Trade receivables - credit impaired	-	-	-	-	-
	Total	63,98,30,987	36,19,037	36,49,822	11,48,28,135	76,19,27,981

As at March 31, 2022**Amount in INR.**

Sr No	Particulars	Outstanding for following periods from due date of receipt				Total
		Less than 6 months	6 Months - 1 year	1-2 Years	More than 3 Years	
1	Undisputed Trade receivables- Considered good	44,32,51,520	1,10,48,566	1,02,68,423	9,26,48,878	56,92,42,944
2	Undisputed Trade receivables - which have significant increase in risk	-	-	-	-	-
3	Undisputed Trade receivables - credit impaired	-	-	-	-	-
4	Disputed Trade receivables - Considered good	3,76,210	1,77,423	2,29,744	1,14,05,207	1,99,69,443
5	Disputed Trade receivables - which have significant increase in risk	-	-	-	-	-
6	Disputed Trade receivables - credit impaired	-	-	-	-	-
	Total	44,36,27,730	1,12,25,989	1,04,98,167	10,40,54,085	58,92,12,387

**Notes forming part of the standalone financial statements**

	As at March 31, 2023 Amount in INR.	As at March 31, 2022 Amount in INR
6. <u>Cash and cash equivalents</u>		
(a) Balances with Banks	-	-
(b) Cash on Hand	5,04,792	7,77,737
	5,04,792	7,77,737
7. <u>Bank balances other than cash and cash equivalents</u>		
(a) Balance held as Margin Money	1,36,80,953	1,80,38,129
	1,36,80,953	1,80,38,129
8. <u>Other Financial Assets</u>		
Interest receivable from Fixed Deposits	1,16,891	88,820
Interest receivable from Torrent Deposits	2,43,193	2,57,400
	3,60,084	3,46,220
9. <u>Current Tax Assets</u>		
TDS Receivables	2,44,10,583	1,89,40,754
Less Provision for Tax	(53,00,000)	(17,65,000)
	1,91,10,583	1,71,75,754
10. <u>Other Current Assets</u>		
Advances Other advances	1,04,51,310	91,47,485
Prepaid Expenses	6,08,687	6,10,074
GST Receivables	1,89,73,625	2,40,25,395
	3,00,33,622	3,37,82,954
11. <u>Share capital</u>		
Authorised		
1,00,00,000 (PY 1,00,00,000) Equity Shares of Rs. 10/- each with voting rights	10,00,00,000	10,00,00,000
	10,00,00,000	10,00,00,000
Issued, subscribed and fully paid up share capital		
95,00,000 (PY: 95,00,000) Equity Shares of Rs 10/- each with voting rights	9,50,00,000	9,50,00,000
	9,50,00,000	9,50,00,000

Notes:**(a) Reconciliation of the number of the shares outstanding at the beginning and at the end of the reporting period:**

	As at March 31, 2023		As at March 31, 2022	
As the beginning of the year/ period	9,500,000	95,000,000	9,500,000	95,000,000
Share capital issued during the year/ period	-	-	-	-
Outstanding at the end of the year/ period	9,500,000	95,000,000	9,500,000	95,000,000



Notes forming part of the standalone financial statements

(b) Details of shareholder holder more than 5% shares in the Company

Equity shares of Rs. 10 each fully paid	As at March 31, 2023		As at March 31, 2022		
	Class of shares / Name of shareholder	No. of Shares held	% of holding in that class of Shares	No. of Shares held	% of holding in that class of Shares
Equity shares fully paid up					
Purushottam R. Agarwal	18,07,581	19.03	18,07,581	19.03	
Pursuhottam R. Agarwal HUF	24,92,344	26.24	24,92,344	26.24	

(c) Shareholding of Promoters

Shares held by promoters as at March 31, 2023				
S.No	Promoter name	No. of Shares (Rs. in Lacs)	% of total shares	% Change during the year
1	Pursuhottam R. Agarwal	1,807,581	19.03%	0.00%
2	Pursuhottam R. Agarwal HUF	2,492,344	26.24%	0.00%
3	Somna P Agarwal	1,41,851	1.49%	0.00%
4	Nirmala P Agarwal	250	0.00%	0.00%
5	Tilokchand and Sons	48,649	0.50%	0.00%
	Total	44,90,675	47.26%	0.00%

Shares held by promoters as at March 31, 2022				
S.No	Promoter name	No. of Shares (Rs. in Lacs)	% of total shares	% Changeduring the year
1	Pursuhottam R. Agarwal	1,807,581	19.03%	0.00%
2	Pursuhottam R. Agarwal HUF	2,492,344	26.24%	0.00%
3	Somna P Agarwal	1,41,851	1.49%	0.00%
4	Nirmala P Agarwal	250	0.00%	0.00%
5	Tilokchand and Sons	48,649	0.50%	0.00%
	Total	44,90,675	47.26%	0.00%

Details of rights, preferences and restrictions attached to the shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share.

The dividend has not been declared during the year by the Company.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

The Company does not have any holding Company.

As per records of the company, including its register of shareholders/members and other declaration received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.



Particulars	Aggregate number of shares				
	As at 31 March, 2023	As at 31 March, 2022	As at 31 March, 2021	As at 31 March, 2020	As at 31 March, 2019
Equity shares with voting rights	95,00,000	95,00,000	95,00,000	95,00,000	95,00,000
Fully paid up pursuant to contracts	-	-	-	-	-
Fully paid up by way of bonus shares	-	-	-	-	-
Shares bought back	-	-	-	-	-

Notes forming part of the standalone financial statements

	As at March 31, 2023 Amount in INR.	As at March 31, 2022 Amount in INR.
12. Other Equity		
Capital Reserve	61,09,750	61,09,750
Security Premium	1,73,66,500	1,73,66,500
Retained Earnings	19,22,58,858	17,68,75,560
	21,57,35,108	20,03,51,810

Nature and purpose of reserves

(ii) Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

(ii) Capital Reserve

The reserve is utilised in accordance with the provisions of the Act.

(iii) Retained earnings

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve and also considering the requirements of the Companies Act, 2013.

13. Borrowings

Non Current

a. Term Loans

(i) From Banks

	As at March 31, 2023 Amount in Lacs.	As at March 31, 2022 Amount in Lacs.
(a) Working Capital Term Loan from BOI (GECL)	1,46,18,903	2,42,20,609
(b) Working Capital Term Loan from Chartered Bank (GECL)	1,99,53,658	3,25,48,421
(c) Term Loan from Standard Chartered Bank (refer note - (i) below)	17,38,13,091	18,44,63,342
(d) Working Capital Term Loan from Chartered Bank (GECL)	1,96,01,974	-
Less: Current Maturities	(3,48,28,742)	(3,10,53,645)

Loan From Others

2,25,34,488 60,52,022

Total Non-current borrowing

21,56,93,372 21,62,30,750

**Current**

a. Loans repayable on demand

(i) From Banks

a) Current Maturities	3,48,28,742	3,10,53,645
b) Bank of Baroda C/C	18,38,78,559	16,18,94,421
c) Bank of India C/C	15,36,93,081	15,49,34,610

Total Current borrowing

37,24,00,382	34,78,82,676
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NOTES:

- Working Capital facilities received from BOB &BOI are secured by the personal guarantee of Managing Director and all the chargeable Current Assets, Plant &Machinery and Other fixed assets situated at company's Factory premises. Working Capital Loans from bank carry interest rate ranging from 14.10% to15.25% per annum. The facilities are further secured by mortgaged of certain immovable properties owned by Director and other relatives.
- Working Capital Term loan from BOI (GECL), balance outstanding amounting to Rs. 146.19 Lacs (previous year Rs. 242.21) is secured against the Current Assets, Plant & Machinery and Factory Building of the company and personal guarantee of the managing director and his relatives. The said loan is repayable in 36 monthly instalments starting from August 2021 and last instalment due in July 2024. Rate of interest 7.50% per annum.
- Working Capital Term loan from Standard Chartered Bank (GECL), balance outstanding amounting to Rs. 199.54Lacs (previous year Rs. 325.48) is secured by the personal guarantee of Managing Director and immovable property held by the relatives of the Managing director located at Ahmedabad. The said loan is repayable in 36 monthly instalments starting from August 2021 and last instalment due in July 2024. Rate of interest 9.25% per annum.
- Working Capital Term loan from Standard Chartered Bank (GECL-2), balance outstanding amounting to Rs. 196.02Lacs (previous year Rs. NIL) is secured by the personal guarantee of Managing Director and immovable property held by the relatives of the Managing director located at Ahmedabad. The said loan will be repayable in 36 monthly instalments after a moratorium period of 24 month starting from May 2024 and last instalment due in April-27. Rate of interest 8.00 % per annum.
- Term loan from bank Standard Chartered, balance outstanding amounting to Rs. 1738.13 Lacs (previous year Rs.1844.63 Lacs) is secured by the personal guarantee of Managing Director and immovable property held by the relatives of the Managing director located at Ahmedabad. The said loan is repayable in 180 monthly instalments starting from August 2019 and last instalment due in July 2034. Rate of interest 9.00% p.a. as at year end.

Default in terms of repayment and interest is Nil

Terms of repayment for Long Term unsecured borrowings:

The unsecured loan, balance outstanding amounting to Rs. 225.34 Lac (Previous year Rs. 60.52 Lac) is repayable after one year. Rate of interest 12.00% to 15.00% p.a. as at year end.



	As at March 31, 2023 Amount in INR.	As at March 31, 2022 Amount in INR.
14. DEFERRED TAX LIABILITIES (NET)	(9,03,649)	11,23,556
	(9, 03,649)	11,23,556
(a) Deferred tax assets		
i. Difference between book and tax depreciation	(1,33,664)	-
ii. Other	(7,69,984)	3,85,351
	(9, 03,649)	3, 85,351
(b) Deferred tax liabilities		
i. Difference between book and tax depreciation	-	13,50,617
ii. Other	-	1,58,290
	-	15, 08,907
Total	(9, 03,649)	11, 23,556

Movement in Deferred Tax liabilities/(Assets)

Particulars	As at 1 st April,2022	Charged/(Credited) to Profit or Loss	Charged/(Credited) to OCI	As at 31 st March,2023
Recognised in P and L				
(i) Difference between book and tax depreciation	13,50,617	(14,84,282)	-	(1,33,664)
(ii) EIR	(78,757)	(4,64,1667)	-	(5,42,923)
(iii) ECL	(1,48,305)	(78,757)	-	(2,27,061)
Total	11,23,556	(20,27,205)	-	(9,03,649)

Movement in Deferred Tax liabilities/(Assets)

Particulars	As at 1 st April,2021	Charged/(Credited) to Profit or Loss	Charged/(Credited) to OCI	As at 31 st March,2022
Recognised in P and L				
(i) Difference between book and tax depreciation	9,37,352	4,13,265	-	13,50,617
(ii) EIR	(57,988)	(20,769)	-	(78,757)
(iii) ECL	1,58,290	(3,06,595)	-	(1,48,305)
Total	10,37,654	85,902	-	11,23,556

**Notes forming part of the standalone financial statements**

	As at March 31, 2023 Amount in INR.	As at March 31, 2022 Amount in INR.
15. OTHER NON-CURRENT LIABILITIES:		
Payable for Capital goods	-	1,50,00,000
	-	1,50,00,000
16. TRADE PAYABLES:		
Current		
Total outstanding dues of micro enterprises and small enterprises	13,88,758	1,80,82,947
Total outstanding dues of creditors other than micro enterprises and small enterprises	25,14,46,169	15,84,10,720
	25,28,34,927	17,64,93,667

Trade Payables Ageing Schedule:

As at March 31, 2022

Sr. No.	Particulars	Outstanding for following periods from due date of receipt				Total
		Less than 1 year	2-3 Years	More than 3 Years	Total 3 Years	
1	MSME	13,88,758	-	-	-	13,88,758
2	Others	24,80,97,463	25,65,578	7,83,127	-	25,14,46,168
3	Disputed dues - MSME	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-
	Total	24,94,86,221	25,65,578	7,83,127	-	25,28,34,926

Trade Payables Ageing Schedule:

As at March 31, 2022

Sr. No.	Particulars	Outstanding for following periods from due date of receipt				Total
		Less than 1 year	2-3 Years	More than 3 Years	Total 3 Years	
1	MSME	1,80,82,947	-	-	-	1,80,82,947
2	Others	15,46,03,899	35,47,725	-	-	15,81,51,624
3	Disputed dues - MSME	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-
	Total	17,26,86,846	35,47,725	-	-	17,62,34,571

Payable to MSME Suppliers

Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and Schedule III of the Companies Act, 2013 for the year ended March 31, 2023. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors.

**Notes forming part of the standalone financial statements**

Sr.No	Particulars	As at March 31, 2023 Amount in INR	As at March 31, 2022 Amount in INR
1.	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
	Principal	NIL	NIL
	Interest	NIL	NIL
2.	The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	NIL	NIL
3.	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 Micro Small and Medium Enterprise Development Act, 2006.	NIL	NIL
4.	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL
5.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	NIL	NIL

17. OTHER CURRENT LIABILITIES:		As at March 31, 2023 Amount in INR	As at March 31, 2022 Amount in INR
a)	Statutory remittances	17,34,081	15,89,257
b)	Payables on purchase of fixed assets	74,27,199	1,34,09,673
c)	Payables for expenses		
	Dues to Micro, Small and Medium enterprise	9,04,51,050	8,26,37,527
	Dues to other than Micro, Small and Medium enterprise	33,88,19,180	34,30,81,652
d)	Advance from Customer	10,13,849	8,01,372
		43,94,45,359	44,15,19,481

**Notes forming part of the standalone financial statements**

18. Provisions	As at March 31, 2023 Amount in INR	As at March 31, 2022 Amount in INR
Other Expenses Provision	63,21,213	58,60,497
	63,21,213	58,60,497

19. Revenue From Operations	As at March 31, 2023 Amount in INR	As at March 31, 2022 Amount in INR
Sales of Products / Turnover		
Finished Goods	129,63,72,389	105,38,54,832
Traded Goods Grey Sales	5,02,56,415	1,49,10,742
Yarn Sales	1,28,02,947	49,56,922
Export Sales	3,14,19,500	1,65,82,676
LESS		
Sales Return	(3,44,95,244)	(2,24,83,434)
Commission	(1,66,33,115)	(71,97,213)
Sale of services		
Job Work	60,10,79,704	52,24,45,619
	1,94,08,02,596	1,58,30,70,144

20. Other Income	As at March 31, 2023 Amount in INR	As at March 31, 2022 Amount in INR
Foreign Exchange Gain/(Loss)	6,36,480	307,295
Interest on Fixed Deposit	3,69,650	494,847
Interest on Income tax Refund	6,38,278	194,698
Rent Income	1,32,966	132,966
Duty Drawback	8,05,046	400,001
Profit on sale of Fixed Assets	39,284	58,910
Vat Refund	-	85,634
Export Incentive (MEIS Sale)	25,01,622	-
Profit on sale of CEPT Rights	23,23,568	-
	74,46,894	16,74,351

21. Cost of Material Consumed	As at March 31, 2023 Amount in INR	As at March 31, 2022 Amount in INR
Raw Material		
Opening Stock	7,24,51,469	10,45,06,792
Add : Purchase	78,77,84,420	78,22,34,128
Add: yarn purchase	2,57,78,812	1,66,66,860
Add : Grey Dalali	-	1,81,156
Less: Closing Stock	(9,30,74,691)	(7,24,51,469)
	79,29,40,010	83,11,37,467

**Notes forming part of the standalone financial statements**

22. Purchase of Stock in Trade	As at March 31, 2023 Amount in INR	As at March 31, 2022 Amount in INR
Grey Purchase	4,90,27,115	14,563,410
Yarn Purchase	1,20,67,516	4,897,957
	6,10,94,631	1,94,61,367

23. Changes in Inventory of Finished Goods, Stock in Trade and WIP:	As at March 31, 2023 Amount in INR	As at March 31, 2022 Amount in INR
Opening Stock		
(i) Finished Goods	45,31,19,995	33,30,98,920
(ii) Trading Goods	-	-
(iii) Work-in-process (Job Work)	2,34,62,025	1,16,90,377
(iv) Work-in-Process	8,11,00,223	12,97,72,719
	55,76,82,243	47,45,62,016
Closing Stock		
(i) Finished Goods	40,00,49,363	45,31,19,995
(ii) Trading Goods	-	-
(iii) Work-in-process (Job Work)	1,91,28,990	2,34,62,025
(iv) Work-in-Process	5,50,65,844	8,11,00,223
	47,42,44,197	55,76,82,243
	8,34,38,046	(8,31,20,227)

24. Employee Benefit Expense	As at March 31, 2023 Amount in INR	As at March 31, 2022 Amount in INR
Salaries and Wages	5,91,09,378	4,66,63,773
Contribution to Provident Fund and Other Funds	24,60,090	20,77,647
Staff welfare expenses	6,68,465	5,62,381
Director Remuneration	36,02,400	36,02,400
	6,58,40,333	5,29,06,201

25. Finance Cost	As at March 31, 2023 Amount in INR	As at March 31, 2022 Amount in INR
Bank Commission & Charges	48,04,426	46,94,528
Bank Interest	6,65,57,472	6,33,44,676
Interest to Others	19,32,526	34,07,249
Finance cost EIR	3,12,899	3,12,899
	7,36,07,323	7,17,59,352

**Notes forming part of the standalone financial statements**

26. Other Expenses	As at March 31, 2023 Amount in INR	As at March 31, 2022 Amount in INR
Colour Chemical Consumed	22,49,68,390	19,66,58,932
Packing Material Consumed	90,52,144	79,24,827
Power & Fuel Consumed	35,12,01,392	28,11,82,783
Store & Spare Consumed	7,52,02,814	3,52,27,751
Process Charges	11,58,68,406	11,15,00,710
Freight & Octroi Cartage	1,02,38,803	70,10,606
Design Expenses	6,900	22,115
Factory Expenses	14,72,459	15,31,327
Testing charges	96,680	1,78,856
Pollution Control Exps.	1,43,76,527	1,23,20,959
Postage & Telephone Expenses	13,89,065	16,98,665
Printing & Stationery	8,70,028	6,78,059
Rent, Rate & Taxes	32,27,292	23,32,957
Insurance Charges	19,78,455	19,42,298
Director Sitting Fees	3,26,220	3,22,500
Consulting & Professional Charges	16,79,109	23,53,000
Auditors Remuneration	3,00,000	1,50,000
Advertisement	37,280	1,28,108
Charity & Donation	3,62,111	2,82,000
Electric Expenses	3,97,317	3,26,068
Office & General Expenses	5,41,097	3,74,665
Vehicle Expenses	25,07,260	22,29,344
Legal Expenses	5,64,032	5,25,599
Misc. Expenses	1,22,792	98,669
Computer Expenses	6,40,547	7,21,933
Claim Vatav Incentive (Net)	87,83,558	52,09,480
Sales Promotion Expenses	34,09,172	5,04,300
Travelling Expenses	28,41,536	14,31,305
Clearing & forwarding	2,79,369	3,82,110
Interest on TDS	6,50,436	23,884
Interest on GST	1,020	2,763
GST Charges	1,200	750
ECL Expenses	18,44,126	5,89,212
Sundry Balance W/o	89,22,545	-
Total	84,41,60,082	67,58,66,535
Payments to auditor as		
(a) Statutory Auditors	3,00,000.00	1,50,000.00

**Notes forming part of the standalone financial statements****27. INCOME TAX:****(a) The major components of income tax expenses for the year ended March 31, 2023****Statement of profit and loss:****Current income tax:**

Current income tax charge	53,00,000	17,65,000.00
Adjustment in respect of income tax charge of previous years	(1,31,795)	1,04,726

Deferred tax:

Charges relating to origination and reversal of temporary differences	(20,27,205)	85,901
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Income tax expenses reported in statement of profit and loss	31,41,000	19,55,628
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(b) Other Comprehensive Income (OCI) section**Deferred tax related to items recognised in OCI during the year**

Net loss / (gain) on remeasurements of defined benefit plans	-	-
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Income tax credit / (charged) to OCI**(c) Reconciliation of tax expense and the accounting profit multiplied by applicable tax rate for March 31, 2023:**

Profit/(Loss) before tax as per Statement of Profit and loss	1,85,24,298	69,09,195
Income tax using the Company's domestic tax rate	46,62,566	1,739,044

Tax Effect of:

Expenses not allowable/ (allowable) under Income Tax Act	22,85,616	26,84,535
Expenses allowable under Income Tax Act	(36,41,857)	(28,86,044)
Others	19,94,000	2,27,464
Tax expenses as per Books	53,00,326	17,65,000
Income taxes for earlier years	(1,31,795)	1,04,726
Deferred tax on other items	(20,27,205)	85,902

Tax expenses as per Books	31,41,326	19,55,628
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Effective tax rate	-	-
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28. EARNING PER SHARE:

Net Profit/(Loss) for the year (Amount in Rs.)	1,53,83,298	49,53,567
Number of equity shares (Weighted Average)	9,500,000	9,500,000
Basic Earning per Share (Rs.)	01.62	0.52
Diluted Earning Per Share (Rs.)	01.62	0.52

29. COMMITMENTS, CONTINGENT LIABILITIES AND ASSETS:

Estimated amounts of contracts remaining to be executed on capital account	22,50,000	34,41,890
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Contingent liabilities:

Contingent Liability on account duty saved due to import against EPCG license is Rs Nil as at 31st March, 2023 (Rs. Nil 31st March, 2022), which has to be met by fulfilling an export obligation of Rs. Nil.

Contingent assets:

There are no contingent assets recognised as at March 31, 2022.



30. Balance of Trade Payables, Receivables, Loans and advances, unsecured loans are subject to confirmation.

Notes forming part of the standalone financial statements

31. Break up of expenditure incurred on employess who were in receipt of remuneration aggregating Rs. 1,02,00,000/- or more for year or Rs. 8,50,000/- or more, where employed for a part of the year. **Nil (Previous Year Rs. Nil)**

32. Segment Information:

(a) Description of segment and principal activities

The Managing Director/ Chief Executive Officer of the Company allocate resources and assess the performance of the Company, thus are the Chief Operating Decision Maker (CODM). Textile Business is identified as single operating segment for the purpose of making decision on allocation of resources and assessing its performance.

(b) Information about geographical areas

(i) Revenue from External Customers:

Particulars	2022-23	2021-22
India	1,91,00,59,191	1,56,64,87,468
Outside India	3,07,43,405	16,582,676
Total	1,94,08,02,596	1,58,30,70,144

Revenue from external customer is allocated based on the location of customers.

(ii) Non - Current Assets:

Particulars	2022-23	2021-22
India	11,93,29,605	12,24,39,532
Outside India	-	-
Total	11,93,29,605	12,24,39,532

Non-current assets include property, plant and equipment, capital work in progress, intangible assets and Security Deposits. It is allocated based on the geographic location of the respective assets.

(c) Information about major customers:

There is no customer representing more than 10% of the total balance of trade receivables.

33. Related Party Transactions:

a. Concerns in which directors or their relatives are interested

Anunay Fab Ltd.

Balhanuman Fabrics Pvt. Ltd.

b. Directors and their relatives & Key Managerial

Personnel:

- Purshottam Radheshyam Agarwal - Managing Director
- Ramniwas Pandia - Independent Director
- Vaishali Sureshkumar Soni - Independent Director
- Rameshkumar Parmeshwarilal Agarwal - Independent Director
- Jagdish Shamjibhai Kanzariya - Company Secretary (Resigned as on 18.03.2023)
- Chetan Dilipkumar Jain - Company Secretary(w.e.f 20.06.2023)
- Somna P. Agarwal - Managing Director's Wife
- Kishan Yadav - CFO/Director

**Notes forming part of the standalone financial statements****Related Party Transactions: (CONTD.)**

Following transactions were carried out with the related parties in the ordinary course of business:

Particulars	As on 31.03.2023		As on 31.03.2022	
	Directors' Relatives & KMP	Concerns in which Directors are interested	Directors', Relatives & KMP	Concerns in which Directors are interested
Sales & other Inc.		28,88,98,209		35,90,05,072
Purchase & other Ser.		26,17,00,541		31,70,98,029
Remuneration	51,04,800		51,04,800	
Sitting Fees	3,26,220		3,22,500	
Deposit Received		14,08,40,628		8,87,17,923
Deposit Paid		14,27,70,576		3,75,12,228
Interest Recd.				
Interest Paid				
Rent Paid	12,30,000		9,90,000	
Investment in Equity				
Salary to KMP	5,01,055		4,89,700	
Balance outstanding [Dr./Cr.(Net)]	15,48,280 CR	12,62,35,509 DR	9,26,200 CR	9,71,07,893 DR

The particulars given above have been identified on the basis of information available with the company.

- (i) There are no amounts due to or due from related parties which have been written off / written back during theyear.
- (ii) Goods were sold during the year based on the price lists in force and terms that would be available to third parties. All other transactions were made on normal commercial terms and conditions at market rates. All outstanding balances are unsecured and are repayable in cash.
- (iii) The above details are as per Management representation and confirmation.

34.Loans and Advances, Unsecured loan and Debtors/Creditors are subject to confirmation.**35.IND AS 115 : Revenue from Contracts with Customers :**

The disaggregation of Revenue from Contract with Customers – Segment-wise

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Sales in Domestic Market	1,35,94,31,751	1,07,37,22,496
Sales in Export Market	3,14,19,500	1,65,82,676
Job Work Income	60,10,79,704	52,24,45,619
Less:		
Sales Return	(3,44,95,244)	(2,24,83,434)
Commission	(1,66,33,115)	(71,97,213)
Total Revenue	1,94,08,02,596	1,58,30,70,144

**Notes forming part of the standalone financial statements****IND AS 115 : Revenue from Contracts with Customers :**

The disaggregation of Revenue from Contract with Customers – Segment-wise

Sr. No.	Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
A)	Disaggregated revenue information: Set out below is the disaggregation of the company's revenue from contracts with customers:		
	Type of goods or service		
	Sale of manufactured goods	132,77,91,889	107,04,37,508
	Sale of traded products	6,30,59,362	1,98,67,664
	Sale of Services	-	-
	Job Work Charges	60,10,79,704	52,24,45,619
	Processing fees	-	-
	Total revenue from contracts with customers	199,19,30,955	161,27,50,791
	India	1,96,05,11,455	1,59,61,68,115
	Outside India	3,14,19,500	1,65,82,676
	Total revenue from contracts with customers	1,99,19,30,955	1,61,27,50,791
	Timing of revenue recognition	-	-
	Goods transferred at a point in time	1,99,19,30,955	1,61,27,50,791
	Total revenue from contracts with customers	1,99,19,30,955	1,61,27,50,791
	Set out below, is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information		
	Revenue	-	-
	External customer	1,99,19,30,955	1,61,27,50,791
	Inter-segment	-	-
	Inter-segment adjustment and elimination	-	-
	Total revenue from contracts with customers	1,99,19,30,955	1,61,27,50,791
B)	Contract balances: The following table provides information about receivables, contract assets and contract liabilities from contract with customers		
	Trade receivables*	75,88,65,672	58,86,23,175
	Contract liabilities		
	Advances from customers	10,13,849	8,01,372
	*Trade receivables are non-interest bearing and are generally on terms of 0 to 180 days.		
C)	Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price:		
	Revenue as per contracted price		
	Sales from Dying and Printing	1,99,19,30,955	1,61,27,50,791
	Less: Sales Return	(3,44,95,244)	(2,24,83,434)
	Less: Commission	(1,66,33,115)	(71,97,213)
	Revenue from contract with customers	1,94,08,02,596	1,58,30,70,144
	* Revenue net of discounts, claims and commission		
D)	Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price Advances from customers		
		10,13,849	8,01,372
		10,13,849	8,01,372

Management expects that the entire transaction price allotted to the unsatisfied contract as at the end of thereporting period will be recognised as revenue during the next financial year.

**Notes forming part of the standalone financial statements****36. Financial Instruments:****1. Capital management**

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net debt and total equity of the Company.

1.1 Gearing ratio:

The gearing ratio at the end of the reporting period was as follows.

Particulars	As at March 31, 2023	As at March 31, 2022
Debt (i)	58,80,93,754	56,41,13,426
Cash and bank balances (Refer Note 9)	1,41,85,745	1,88,15,866
Net debt	60,22,79,499	58,29,29,291
Total equity	29,03,98,242	29,03,98,242
Net debt to equity ratio	02.07	02.01

Debt is defined as long-term and short term borrowing, as described in notes 13

2. Categories of financial instruments:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying values	Fair values	Carrying values	Fair values
<u>Financial assets</u>				
<u>Measured at amortised cost</u>				
Investments	-	-	-	-
Loans				
Trade receivables	75,88,65,672	75,88,65,672	58,86,23,175	58,86,23,175
Cash and cash equivalents	1,41,85,745	1,41,85,745	1,88,15,866	1,88,15,866
Other Financial Assets	72,32,088	72,32,088	64,24,804	64,24,804
Total Financial Assets carried at amortised cost (A)	78,02,83,505	78,02,83,505	61,38,63,845	61,38,63,845
<u>Measured at fair value through profit and loss</u>				
Current investments in mutual funds	-	-	-	-
Total Financial Assets at fair value through profit and loss (B)	-	-	-	-
Total Financial Assets (A+B)	78,02,83,505	78,02,83,505	61,38,63,845	61,38,63,845
<u>Financial liabilities</u>				
<u>Measured at amortised cost</u>				
Non-current liabilities				
Non-Current borrowings *	21,56,93,372	21,56,93,372	21,62,30,750	21,62,30,750
Current liabilities				
Short-term borrowings	37,24,00,382	37,24,00,382	34,78,82,676	34,78,82,676
Trade payables	25,28,34,927	25,28,34,927	17,64,93,667	17,64,93,667
Other financial liabilities				
	84,09,28,681	84,09,28,681	74,06,07,093	74,06,07,093
Financial Liabilities measured at amortised cost Total Financial Liabilities	84,09,28,681	84,09,28,681	74,06,07,093	74,06,07,093

For financial liabilities (domestic currency loans) :- appropriate market borrowing rate of the entity as of each balance sheet date used.

**Notes forming part of the standalone financial statements****Financial Instruments : (Contd.)****3. Financial risk management objectives:**

The Company's corporate finance department provides services to business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyses the exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

4. Market risk:

The Company's activities expose it primarily to the financial risks of changes in interest rates due to variable interest loans. The Company does not enter into derivative contracts to manage risks related to anticipated sales and purchases.

5. Foreign currency risk management:

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilizing forward foreign exchange contracts and currency options taken at the time of initiation of the booking by the management. Such decision is taken after considering the factors such as upside potential, cost of structure and the downside risks etc. Quarterly reports are submitted to Management Committee on the covered and open positions and MTM valuation.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Particulars	As at March 31, 2023				As at March 31, 2022			
	USD	EURO	INR	Total	USD	EURO	INR	Total
Financial assets								
Non-current financial assets								
Investments	-	-	-	-	-	-	-	-
Advances to supplier	-	-	-	-	28,817	-	-	28,817
Total non-current financial assets	-	-	-	-	28,817	-	-	28,817
Current financial assets								
Trade receivables (Exports)	1,17,787	-	-	-	1,60,625	-	-	1,60,625
Cash and cash equivalents	-	-	-	-	-	-	-	-
Total current financial assets	1,17,787	-	-	-	1,60,625	-	-	1,60,625
Total financial assets	1,17,787	-	-	-	1,89,442	-	-	1,89,442
Financial liabilities								
Non current financial liabilities								
Borrowings	-	-	-	-	-	-	-	-
Total non-current financial liabilities	-	-	-	-	-	-	-	-
Current financial liabilities								
Borrowings	-	-	-	-	-	-	-	-
Trade payables	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
Total current financial liabilities	-	-	-	-	-	-	-	-
Total financial liabilities	-	-	-	-	-	-	-	-
Excess of financial liabilities over financial assets	(1,17,787)	-	-	-	(1,89,442)	-	-	(1,89,442)
Hedge foreign currency risk	-	-	-	-	-	-	-	-



Unhedge foreign currency risk	-	-	-	-	-	-	-	-
Sensitivity impact on Net liabilities/(assets) exposure at 10%	(11,779)	-	-	-	(18,944)	-	-	(18,944)

5.1 Foreign currency sensitivity analysis:

The Company is not materially exposed to USD and EURO currency.

6. Interest rate risk management:

The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The Company has exposure to interest rate risk, arising principally on changes in interest rates. The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like long term and short term loans. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

The table in 6.1 provides a break-up of the Company's fixed and floating rate borrowings:

6.1 Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The following table provides a break-up of the Company's fixed and floating rate borrowings and interest rate sensitivity analysis.

Particulars	As at March 31, 2023		As at March 31, 2022	
	Gross amount	Interest rate sensitivity @ 0.50%	Gross amount	Interest at Sensitivity @ 0.50%
USD	-	-	-	-
Fixed Loan	2,25,34,488	NA	60,52,022	NA
Variable Loan	56,55,59,266	28,27,796	55,80,61,404	27,90,307
Total	58,80,93,754	28,27,796	56,41,13,426	27,90,307

7. Credit risk management:

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company uses publicly available financial information and its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Trade receivables consist of a large number of customers, spread across diverse geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Company does not have significant credit risk exposure to any single counterparty. Concentration of credit risk related to the above mentioned company did not exceed 10% of gross monetary assets at any time during the year. Concentration of credit risk to any other counterparty did not exceed 10% of gross monetary assets at any time during the year.



7.1 Collateral held as security and other credit enhancements:

The Company does not hold any collateral or other credit enhancements to cover its credit risk associated with its financial assets.

8. Liquidity risk management:

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

1 Disclosure as per Ind AS 113 - Fair Value Measurements

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in an orderly transaction in the principal (or most advantageous) market at measurement date under the current market condition regardless of whether that price is directly observable or estimated using other valuation techniques.

The Company has established the following fair value hierarchy that categorizes the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1- Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. Listed and actively traded equity instruments are stated at the last quoted closing price on the National Stock Exchange of India Limited (NSE).

Level 2- The fair value of financial instruments that are not traded in active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3- If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The fair value of the financial assets and liabilities included in Level 3 is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes of similar instruments.

Valuation Techniques used to determine fair values:

A) Specific valuation technique is used to determine the fair value of the financial instruments which include:

- i) For financial instruments other than (ii):- In accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable market transactions and dealer quotes of similar instruments.
- ii) For financial liabilities (domestic currency loans) :- appropriate market borrowing rate of the entity as of each balance sheet date used.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.



Notes forming part of the standalone financial statements

8.1

Particulars	As at March 31, 2023				As at March 31, 2022			
	< 1year	1-5 years	> 5 years	Total	< 1year	1-5 years	> 5 years	Total
Financial assets								
Non-current								
Investments	-	-	-	-	-	-	-	-
Other Financial Assets	7,93,420	-	60,78,584	68,72,004	-	-	60,78,584	60,78,584
Others	-	-	-	-	-	-	-	-
Total non-current financial assets	7,93,420	-	60,78,584	68,72,004	-	-	60,78,584	60,78,584
Current								
Trade receivables	63,98,30,897	12,20,96,997	-	76,19,27,894	45,46,26,206	13,45,86,180	-	58,92,12,386
Cash and cash equivalents	1,41,85,745	-	-	1,41,85,745	1,88,15,866	-	-	1,88,15,866
Loans	-	-	-	-	-	-	-	-
Total current financial assets	65,40,16,642	12,20,96,997	-	77,61,13,639	47,34,42,072	13,45,86,180	-	60,80,28,252
Total financial assets	65,48,10,062	12,20,96,997	60,78,584	78,29,85,643	47,34,42,072	13,45,86,180	60,78,584	61,41,06,836
Financial liabilities								
Non-current								
Borrowings	4,15,84,440	20,89,37,675	-	25,05,22,115	-	24,20,14,619	60,52,022	24,80,66,641
Total non-current financial liabilities	4,15,84,440	20,89,37,675	-	25,05,22,115	-	24,20,14,619	60,52,022	24,80,66,641
Current								
Borrowings	33,75,71,640	-	-	33,75,71,640	31,68,29,031	-	-	31,68,29,031
Trade payables	24,94,86,221	33,48,705	-	25,28,34,926	17,31,26,251	33,67,416	-	17,64,93,667
Other financial liabilities								-
Total current financial liabilities	58,70,57,861	33,48,705	-	58,70,57,861	48,99,55,282	33,67,416	-	48,99,55,282
Total financial liabilities	62,86,42,301	21,22,86,380	-	83,75,79,976	48,99,55,282	24,53,82,035	60,52,022	73,80,21,923

**37.Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price:**

Amount in INR

Particulars	31 March 2023	31 March 2022
Sales of Goods:		
Finished Goods	1,29,63,72,389	1,05,38,54,832
Traded Goods Grey Sales	5,02,56,415	1,49,10,742
Yarn Sales	1,28,02,947	49,56,922
Export Sales	3,14,19,500	1,65,82,676
Sales of Services		
Job Work	52,24,45,619	52,24,45,619
Revenue as per contracted price	1,91,32,96,870	1,61,27,50,791
Adjustments:		
Discounts / rebates / incentives	-	-
Sales returns / credits / reversals	(3,44,95,244)	(2,24,83,434)
Deferrment of revenue		
Any other adjustments	(1,66,33,115)	(71,97,213)
Revenue from contract with customers	1,86,21,68,511	1,58,30,70,144

38.Assets Mortgage/Hypothecated as security

The carrying amount of assets Mortgaged/hypothecated as security for current and non-current borrowings are:

Assets description	31 March 2023	31 March 2022
First and / or Second charge		
I. Current Financial Assets		
Trade receivables	75,88,65,672	58,86,23,175
Bank balances	1,36,80,953	1,80,38,129
Other financial assets	3,60,084	3,46,220
II. Current Assets		
Inventories	65,55,45,050	71,82,78,935
Other Current Assets	3,00,33,622	3,37,82,954
Total current assets Hypothecated/Mortgage as security	1,45,84,85,381	1,35,90,69,413
First and / or Second charge		
III Property, Plant and Equipment		
A. Plant and equipments	3,86,61,510	3,97,32,162
B. Freehold land		
C. Buildings	2,01,18,265	2,21,98,198
D. Lease Hold Improvements		
E. Furniture & Fittings	6,69,229	(1,50,162)
F. Office Equipments	25,83,013	24,12,129
G. Vehicles	27,25,821	29,30,795
H. Computer	2,65,430	2,92,779
I. Electronic Equipment		
J. Intangible Assets	4,65,92,117	4,89,45,049

**Notes forming part of the standalone financial statements****Assets Mortgage/Hypothecated as security (Contd. ..)**

Assets description	31 March 2023	31 March 2022
IV. Capital work in progress		
V. Non-Current Financial Assets		
Investment		
Other Financial Assets	68,72,004	60,78,584
VI. Other Non-Current Assets		
Total non-current assets Hypothecated/Mortgage as security	11,84,87,389	12,24,39,534
Total Assets Hypothecated/Mortgage as security	1,57,69,72,770	1,48,15,08,947

39. Company has not given any loan or Guarantees during the year hence disclosure under section 186(4) of the Companies Act, 2013 is not given.

40. The financial statements were approved for issue by the board of directors on 29th May, 2023

41. Figures have been presented in 'Lacs' of rupees with two decimals.

42. The figures of previous year have been regrouped or rearranged wherever necessary to conform to current year's presentation as per Schedule III (Division II) to the Companies Act 2013.

Signature to Notes Forming Part of the Financial Statement

For Nahta Jain and Associates

Chartered Accountants

Firm Regn. No. 106801W

SD/-

(CA. Gaurav Nahta)

Partner

M. No. 116735

Place : Ahmedabad

Date : 29/05/2023

For and on behalf of the Board
of Directors

SHREE BHAVYA FABRICS
LIMITED

SD/-

Purshottam R. Agarwal

(Managing Director)

(DIN-00396869)

SD/-

Ramnivas Pandia

(Director)

(DIN-02875168)

SD/-

Kishan Yadav

(Director & Chief Financial Officer)

(DIN: 02845697)

Place: Ahmedabad

Date : 29/05/2023



SHREE BHAVYA FABRICS LIMITED

CIN.: L17119GJ1988PLC011120

Regd. Office: Survey No. 170, Opp. Advance Petrochem
Ltd, Pirana Road, Piplej, Ahmedabad, Gujarat, 382405

Phone: 079-22133383 **Email:** csjd7bhavyafabrics@gmail.com

Website: www.shreebhavyafabrics.com

ATTENDANCE SLIP

[To be handed over at the entrance of the meeting hall]

35TH ANNUAL GENERAL MEETING

Registered Folio No.: _____

No. of Shares held: _____

DP ID No.*: _____

Client ID No.*: _____

Name of the attending Member/ Proxy: _____

[IN BLOCK LETTER]

*Applicable for members holding shares in electronic form only.

I hereby record my presence at the **35th Annual General Meeting** of the Company held on **Monday, the 25th September, 2023** at 11:00 A.M. at 252, New Cloth Market, O/S. Raipur Gate, Ahmedabad – 380 002.

Member's/ Proxy's Signature

**SHREE BHAVYA FABRICS LIMITED****CIN: L17119GJ1988PLC011120****Regd. Office:** Survey No. 170, Opp. Advance Petrochem Ltd, Pirana Road, Piplej, Ahmedabad, Gujarat, 382405**Phone:** 079-22133383 **Email:** csjd7bhavyafabrics@gmail.com**Website:** www.shreebhavyafabrics.com**MGT – 11 PROXY FORM**

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of Member	
Registered Address	
Folio No/ Client ID	DP ID
e-mail Id	

I/ We, being the member(s) of _____ shares of the above mentioned Company, hereby appoint:

1. Name: _____

Address: _____

E-mail Id : _____ Signature : _____ or failing him/her

2. Name: _____

Address: _____

E-mail Id : _____ Signature : _____

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the **35th Annual General Meeting** of the Company, to be held on **Monday, the 25th September, 2023** at 11:00 A.M. at the 252, New Cloth Market, O/S. Raipur Gate, Ahmedabad – 380 002 and at any adjournment thereof in respect of such resolutions set out in the Notice convening the meeting, as are indicated below:

S.N.	Ordinary Business	For	Against
1.	To receive, consider and adopt the Audited Financial statements for the Financial Year ended on 31st March 2023, together with the Reports of Board of Directors and Auditors thereon.		
2.	To appoint a Director in place of Mr. Kishan Madanlal Yadav [DIN: 02845697] who retires by rotation and being eligible, offers him-self for re-appointment.		
3.	Ratification of remuneration payable to Cost Auditor for the financial year 2023-24		
4.	Approval of Related Party transaction under Section 188 of Companies Act, 2013.		

Signed this _____ day of _____, 2023

Affix
Re.1
Revenue
Stamp

Signature of the Shareholder

Signature of the Proxy holder(s)

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.



Book Post

To

If Undelivered please return to :

SHREE BHAVYA FABRICS LIMITED

Regd Office: Survey No. 170,

Opp. Advance Petrochem

Limited,

Pirana Road, Piplej, Ahmedabad - 382405.