

Annual Report 2020-21



AXITA COTTON LIMITED

Best Quality Cotton



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OUR PRODUCTS



CHAIRMAN'S MESSAGE TO STAKEHOLDERS



NITINBHAI GOVINDBHAI PATEL
Chairman and Managing Director

Dear Fellow Share-Owners

When I wrote to you last year, the COVID-19 pandemic was just beginning to make its impact felt around the world. Since then, it has been a period of unprecedented challenges for humankind, especially for the frontline workers, who have been putting their lives at risk to keep us safe. Their commitment is truly humbling and on behalf of Axita Cotton Limited, we sincerely thank them for their efforts.

We are indeed living through unusual times where countries across the globe continue to face a multiple of challenges in the form of the COVID-19 health crisis. Due to COVID-19 the way of living and the way of working has changed. But the vaccine has raised a ray of hope. During this tough time we are taking care of our employees and workers. We have been intensely focused to ensure the health and safety of our community, our stakeholders and all our employees and their families.

Company's performance (During F.Y. 2020-21)

I am proud to announce that during the year 2020-21 our Company's performance has been very strong. The demand of our Company's products was high in the international market as well as domestic market. The effect of which you can see on the balance sheet of the company.

Focus on New Strategy:

In the coming year, we will come up with some new strategies. We are currently giving weight on the new concept. We are focusing on implementation of different way of working and selling of products. I keep hope that our company will continue to grow like this.

Finally on behalf of the Board of Directors, I would like to thank our customers, vendors, employees, investors and shareholders for their steadfast support.

Sd/-

Nitin Patel

Chairman and Managing Director



CORPORATE INFORMATION

AXITA COTTON LIMITED
CIN: L17200GJ2013PLC076059

REGISTERED OFFICE:

Survey No. 324 357 358, Kadi Thol Road Borisana, Kadi Mahesana-382715, Gujarat.
 Email: cs@axitacotton.com;
 Website: www.axitacotton.com

PLANT LOCATION:

Survey No. 324 357 358, Kadi Thol Road Borisana, Kadi Mahesana-382715, Gujarat.
 Mob. No.: +91 63587 47514;

BOARD OF DIRECTORS

Name	(DIN)	Designation
Mr. Nitinbhai Govindbhai Patel	06626646	Chairman cum Managing Director
Mr. Kushal Nitinbhai Patel	06626639	Managing Director
Mr. Amitkumar Govindbhai Patel	06626585	Whole-Time Director (Upto June 21, 2021)
Mrs. Gitaben Nitinbhai Patel	09211543	Additional Whole-Time Director (W.e.f. June 22, 2021)
Mr. Dhruven Shaileshbhai Patel	08245083	Independent Director
Mr. Rakesh Mahendrakumar Patel	08251021	Independent Director
Mrs. Pinaben Bharatkumar Patel	08776983	Independent Director (W.e.f. June 30, 2020)

KEY MANAGERIAL PERSONNEL

Name	Designation	Name	Designation
Mr. Jayesabhai Chandubhai Thakor (w.e.f. 30/06/2020)	CFO	Mr. Dhruven Shaileshbhai Patel	Chairperson
Mr. Deepakkumar Kushalchandra Chaubisa	Company Secretary	Mr. Amitkumar Govindbhai Patel (Upto June 21, 2021)	Member
		Mr. Kushal Nitinbhai Patel (W.e.f. June 21, 2021)	Member
		Mr. Rakesh Mahendrakumar Patel	Member

**STAKEHOLDER'S
RELATIONSHIP COMMITTEE****NOMINATION &
REMUNERATION COMMITTEE****CORPORATE SOCIAL
RESPONSIBILITY
COMMITTEE**

Name	Designation	Name	Designation	Name	Designation
Mr. Dhruven Shaileshbhai Patel	Chairperson	Mr. Dhruven Shaileshbhai Patel	Chairperson	Mr. Kushal Nitinbhai Patel	Chairperson
Mr. Amitkumar Govindbhai Patel (Upto June 21, 2021)	Member	Mr. Rakesh Mahendrakumar Patel	Member	Nitinbhai Govindbhai Patel	Member
Mr. Kushal Nitinbhai Patel (W.e.f. June 21, 2021)	Member	Mrs. Pinaben Bharatkumar Patel	Member	Mrs. Pinaben Bharatkumar Patel	Member
Mr. Rakesh Mahendrakumar Patel	Member				



AUDITORS	
STATUTORY AUDITOR	SECRETARIAL AUDITOR
Mistry & Shah LLP Chartered Accountant 8-10, Bhavani Chambers, Nr. Times of India, Ashram Road, Navarangpura, Ahmedabad – 380 009 Mail ID: info@mistryandshah.com	M/s. SCS And CO. LLP Practicing Company Secretaries, 415-416, Pushpam Complex, Opp. Seema Hall, Anandnagar Road, Satellite, Ahmedabad – 380 015 Mail ID: scsandcollp@gmail.com
REGISTRAR & SHARE TRANSFER AGENT	BANKERS
Link Intime India Private Limited C-101, 1st Floor, 247 Park, Lal Bahadur, Shastri Maarg, Vikhroli (West), Mumbai-400 083, Maharashtra, Tel. Number: +91 22 4918 6200 Email Id: rent.helpdesk@linkintime.co.in Website: www.linkintime.co.in	Punjab National Bank ICICI Bank The Kalupur Commercial Co-op. Bank Limited Tamilnad Mercantile Bank Limited

DIRECTORS' REPORT**Dear Members,**

The Board of Directors have pleasure in presenting the 8th Annual Report of the Company together with the Audited Financial Statements for the year ended on 31st March, 2021.

FINANCIAL HIGHLIGHTS

The summary of the financial results for the year and appropriation of divisible profits is given below:

(₹ in Lakhs)

PARTICULARS	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
Revenue from Operations	61879.29	48,441.38
Other Income	14.79	13.25
Total Income from Operations (Net)	61894.09	48,454.63
Earnings Before Interest, Taxes, Depreciation and Amortization Expense	917.37	401.93
Less: Finance Cost	329.09	295.29
Less: Depreciation and Amortization Expense	44.23	52.87
Profit Before Tax	544.05	53.77
Less: Tax Expenses		
Current Tax	140.52	20.87
Deferred Tax	30.16	(2.42)
Profit After Taxation	373.36	35.32

Note: Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure and may not be comparable with the figures reported earlier.

OPERATIONAL PERFORMANCE

During the year under review, the Company recorded Revenue from Operations of ₹ 61879.29 Lakhs for the F.Y. 2020-21 as compared to ₹ 48,441.38 Lakhs during the previous F.Y. 2019-20.

During the year under review, the Company achieved Earnings before Interest, Taxes, Depreciation and Amortization Expense of ₹ 917.37 Lakhs for the F.Y. 2020-21 as compared to ₹ 401.93 Lakhs during the previous F.Y. 2019-20.

During the year under review, the Company achieved Profit after Taxation of ₹ 373.36 Lakhs for the F.Y. 2020-21 as compared to ₹ 35.32 Lakhs during the previous F.Y. 2019-20.

Export Sales for the F.Y. 2020-2021 was ₹ 41333.57 Lakhs as compared to ₹ 23633.36 Lakhs for the F.Y. 2019-2020 mainly due to demand in international market.

DIVIDEND

With a view to conserve and save the resources for future prospect of the Company, your Directors regret to declare dividend for the financial year 2020-21.

TRANSFER TO RESERVES

During the year, the Company has not apportioned any amount to other reserve. The profit earned during the year has been carried to the balance sheet of the Company

SHARE CAPITAL

Authorized Capital:

The authorised share capital of the Company as on 31st March 2021 was ₹ 14,00,00,000 divided into 1,40,00,000 equity shares of ₹ 10/- each.

Issued, Subscribed & Paid-up Capital:

As on 31st March, 2021 the issued, subscribed and fully paid up capital of the Company stood at ₹ 13,10,40,000/- comprising of 1,31,04,000 equity shares of ₹ 10/- each.

The Equity Shares of the Company are listed on the BSE Limited in SME Segment. The scrip code for Equity Share is 542285. The Company confirms that the annual listing fees to the stock exchange for the financial year 2021-22 have been paid.

CHANGES IN CAPITAL STRUCTURE

There is no change in the capital structure of the Company during the year under review.

SUBSIDIARIES/ASSOCIATES/ JOINT VENTURES

The Company does not have subsidiaries, associates and joint ventures companies in the period under review.

PUBLIC DEPOSITS

During the period under report, the Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended from time to time).

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

The Company is well supported by the knowledge and experience of its Directors and Executives.

The composition of the Board of Directors as on the date of this report set out below:

Name of Director	Category Cum Designation	Date of Appointment at current Term & designation	Total Directorship ²	No. of Committee ¹		No. of Shares held as on March 31, 2021
				in which Director is Members	in which Director is Chairman	
Mr. Nitinbhai Patel	Chairman cum Managing Director	October 16, 2018	5	-	-	3571000 Equity Shares
Mr. Kushal Patel	Managing Director	October 16, 2018	5	2	-	3997048 Equity Shares
Mrs. Gitaben Patel ⁴	Additional Whole-Time Director	June 22, 2021	1	-	-	452352 Equity Shares
Mr. Dhruven Patel	Independent Director	October 18, 2018	1	2	2	-
Mr. Rakesh Patel	Independent Director	October 18, 2018	1	2	-	-
Mrs. Pinaben Patel	Independent Director	September 28, 2020	1	-	-	-

¹ Committee includes Audit Committee and Shareholders' Grievances Committee across all Public Companies.

² Excluding LLPs, Section 8 Company & struck of Companies. Total Directorship includes Axita Cotton Limited also.

³ Mr. Amitkumar Patel had resigned from the post of Whole-Time Director w.e.f June 21, 2021 in the Company.

⁴ Mrs. Gitaben Patel is appointed as an Additional Whole-Time Director w.e.f. June 22, 2021.

⁵ The Board Meeting held on June 30, 2020 appointed Mrs. Pinaben Patel as an Additional Director (Non-Executive Independent) of the Company w.e.f. June 30, 2020. The members at their 7th Annual General Meeting (AGM) held on September 28, 2020 approved appointment of Mrs. Pinaben Patel as an Independent Director of the Company for a period of 5 (Five) consecutive years upto September 27, 2025.

Pursuant to the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Nitinbhai Govindbhai Patel, Chairman Cum Managing Director of the Company liable to retire by rotation and being eligible, has offered himself for re-appointment.

Brief resume, nature of expertise, details of directorships held in other Companies of the above Director proposed to be re-appointed, along with his shareholding in the Company, as stipulated under Secretarial Standard 2 and Regulation 36 of the Listing Regulations, is appended as annexure to the Notice of the Annual General Meeting (AGM).

The composition of Board complies with the requirements of the Companies Act, 2013 ("Act"). Further, in pursuance of Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company is exempted from requirement of having composition of Board as per Regulation 17 of Listing Regulations.

The Company has received declarations of independence as stipulated under section 149(6) and 149(7) of the Act and regulation 16(1)(b) and 25 of the Listing Regulations from Independent Directors confirming that they are not disqualified for continuing as an Independent Director. There has been no change in the circumstances affecting their status as an Independent Director of the Company.

None of the Directors of Board is a member of more than ten Committees or Chairman of more than five committees across all the Public companies in which they are Director. The necessary disclosures regarding Committee positions have been made by all the Directors.

All the Directors of the Company have confirmed that they are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013 and not debarred or disqualified by the SEBI/Ministry of Corporate Affairs or any such statutory authority from being appointed or continuing as Director of the Company or any other Company where such Director holds such positing in terms of Regulation (10)(i) of Part C of Schedule V of Listing Regulations.

Key Managerial Personnel:

Pursuant to the provisions of Section 2 (51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended from time to time), the following are the Key Managerial Personnel of the Company:

Sr. No.	Name	Designation
1.	Mr. Nitinbhai Govindbhai Patel	Chairman Cum Managing Director
2.	Mr. Kushal Nitinbhai Patel	Managing Director
3.	Mr. Deepakkumar Kushalchandra Chaubisa	Company Secretary and Compliance Officer
4.	Mr. Jayesabhai Chandubhai Thakor * (w.e.f. June 30, 2020)	Chief Financial Officer

* The Board of Director of the Company at its meeting held on June 30, 2020 has approved the appointment of Mr. Jayesabhai Chandubhai Thakor as Chief Financial Officer (CFO) of the Company w.e.f. June 30, 2020, based on the recommendation of the member of the Nomination and Remuneration Committee.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(3)(c) of the Companies Act, 2013("Act"), in relation to financial statements of the Company for the year ended 31st March, 2021, the Board of Directors states that:

- a. in the preparation of the annual accounts, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2021 and of the profit of the Company for the year ended 31st March, 2021;
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts / financial statements have been prepared on a 'going concern' basis;
- e. proper internal financial controls are in place and are operating effectively; and
- f. proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 (as amended from time to time), is set out herewith as Annexure-D to this report.

PARTICULAR OF EMPLOYEES

The ratio of the remuneration of each whole-time director to the median of employees' remuneration as per Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as Annexure – C.

The particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the Members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any Member interested in obtaining a copy of the same may write to the Company Secretary.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, BETWEEN BALANCE SHEET DATE AND DATE OF DIRECTORS' REPORT

There were no material changes and commitments between the end of the financial year of the Company to which the Financial Statements relates and date of Directors' Report affecting the financial position of the Company.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the Financial Statements.

RELATED PARTY TRANSACTIONS

During the F.Y. 2020-2021, the Company has entered into transactions with related parties as defined under Section 2(76) of the Companies Act, 2013 read with Companies (Specification of Definitions Details) Rules, 2014, all of which were in the ordinary course of business and on arm's length basis and in accordance with the provisions of the Companies Act, 2013 read with the Rules issued thereunder and as per Listing Regulations.. The information on transactions with related parties, compiled in Form AOC-2, appears at "Annexure-B" to this report.

**AUDITORS****a) Statutory Auditors and Auditor's Report**

M/s. Mistry & Shah LLP, Chartered Accountants Ahmedabad (Firm registration number: 122702W) were appointed as Statutory Auditor of your Company at the 6th (Sixth) Annual General Meeting held on September 27, 2019 to hold office as such from the conclusion of the 6th (Sixth) Annual General Meeting till the conclusion of 11th (Eleventh) Annual General Meeting of the Company.

The Statutory Auditors' report does not contain any qualification, reservation or adverse remark and is self-explanatory and unmodified and thus does not require any further clarifications / comments. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company during the year under review.

b) Cost Auditors

Cost Audit is not applicable to our Company. Hence, there is no need to appoint a Cost Auditor.

c) Secretarial Auditors

Pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s. SCS And CO. LLP, Practicing Company Secretaries, Ahmedabad as Secretarial Auditors of the Company for the F.Y. 2020-2021 to conduct Secretarial Audit and the Secretarial Audit Report in Form MR-3. The Secretarial Audit Report for the financial year 2020-21 is annexed to this report as an Annexure – E. The Secretarial Auditors' report does not contain any qualification, reservation or adverse remark and is self-explanatory and thus does not require any further clarifications / comments.

d) Internal Auditors

Pursuant to provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014 and other applicable provisions if any of the Companies Act, 2013 Mr. Harsh Shah, Chartered Accountant (Membership No 189228) were re-appointed as Internal Auditor of the Company for F.Y. 2020-21.

The Company continued to implement his suggestions and recommendations to improve the control systems. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditor's findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

REPORTING OF FRAUD

During the year under review, the Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

INSURANCE

All assets of the Company including Building Plant & Machinery Stocks etc. wherever necessary and to the extent required have been adequately insured.

WEBSITE

As per Regulation 46 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 the Company has maintained a functional website namely "www.axitacotton.com" containing basic information about the Company. The website of the Company is containing information like Policies Shareholding Pattern Financial and information of the designated officials of the Company who are responsible for assisting and handling investor grievances for the benefit of all stakeholders of the Company etc.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has adopted Vigil Mechanism / Whistle Blower Policy, which was approved and adopted by the Board of Directors of the Company. The policy enables the employees to report to the management instances of unethical behaviour actual or suspected fraud or violation of Company's Code of Conduct. This provides for adequate safeguards against

victimization of employees and Directors who wish to use the vigil mechanism to bring any wrong deed(s) to the notice of the Company.

During the year under review, the implementation of the vigil mechanism has been properly and regularly monitored by the Audit Committee. 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 at www.axitacotton.com.

CORPORATE SOCIAL RESPONSIBILITY AND CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Pursuant to Section 135(1) of the Companies Act, 2013 every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more Directors, out of which at least one director shall be an independent director.

Your Company's Net Profit (Profit before Tax) of ₹ 5,44,04,673/- during the immediately preceding financial year (i.e. F.Y. 2020-21), which is exceeding the above mentioned threshold limit.

Pursuant to Section 135(1) of the Companies Act, 2013, the Board of Directors of the Company has constituted Corporate Social Responsibility Committee in their Board Meeting held on June 21, 2021.

The Constitution of Corporate Social Responsibility Committee are as follow:

Name of the Director	Category	Designation
Mr.Kushal Patel	Managing Director	Chairperson
Mr. Nitin Patel	Chairman Cum Managing Director	Member
Mrs. Pinaben Patel	Independent Director	Member

The Corporate Social Responsibility Committee shall formulate & recommend a Corporate Social Responsibility Policy in their meeting within due course of time to the Board of Directors of the Company and recommend the amount of expenditure to be incurred on the activities referred to in Section 135 (3) (b) of the Companies Act, 2013.

MEETINGS OF THE BOARD, AGM & EGM/POSTAL BALLOT & INDEPENDENT DIRECTORS MEETING

Regular meetings of the Board are held at least once in a quarter. Additional Board meetings are convened, as and when require, to discuss and decide on various business policies, strategies and other businesses. The Board meetings are generally held at registered office of the Company. The gap between two consecutive meetings was not more than one hundred and twenty days as provided in section 173 of the Act.

During the year under review, the Board of Directors of the Company duly met 9 (Nine) times. The applicable details of these Board meetings including the attendance of the Directors at those meetings are given below:

Board Meeting held during the year:

Number of Board Meeting	Date of Board Meeting
Board Meeting No. 01/2020-21	16-05-2020
Board Meeting No. 02/2020-21	30-06-2020
Board Meeting No. 03/2020-21	28-07-2020
Board Meeting No. 04/2020-21	27-08-2020
Board Meeting No. 05/2020-21	16-09-2020
Board Meeting No. 06/2020-21	13-11-2020
Board Meeting No. 07/2020-21	09-12-2020
Board Meeting No. 08/2020-21	25-03-2021
Board Meeting No. 09/2020-21	30-03-2021

Attendance of Directors in Board Meeting held during the year and Previous Annual General Meeting (AGM) of the Company:

Name of Director	Mr. Nitinbhai Patel	Mr. Kushal Patel	Mr. Amitkumar Patel ¹	Mr. Dhruven Patel	Mr. Rakesh Patel	Mrs. Pinaben Patel	Mrs. Gitaben Patel ²
Number of Board Meeting held	9	9	9	9	9	9	N.A.
Number of Board Meetings Eligible to attend	9	9	9	9	9	7	N.A.
Number of Board Meeting attended	9	9	9	9	9	7	N.A.
Presence at the previous AGM	Yes	Yes	Yes	Yes	No	No	N.A.

¹ Mr. Amitkumar Patel had resigned from the post of Whole-Time Director w.e.f. June 21, 2021.

² Mrs. Gitaben Patel is appointed as an Additional Whole-Time Director w.e.f. June 22, 2021.

General Meetings/Postal Ballot held during the year:

During the year under review, only one meeting of members was held and that was Annual General Meetings on 28th September, 2020.

During the year under review, 1 (One) Postal Ballot conducted, details of which are as follows:

Type	Resolutions	Resolution Passed Date
Postal Ballot	Migration of Company's Present Listing From SME Platform of BSE Limited to the Main Board of BSE Limited	Thursday, January 14, 2021

The Board of Directors of the Company at their meeting held on December 09, 2020 approved the proposal to conduct a Postal Ballot pursuant to Section 110 of the Companies Act, 2013 and Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 read with the General Circulars No. 14/2020 dated April 08, 2020, the General Circular No. 17/2020 dated April 13, 2020, the General Circular No. 22/2020 dated June 15, 2020 and the General Circular N. 33/2020 dated September 28, 2020 issued by the Ministry of Corporate Affairs ("MCA Circulars") to seek approval of the Members for Migration of Company's Present Listing From SME Platform of BSE Limited to the Main Board of BSE Limited. The Shareholder of the Company have passed a special resolution on January 14, 2021 for Migration of Company's Present Listing From SME Platform of BSE Limited to the Main Board of BSE Limited.

Independent Directors Meeting:

As per Schedule IV of the Companies Act 2013 a separate meeting of Independent Directors without the attendance of Non Independent Directors was held on March 30, 2021 to discuss the agenda items as required under the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The Independent Directors reviewed the performance of non-independent directors and the Board as whole reviewed the performance of the Chairperson of the Company taking into account the views of executive and non-executive directors and assessed the quality quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The Independent Directors expressed their satisfaction with overall functioning and implementations of their suggestions.

The Company has received necessary declaration from each independent director under Section 149 (7) of the act that they meet the criteria of independence laid down in Section 149 (6) of the act.

COMMITTEE OF BOARDS

The Board of Directors in line with the requirement of the act has formed various committees details of which are given hereunder.

Audit Committee:

Audit Committee meeting is generally held for the purpose of recommending the half yearly and yearly financial result. Additional meeting is held for the purpose of reviewing the specific item included in terms of reference of the Committee.

The composition of the Audit Committee:

Name of the Director	Category	Designation
Mr. Dhruven Patel	Independent Director	Chairperson
Mr. Amitkumar Patel ¹ (Upto June 21, 2021)	Whole Time Director	Member
Mr. Kushal Patel ² (W.e.f. June 21, 2021)	Managing Director	Member
Mr. Rakesh Patel	Independent Director	Member

1 Mr. Amitkumar Patel had resigned from the post of Whole-Time Director w.e.f June 21, 2021 in the Company.

2 Due to resignation of Mr. Amitkumar Govindbhai Patel, the Board of Directors of the Company reconstituted Audit Committee in their Board Meeting held on June 21, 2021 and appointed Mr. Kushal Patel, Managing Director of the Company as a Member of the Audit Committee in place of Mr. Amitkumar Patel.

Details of the Audit Committee Meetings held during the year:

Number of Audit Committee Meeting	Date of Audit Committee Meeting
Audit Committee Meeting No. 01/2020-21	28-07-2020
Audit Committee Meeting No. 02/2020-21	27-08-2020
Audit Committee Meeting No. 03/2020-21	13-11-2020
Audit Committee Meeting No. 04/2020-21	30-03-2021

Attendance of the Audit Committee members are given below:

Name of the Directors	Category	Designation	Number of Audit Committee Meetings held during the financial year 2020-21		
			Held	Eligible to attend	Attended
Mr. Dhruven Patel	Independent Director	Chairperson	4	4	4
Mr. Amitkumar Patel	Whole Time Director	Member	4	4	4
Mr. Rakesh Patel	Independent Director	Member	4	4	4

Chief Financial Officer of the Company is a regular invitee at the Meeting. Further, the Company Secretary of the Company is acting as Secretary to the Audit Committee.

Recommendations of Audit Committee wherever/whenever given have been accepted by the Board.

Stakeholder's Grievance & Relationship Committee:

The Board of Directors has formed Stakeholder's Grievance & Relationship Committee mainly to focus on the redressal of Shareholders' / Investors' Grievances if any like Transfer / Transmission / Demat of Shares; Loss of Share Certificates;

Non-receipt of Annual Report; Dividend Warrants; etc. The Stakeholders Relationship Committee shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company.

The composition of the Stakeholder's Grievance & Relationship Committee are given below:

Name of the Director	Category	Designation
Mr. Dhruven Patel	Independent Director	Chairperson
Mr. Amitkumar Patel ¹ (Upto June 21, 2021)	Whole Time Director	Member
Mr. Kushal Patel ² (W.e.f. June 21, 2021)	Managing Director	Member
Mr. Rakesh Patel	Independent Director	Member

¹ Mr. Amitkumar Patel had resigned from the post of Whole-Time Director w.e.f June 21, 2021 in the Company.

² Due to resignation of Mr. Amitkumar Patel, the Board of Directors of the Company reconstituted in their Board Meeting held on June 21, 2021 and appointed Mr. Kushal Patel, Managing Director of the Company as a Member of the Stakeholder's Grievance & Relationship Committee in place of Mr. Amitkumar Patel.

Details of the Stakeholder's Grievance & Relationship Committee Meetings held during the year:

Number of Stakeholder's Grievance & Relationship Committee Meeting	Date of Stakeholder's Grievance & Relationship Meeting
Stakeholder's Grievance & Relationship Committee Meeting No. 01/2020-21	30-06-2020
Stakeholder's Grievance & Relationship Committee Meeting No. 02/2020-21	27-08-2020
Stakeholder's Grievance & Relationship Committee Meeting No. 03/2020-21	13-11-2020
Stakeholder's Grievance & Relationship Committee Meeting No. 04/2020-21	25-03-2021

Attendance of the Stakeholder's Grievance & Relationship Committee members are given below:

Name of the Directors	Category	Designation	Number of Audit Committee Meetings held during the financial year 2020-21		
			Held	Eligible to attend	Attended
Mr. Dhruven Patel	Independent Director	Chairperson	4	4	4
Mr. Amitkumar Patel	Whole Time Director	Member	4	4	4
Mr. Rakesh Patel	Independent Director	Member	4	4	4

Nomination and Remuneration Committee:

The Board of Directors has formed Nomination and Remuneration committee in line with the provisions of Section 178 of the Companies Act 2013. Nomination and Remuneration Committee meetings are generally held for identifying the persons who are qualified to become Directors and may be appointed in senior management and recommending their appointments and removal. Further the committee shall also meet as and when the need arises for review of Managerial Remuneration.

The composition of the Nomination and Remuneration committee are given below:

Name of the Director	Category	Designation
Mr. Dhruven Patel	Independent Director	Chairperson

Mr. Rakesh Patel	Independent Director	Member
Mrs. Pinaben Patel ¹	Independent Director	Member

¹Mrs. Diptiben Patel resigned from the post of Independent Director of the Company w.e.f. from February 28, 2020, consequently the Nomination and Remuneration Committee was reconstituted in the Board Meeting held on June 30, 2020 and appointed Mrs. Pinaben Patel as a member of Nomination and Remuneration Committee in place of Mrs. Diptiben Patel.

Details of the Nomination and Remuneration committee Meetings held during the year:

Number Nomination and Remuneration Committee Meeting	Date of Nomination and Remuneration Committee Meeting
Nomination and Remuneration Committee Meeting No. 01/2020-21	30-06-2020
Nomination and Remuneration Committee Meeting No. 02/2020-21	27-08-2020

Attendance of the Nomination and Remuneration committee members are given below:

Name of the Directors	Category	Designation	Number of Audit Committee Meetings held during the financial year 2020-21		
			Held	Eligible to attend	Attended
Mr. Dhruven Patel	Independent Director	Chairperson	2	2	2
Mr. Rakesh Patel	Independent Director	Member	2	2	2
Mrs. Pinaben Patel	Independent Director	Member	2	1	1

RISK MANAGEMENT

The company has been exempted under regulation 21 of SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015 from reporting of risk management. The board is fully aware of Risk Factor and is taking preventive measures wherever required.

The Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Efficient risk management is the key to achieving short term goals and sustained value creation over the long term. A well-defined risk management mechanism covering the risk mapping and trend analysis risk exposure potential impact and risk mitigation process is in place. The objective of the mechanism is to minimize the impact of risks identified and taking advance actions to mitigate it. The mechanism works on the principles of probability of occurrence and impact if triggered. A detailed exercise is being carried out to identify evaluate monitor and manage both business and non-business risks.

There are no risks which in the opinion of the Board threaten the existence of the Company. Discussion on risks and concerns are covered in the MDA, which forms a part of this Annual Report.

DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS

During the Financial Year 2020-21, The Company has not issued any Equity Shares with differential rights.

DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES

The Company has not issued sweat Equity shares during the Financial Year 2020-21.

DISCLOSURE REGARDING ISSUE OF EMPLOYEE STOCK OPTIONS

The Company has not issued Employee Stock Options during the Financial Year 2020-21.

REDEMPTION OF SHARES/DEBENTURES

The Company has not redeemed any shares during the Financial Year 2020-21.

DISCLOSURE RELATION TO REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The details of remuneration paid during the financial year 2020-21 to Directors of the Company is provided in Form MGT-9 which is uploaded on the website of the Company at <https://axitacotton.com/>

NOMINATION AND REMUNERATION POLICY

The Company has in place a policy on remuneration of Directors, Key Managerial Personnel (“KMP”) and Other Employees which appears at “Annexure - A” to this report. Nomination and Remuneration Policy in the Company is designed to create a high performance culture. It enables the Company to attract motivated and retained manpower in competitive market, and to harmonize the aspirations of human resources consistent with the goals of the Company.

The Nomination and Remuneration Policy, as adopted by the Board of Directors, is placed on the website of the Company at www.axitacotton.com and is annexed to this Report as Annexure – A.

ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure effectiveness of board processes information and functioning etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings etc.

The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed meaningful and constructive contribution and inputs in meetings etc. In addition the chairman was also evaluated on the key aspects of his role.

LISTING

The Equity Shares of the Company continue to remain listed on BSE Limited (SME Platform). The Annual listing fees for the F.Y. 2021-2022 has been paid to BSE Limited.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

To foster a positive workplace environment free from harassment of any nature we have institutionalized the Anti-Sexual Harassment Initiative (ASHI) framework through which we address complaints of sexual harassment at the all workplaces of the Company. Our policy assures discretion and guarantees non-retaliation to complainants. We follow a gender-neutral approach in handling complaints of sexual harassment and we are compliant with the law of the land where we operate.

During the year under review there were no incidences of sexual harassment reported. Further the company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

DECLARATION OF INDEPENDENCE

The Company has received necessary declarations from each of the Independent Directors to the effect that they respectively meet the criteria of independence as stipulated under Section 149 (6) of the Companies Act, 2013. The Board has assessed the veracity of the same to their satisfaction. The Board of Directors have satisfied themselves about the integrity, expertise and experience (including the proficiency) of the independent directors of the Company.

ANNUAL RETURN

As required under the provisions of Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Annual Return in Form No. MGT-7 is displayed on the website of the Company at <https://axitacotton.com/>.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control system which ensures that all the assets of the Company are safeguarded and protected against any loss from unauthorized use or disposition. The Company has an Internal Audit Department with adequate experience and expertise in internal controls, operating system and procedures.

The Internal Auditors of the Company carry out review of the internal control systems and procedures. The internal audit reports are reviewed by Audit Committee.

Your Company has also put in place adequate internal financial controls with reference to the financial statements commensurate with the size and nature of operations of the Company.

During the year such controls were tested and no material discrepancy or weakness in the Company's internal controls over financial reporting was observed.

CORPORATE GOVERNANCE

Your Company strives to incorporate the appropriate standards for corporate governance. However, pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is not required to mandatorily comply with the provisions of certain regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and therefore the Company has not provided a separate report on Corporate Governance, although few of the information are provided in this report under relevant heading.

However, Company is complying with few of the exempted regulations voluntarily and details of same are provided in this report under the respective heading.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of Regulation 34 and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 a review of the performance of the Company for the year under review Management Discussion and Analysis Report is presented in a separate section forming part of this Annual Report as Annexure-F.

SIGNIFICANT / MATERIAL ORDERS PASSED BY THE REGULATORS

There were no significant / material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future.

MAINTENANCE OF COST RECORDS

The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

BUSINESS RESPONSIBILITY REPORT

The Company has been exempted from reporting on Business Responsibility Report as per Regulation 34(2)(f) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

SECRETARIAL STANDARDS

Secretarial Standards as applicable to the Company were followed and complied with during the F.Y. 2020-2021.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code.

HEALTH, SAFETY AND ENVIRONMENT

The safety excellence journey is a continuing process of the Company. The Company provide safety environment to the employees & workers of the Company. The Company also gives safety tips to workers. The Company has given all the safety equipment to the workers. The Company also takes care of the health of the workers during their work. The company has maintained a friendly environment so that if any employee or worker faces any problem, he can directly talk to the concerned person. The Company also checking the workers during their works.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Human Resources are vital and most valuable assets for the Company. The Company believes that Human Resources shape the success of its business vision. Your Company recognizes its employees as its greatest asset and constantly strives to create a friendly system of continuous learning to help our workforce be future ready.

Amidst the pandemic, the safety of our employees has been our top-most priority and the Company had taken several measures to ensure their well-being.

High-quality leadership talent has also been infused across all functions to build a robust talent pipeline. The Industrial Relations scenario continued to be positive across all our manufacturing locations.

ENHANCING SHAREHOLDERS VALUE

Your Company believes that its Members are its most important stakeholders. The Company accords top priority for creating and enhancing shareholders value. All the Company's operations are guided and aligned towards maximizing shareholders value. Your Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socioeconomic and environmental dimensions and contribute to sustainable growth and development.

APPRECIATION & ACKNOWLEDGEMENTS

Your Directors would like to record their appreciation for the enormous personal efforts as well as the collective contribution of all the employees to the Company's performance. The Board expresses its sincere thanks to all the employees, customers, suppliers, investors, lenders, regulatory and government authorities and stock exchanges for their cooperation and support and look forward to their continued support in future.

The Directors express their regret at the loss of human life due to COVID-19 pandemic and have immense respect and gratitude for every person who has risked their life and safety to fight this pandemic.

Registered office:

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Mahesana - 382715 Gujarat

For and on behalf of Board of Directors

Axita Cotton Limited
CIN: L17200GJ2013PLC076059

Date: September 02, 2021
Place: Kadi Mahesana

Nitinbhai Govindbhai Patel
Chairman Cum Managing Director
DIN: 06626646

Kushal Nitinbhai Patel
Managing Director
DIN: 06626639



ANNEXURE-A TO DIRECTORS' REPORT: NOMINATION AND REMUNERATION POLICY

NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in Compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto. The Board has also constituted Nomination and Remuneration Committee (NRC) as on October 26, 2018. This policy on nomination and remuneration updated by Directors, Key Managerial Personnel and Senior Management has been formulated and approved by the Board of Directors on February 13, 2019.

1. DEFINITIONS:

- i) **"Act"** means the Companies Act, 2013 (and the rules framed thereunder).
- ii) **"Board"** means Board of Directors of the Company.
- iii) **"Director"** means a director on the Board of the Company.
- iv) **"Committee"** means the Nomination and Remuneration Committee of the Company as constituted or re-constituted by the Board.
- v) **"Company"** or "The Company" Axita Cotton Limited.
- vi) **"Independent Director"** means a Director referred to in Section 149(6) of the Act read with regulation 16(1)(b) of the Listing Regulations.
- vii) **Key Managerial Personnel (KMP) means:**
 - a) the Chief Executive Officer or the managing director or the manager, as applicable;
 - b) the company secretary;
 - c) the whole-time director;
 - d) the Chief Financial Officer; and
 - e) such other officer as may be prescribed.
- viii) **"Senior Management"** shall mean officers/personnel of the Company who are members of its core management team excluding the Board and normally this shall comprise all members of management one level below the executive directors, including all functional heads.
- ix) **"Listing Regulations"** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- x) **"Remuneration"** means any money or its equivalent given or passed to any person for services rendered by him and includes prerequisites as defined under the Income Tax act, 1961.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Act and/or the Listing Regulations as may be amended from time to time shall have the meaning respectively assigned to them in the Act and/or the Listing Regulations.

2. OBJECTIVE:

The objectives of this Policy are set forth below:

- (a) to lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (independent, executive and non-executive) and persons who may be appointed in Senior Management and Key Managerial Personnel positions;
- (b) to ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- (c) to ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- (d) To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management personnel and provide necessary report to the Board for further evaluation by the Board; and
- (e) to ensure that the remuneration paid to the Directors, Key Managerial Personnel and Senior Management personnel involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.



3. ROLE OF THE COMMITTEE:

The role of the Committee shall, inter-alia, include the following:

- I. 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 Senior Management personnel;
- II. formulation of criteria for evaluation of performance of Independent Directors and the Directors;
- III. devising a policy on diversity of the Board;
- IV. identifying persons who are qualified to become Directors and who may be appointed in senior management positions in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- V. whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors; and
- VI. Any other functions as may be assigned by the Board from time to time.

4. APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL:

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as a Director and recommend the same to the Board. Key Managerial Personnel other than Managing Director shall be appointed as per the Act. Senior Management personnel shall be appointed as per the Company's policy formulated in this regard.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee shall have authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- c) The Company shall not appoint or continue the employment of any person as a Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

5. TERM/TENURE:

Managing Director/Whole-time Director:

The Company shall not appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board and shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of up to maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

6. EVALUATION:

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management personnel yearly or at such intervals as may be considered necessary.

7. REMOVAL:

The Committee may recommend with reasons to be recorded in writing, removal of a Director, KMP or Senior Management personnel subject to the provisions and Compliance of the Act and the policy of the Company.



8. RETIREMENT:

The Director, KMP and Senior Management personnel shall retire as per the applicable provisions of the Companies Act, 2013 and prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP and Senior Management personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the company.

Remuneration to Managing Director / Whole-time Directors:

- a) The Remuneration/ Commission, as applicable, to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of Act or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) Committee shall make such recommendations to the Board, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

Remuneration to Non- Executive / Independent Directors:

- a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of the Act and the Listing Regulations. The amount of sitting fees shall be such as may be recommended by the Committee and approved by the Board.
- b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Act shall be subject to ceiling/ limits as provided under the Act or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Committee and approved by the Board or the shareholders of the Company, as the case may be.
- c) An Independent Director shall not be eligible to get stock options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d) Any remuneration paid to Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - i) The Services rendered are of a professional nature; and
 - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession
- e) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Directors (other than Independent Directors).

9. IMPLEMENTATION:

- i) The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- ii) The Committee may delegate any of its power to one or one member of its member.

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**ANNEXURE-B TO DIRECTORS' REPORT:
RELATED PARTY TRANSACTIONS**

FORM NO. AOC-2 - PARTICULARS OF CONTRACTS/ARRANGEMENTS MADE WITH RELATED PARTIES

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

(Pursuant to Section 134(3)(h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

There were no contracts or arrangements or transactions entered into by the Company during the financial year ended on March 31, 2021, which were not at arm's length basis.

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

Sr. No.	Particulars	RPT – 1	RPT – 2	RPT- 3	RPT-4	RPT-5	RPT-6
1.	Name(s) of the related party and nature of relationship	Axita Exports Private Limited – Company wherein directors are interested	Aditya Oil Industries Limited – Company wherein directors are interested	Shreenathji Enterprise- Sole Proprietor business of Mrs. Gitaben Nitinbhai Patel- Relative of Director	Mrs. Gitaben Nitinbhai Patel- Relative of Director	Mrs. Pooja Patel- Relative of Director	Mr. Jimit Amitbhai Patel- Relative of Director
2.	Nature of contracts/ arrangements/ transactions	Purchase of Raw Material and Sale of Product	Purchase of Raw Material and Sale of Product	Purchase of Raw Material and	Payment of Remuneration	Payment of Remuneration	Payment of Remuneration
3.	Duration of the contracts / arrangements/ transactions	F.Y. 2020-21	F.Y. 2020-21	F.Y. 2020-21	F.Y. 2020-21	F.Y. 2020-21	F.Y. 2020-21
4.	Salient terms of the contracts or arrangements or transactions including the value, if any	Purchase of Raw Materials: ₹ 13,85,57,579 Sale of Products: ₹ 13,66,51,818	Purchase of Raw Material: ₹ 19,56,82,112 Sale of product: ₹ 16,93,24,033	Purchase of Raw Material: ₹ 43,49,83,125	Payment of Remuneration ₹ 9,99,000	Payment of Remuneration ₹ 12,49,000	Payment of Remuneration ₹ 6,54,000
5.	Date(s) of approval by the Board	May 16, 2020 & August 27, 2020	May 16, 2020 & August 27, 2020	May 16, 2020 & August 27, 2020	May 16, 2020	May 16, 2020	May 16, 2020
6.	Amount paid as advances, if any	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

* All transaction entered by the Company is at market rate and on arm's length basis.

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For and on behalf of Board of Directors

Axita Cotton Limited
CIN: L17200GJ2013PLC076059

Date: September 02, 2021
Place: Kadi Mahesana

Nitinbhai Govindbhai Patel
Chairman Cum Managing Director
DIN: 06626646

Kushal Nitinbhai Patel
Managing Director
DIN: 06626639

ANNEXURE-C TO DIRECTORS' REPORT: PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rules made there under.

A. Information as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

a) The ratio of remuneration of each director to the median remuneration of employees for the financial year and the Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Sr. No.	Name	Designation	Nature of Payment	Ratio against median employee's remuneration	Percentage Increase
1.	Nitinbhai Patel	Chairman Cum Managing Director	Remuneration	7.02 : 1.00	0.00%
2.	Kushal Patel	Managing Director	Remuneration	7.02 : 1.00	0.00%
3.	Amitkumar Patel	Whole-Time Director	Remuneration	7.02 : 1.00	0.00%
4.	Dhruven Patel	Independent Director	Sitting Fees	-	Not Applicable
5.	Pinaben Patel	Independent Director	Sitting Fees	-	Not Applicable
6.	Rakesh Patel	Independent Director	Sitting Fees	-	Not Applicable
7.	Mr. Jayesabhai Thakor*	Chief Financial Officer	Salary	1.24:1	Not Applicable
8.	Mr. Deepak Chaubisa	Company Secretary	Salary	1.67:1	21.89%

* Mr. Jayeshbhai Thakor had appointed as Chief Financial Officer with effect from June 30, 2020 by the Board of Directors of the Company. He had not Chief Financial Officer during Financial Year 2019-20 therefore, his salary cannot be compared with previous year 2019-20.

b) The percentage increase in the median remuneration of employees in the financial year:

The median remuneration of the employees in current financial year was increase by 14 % over the previous financial year.

c) The number of permanent employees on the rolls of the Company: 23 permanent Employees as on March 31, 2021.

d) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The Average 28.24% increase was made in salary paid to the employees other than Key Managerial Personnel of the Company as compare to previous year. The average remuneration increased due to qualitative pay-out to the existing employee so, that our business can run well and transparent manner and the company had also taken some new employees



during the financial year 2020-21. The average 28.24% counted on the basis of total salary paid to employees during the year 2020-21 other than Key Managerial Personnel (KMP) of the Company and compare it to salary paid to employees during the year 2019-20 other than Key Managerial Personnel (KMP). The remuneration of the executive directors was not increased. The Remuneration paid to executive directors were within the limit. Mr. Jayesabhai Thakor had appointed as chief financial officer with effect from June 30, 2020, therefore, his salary cannot be compared with previous year 2019-20 and 21.89% salary was increased of Mr. Deepak Chaubisa, Company Secretary of the Company.

The Board of Directors of the Company affirmed that remuneration of all the Key Managerial Personnel of the Company are as per the Remuneration Policy of the Company.

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For and on behalf of Board of Directors
Axita Cotton Limited
CIN: L17200GJ2013PLC076059

Date: September 02, 2021
Place: Kadi Mahesana

Nitinbhai Govindbhai Patel
Chairman Cum Managing Director
DIN: 06626646

Kushal Nitinbhai Patel
Managing Director
DIN: 06626639



**ANNEXURE-D TO DIRECTORS' REPORT:
CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE
EARNINGS AND OUTGO**

(Pursuant to Section 134 (3) (m) of the Companies (Accounts) Rules, 2014 and rules made there under)

A. Conservation of Energy

i. The steps taken or impact on conservation of energy:

Manufacturing unit of the Company have taken various initiative for saving energy consumption. Power consumption monitoring is regularly done at the manufacturing facility, resulting in optimum energy consumption and conservation. Energy cost is one of the key components of cost element of conversion cost. All efforts are made to use more natural lights in the premises to optimise the conservation of energy. Installation of LED Lights in place of conventional lights. Continues usage of LED Lights. Continues usage of 5 (Five) Star Motor which reduce power consumption. Continues uses panel censor for energy consumption. Continues services the machines every month so that the machine run efficiently and reduce power consumption.

ii. The steps taken by the Company for utilising alternate sources of energy:

The Company has taken initiative to generate energy through renewable sources like solar power and Company has installed solar rooftop at the factory premises of the Company.

iii. The capital investment on energy conservation equipment:

During the year under review, Company has spent ₹ 12,68,158/- on solar rooftop for energy conservation at the factory premises of the Company.

B. Technology Absorption

i. The efforts made towards technology absorption:

The Company has been putting emphasis to train its technical personnel by way of providing training to them for the latest technology available. Company regularly monitors the technical advancements which can help in reducing cost and make the existing processes more eco-friendly and result in minimization of environmental hazards. The Company has no foreign collaboration and is well versed with the indigenous technology.

ii. The benefits derived like product improvement, cost reduction, product development or import substitution:

The above efforts have improved the quality of products. The more benefit will be visible in future working.

iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

- a) The details of technology imported: Not Applicable
- b) The year of import: Not Applicable
- c) Whether the technology been fully absorbed: Not Applicable
- d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof: Not Applicable

iv. Expenditure incurred on research and development:

During the year under review, Company has not incurred any Expenditure on Research and Development.



C. Foreign exchange earning in terms of actual inflows and actual outflows

i) Details of Foreign Exchange Earnings:

(Amount in ₹)

Sr. No.	Particulars	F.Y. 2020-21	F.Y. 2019-20
1.	Foreign Exchange Earnings*	413,33,57,028.00	236,33,36,140.00

ii) Details of Foreign Exchange Expenditure:

(Amount in ₹)

Sr. No.	Particulars	F.Y. 2020-21	F.Y. 2019-20
1.	Foreign Exchange Outgo	17,01,85,145.00	7,46,08,037.00

*Amount derived based on export of the Company.

Registered office:
 Servey No. 324 357 358,
 Kadi Thol Road, Borisana Kadi,
 Mahesana - 382715 Gujarat

For and on behalf of Board of Directors
 Axita Cotton Limited
 CIN: L17200GJ2013PLC076059

Date: September 02, 2021
 Place: Kadi Mahesana

Nitinbhai Govindbhai Patel
 Chairman Cum Managing Director
 DIN: 06626646

Kushal Nitinbhai Patel
 Managing Director
 DIN: 06626639



**ANNEXURE-E TO DIRECTORS' REPORT:
SECRETARIAL AUDIT REPORT
Form No. MR-3**

For the financial year ended March 31, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

AXITA COTTON LIMITED

(CIN: - L17200GJ2013PLC076059)

Servey No. 324 357 358 Kadi Thol Road

Borisana Kadi-382715

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Axita Cotton 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 our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that, in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021, 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.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

- i. The Companies Act, 2013 ("the Act") and the rules made there under as applicable;
- ii. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. The Foreign Exchange Management Act, 1999 (FEMA) and the rules and regulations made there under to the extent of Overseas Direct Investment;
- 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;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Listing Agreement entered with National Stock Exchange of India Limited (NSE);
- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
- vi. The Revised Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules made thereunder, Regulations, guidelines etc. mentioned above.

Further company being engaged in the business of producing cotton bales and cotton seeds, there are few major specific and general applicable acts/rules to the Company, which requires approvals or compliances under the respective acts/rules, as list out in the **Annexure I**. We have relied on the representation made by the Company and its officers for applicability of such acts and system and mechanism framed by the Company for compliances of the said major specific and general acts/rules.

During the Period under review, provisions of the following Acts, Rules, Regulations, and Standards are not applicable to the Company,

- i. 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; - the Company is not registered as Registrar to an Issue & Share Transfer Agent. However, the Company has appointed Link Intime India Private Limited as Registrar & Share Transfer Agent as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- ii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- iii. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- iv. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- v. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; and
- vi. The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and External Commercial Borrowings.

We further report that -

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

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.



Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We 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.

We Further report that during the period under review:-

- Board of Directors in their meeting held on December 09 2020, approved and proposed Migration of Company's present listing from SME Platform of BSE Limited to the Main Board of BSE Limited and Approved the Notice of Postal ballot to seek approval for migration of the Company from SME Platform of BSE Limited to the Main Board of BSE Limited.
- Shareholders through Postal Ballot approved Migration Of Company's Present Listing From SME Platform of BSE Limited To the Main Board of BSE Limited on January 14, 2021.

For SCS and Co. LLP
Company Secretaries
ICSI Unique Code: - L2020GJ008700

Place: Ahmedabad

Date: September 02, 2021

Anjali Sangtani
Partner
ACS No.: 41942 C P No.: 23630
UDIN:A041942C000876061

Annexure I**List of major General Acts applicable to the Company**

1. The Textile Committee Act, 1963 (the “Committee”)
2. The Textiles Committee (CESS) Rules, 1975
3. The Gujarat Textile Policy, 2012
4. Textile (Development and Regulation) Order, 2001 (“Textile Order)
5. The Cotton Control Order, 1986 (“Cotton Order”)
6. The Micro, Small and Medium Enterprises Development Act, 2006
7. The Income Tax Act, 1961
8. The Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made there under
9. The Gujarat Industrial Policy, 2015
10. The Legal Metrology Act, 2009
11. The Sale of Goods Act, 1930 (Sale of Goods)
12. The Arbitration and Conciliation Act, 1996
13. The Competition Act, 2002
14. The Consumer Protection Act, 1986 (COPRA)
15. The Specific Relief Act, 1963
16. The Negotiable Instruments Act, 1881
17. The Industrial Disputes Act, 1947 (“ID Act”) and Industrial Dispute (Central) Rules, 1957
18. The Factories Act, 1948
19. The Employees’ Provident Fund and Miscellaneous Provisions Act, 1952
20. The Payment of Gratuity Act, 1972
21. The Payment of Bonus Act, 1965
22. The Apprentices Act, 1961
23. The Workmen Compensation Act, 1923 (“WCA”)
24. The Equal Remuneration Act, 1976
25. The Maternity Benefit Act, 1961
26. The Child Labour (Prohibition and Regulation) Act, 1986
27. The Industrial Employment (Standing orders) Act, 1946
28. The Registration Act, 1908
29. The Indian Stamp Act, 1899
30. The Transfer of Property Act, 1882
31. The Gujarat Stamp Act, 1958
32. The Indian Contract Act, 1872
33. The Contract Labour (Regulation and Abolition) Act, 1970
34. The Gujarat Shops and Establishments Act, 1948
35. The Information Technology Act, 2000

**Annexure II**

To,
The Members,

AXITA COTTON LIMITED

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on my audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis, on the records and documents provided by the Management of the Company, to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices followed by me provide a reasonable basis for my opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedures on test basis.
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For SCS and Co. LLP
Company Secretaries
ICSI Unique Code: - L2020GJ008700

Place: Ahmedabad
Date: September 02, 2021

Anjali Sangtani
Partner
ACS No.: 41942 C P No.: 23630
UDIN:A041942C000876061

ANNEXURE-F TO DIRECTORS' REPORT: MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This report covers the operations and financial performance of the Company for the year ended 31st March, 2021 and forms part of the Annual Report.

BUSINESS SCENARIO:

Over the years, country has achieved significant quantitative increase in cotton production. India has the distinction of having the largest area under cotton cultivation. India is one of the largest producer of cotton in the world. India is working on major initiatives, to boost its technical textile industry. The future for the Indian textiles industry looks promising, buoyed by strong domestic consumption as well as export demand. High economic growth has resulted in higher disposable income. This has led to rise in demand for products creating a huge domestic market. During the year under review cotton bales exports was increased due to higher prices of cotton in international market compared to the Indian market.

OVERALL REVIEW:

One year into the COVID-19 pandemic, the accumulating human toll continues to raise concerns, even as growing vaccine coverage lifts sentiment. The year 2020 has been the most challenging year in our lifetimes. What started as a promising year for our industry quickly turned into a difficult one. COVID-19 pandemic brought the entire world to a standstill, equitably affecting markets and supply chains globally. During the year under review, Cotton exports from India were rose in the F.Y. 2020-21. During the F.Y. 2020-21 global demand was high. Cotton plays an important role in the Indian economy as the country's textiles industry is predominantly cotton based. India is one of the largest producers as well as exporters of cotton yarn. Gujarat, Maharashtra, Telangana, Andhra Pradesh, Karnataka, Madhya Pradesh, Haryana, Rajasthan, and Punjab are the major cotton producers in India. Your Company is continues focus on exports of the Company's products.

COMPANY OVERVIEW:

Our Company main business of Ginning and Pressing of Seed Cotton ("Kapas"). Our Company is producing cotton bales and cotton seeds. Our Company also engaged in the business of Trading of Kapas, cotton bales and cotton seeds. Our Company also doing ginning and pressing of Kapas on job work basis. The production facility of our company is situated at Kadi in Mahesana District of Gujarat state. Axita Cotton Limited is well-known Company in our Business Sector.

During Financial Year 2020-21, the Company continued to achieve greater heights despite several hurdles created by the COVID-19 pandemic. The overall profitability of the Company during the year under review, as compared to the previous year, has been grown due to international and domestic demand. Working and operational parameters at the plant of the Company were satisfactory during the year. The goal is to go beyond enhancing the balance sheet size by creating a positive impact on people and environment. The Company is also conscious of its role towards society and always works in that direction. During the year under review, the demand of our Company's products was high.

OPPORTUNITIES AND THREATS, RISKS AND CONCERNS (OTRC):

The OTRC have the various bench mark and keep changing on the various domestic global business outlooks.

Opportunities:

- i) Expertise in new products development.
- ii) Demand of Cotton dynamics in International Market.
- iii) Positive economic environment.
- iv) Policy Support: Several policy support initiative taken by the government of India favourably.
- v) Improving farmer's techniques.
- vi) Business scenario is undergoing a major change during recent times and company is better equipped to use it to its advantage.

Threats, Risks and Concerns:

- i. Uncertainty on monsoon.
- ii. Threat of spike in COVID-19 cases.

- iii. Price fluctuations.
- iv. Exchange fluctuations in case of Exports.
- v. Adequate availability of Cotton at right price.
- vi. Internal Factors and Government Policies.
- vii. Skilled labour availability.
- viii. Preserving the best fibre parameters.
- ix. Uninform bales sizes: Different bales sizes and bales weights are used in different countries, which is an impediment in the standardisation of designing of further processing machinery and transportation containers.
- x. Order Termination: Many international and domestic buyers either terminated or deferred their consignment, slighting the uncertain market conditions.

OUTLOOK AND FUTURE PROSPECTS:

The sudden outbreak of second wave of covid-19 infections in the country has dealt a much bigger shock to India's health system than the first wave last year. But the economic shock may be more moderate compared to last year. One big reason for that lies in the lockdown rules this year which allow greater relaxations for industrial activity and movement of goods than last year. The global economy is on a major turnaround, with many countries showing continued growth in production and

Consumption. The future, though uncertain, is still optimistic. However, with the second wave of Covid-19 pandemic in India, the Company remains cautiously optimistic about the growth projections, despite being well off as a global supplier to diverse geographies. But overall, the 2021-22 is going to be a very challenging year for the textile sector and the company.

SUBSIDIARIES/JOINT VENTURES:

The Company does not have subsidiaries, associates and joint ventures companies.

HUMAN RESOURCES:

The Company's relations with the employees continued to be cordial and harmonious relations with its employees. It consider manpower as its assets and that people had been driving force for growth and expansion of the Company. The Company acknowledge that its principal assets is it employees.

FINANCIAL RESULTS:

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

(₹ in Lakhs)

PARTICULARS	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
Revenue from Operations	61879.29	48,441.38
Other Income	14.79	13.25
Total Income from Operations (Net)	61894.09	48,454.63
Earnings Before Interest, Taxes, Depreciation and Amortization Expense	917.37	401.93
Less: Finance Cost	329.09	295.29
Less: Depreciation and Amortization Expense	44.23	52.87
Profit Before Tax	544.05	53.77
Less: Tax Expenses		
Current Tax	140.52	20.87
Deferred Tax	30.16	(2.42)
Profit After Taxation	373.36	35.32

Note: Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure and may not be comparable with the figures reported earlier.

COMPANY'S PERFORMANCE:

During the year under review, the Company recorded Revenue from Operations of ₹ 61879.29 Lakhs for the F.Y. 2020-21 as compared to ₹ 48,441.38 Lakhs during the previous F.Y. 2019-20.

During the year under review, the Company achieved Earnings before Interest, Taxes, Depreciation and Amortization Expense of ₹ 917.37 Lakhs for the F.Y. 2020-21 as compared to ₹ 401.93 Lakhs during the previous F.Y. 2019-20.

During the year under review, the Company achieved Profit after Taxation of ₹ 373.36 Lakhs for the F.Y. 2020-21 as compared to ₹ 35.32 Lakhs during the previous F.Y. 2019-20.

Export Sales for the F.Y. 2020-2021 was ₹ 41333.57 Lakhs as compared to ₹ 23633.36 Lakhs for the F.Y. 2019-2020 mainly due to demand in international market.

SEGMENT-WISE OR PRODUCT WISE PERFORMANCE:

The Company operates in only single segment. Hence segment wise performance is not applicable.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Axita Cotton Limited has appropriate systems for internal control. Internal Control system and adequacy Internal Control measures and systems are established to ensure the correctness of the transactions and safe guarding of the assets. This ensures that the Company's resources are put to optimum use and all transactions are authorized, recorded and reported correctly to the Management. The company has a regular practice of enhancing its system control in line with changing requirements of the business and the industry. The Internal control checks and internal audit programmers adopted by our Company plays an important role in the risk management feedback loop in which the information generated in the internal control process is reported back to the Board and Management. The internal control systems are modified continuously to meet the dynamic change. Further the Audit Committee of the Board of Directors reviews the internal audit reports and the adequacy and effectiveness of internal controls.

KEY FINANCIAL RATIOS:

The key Financial Ratios during Financial Year 2021 vis-à-vis Financial Year 2020 are as below:

Particulars	Financial Year 2020-21	Financial Year 2019-20
Debtors Turnover	11.06	18.92
Inventory Turnover	78.75	59.48
Current Ratio	1.23	1.32
Interest Coverage Ratio	2.65	1.18
Debt Equity Ratio	0.24	0.78
Operating Profit Margin	0.88%	0.11%
Net Profit Margin	0.60%	0.07%
Return on Net Worth	6.77%	1.95%

The key Financial Ratios has witnessed a significant change i.e. a change of 25% or more as compared to previous financial year 2019-20 except Current Ratio.

Detailed explanation related to % change in Key Financial Ratios are given below:

Debtors Turnover: Due to reduction of payment terms and implementation of advance payment terms.

Inventory Turnover: Due to procurement of inventory with advance payment for capturing price negotiation.

Interest Coverage Ratio: Due to increase in export sales, hence L/C Discounting interest has been increased and earning before EBIT has also increased.

Debt Equity Ratio: Due to higher profit during the year 2020-21 which results in increase in Reserve & Surplus of the Company.

Operating Profit Margin: Due to increase in Sales Margins during the year 2020-21.



Net Profit Margin: Due to increase of sales and revenue of the Company during the year 2020-21.

Return on Net Worth: Due to increase of profit after tax (PAT) and also Net Worth of the Company.

CAUTIONARY STATEMENT:

Statements on the Management Discussion and Analysis and current year's outlook are Management's perception at the time of drawing this report. Actual results may be materially different from those expressed in the statement. Important factors that could influence the Company's operations include demand and supply conditions, availability of inputs and their prices both domestic and global, changes in Government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

Registered office:

Servey No. 324 357 358,
Kadi Thol Road, Borisana Kadi,
Mahesana - 382715 Gujarat

For and on behalf of Board of Directors

Axita Cotton Limited
CIN: L17200GJ2013PLC076059

Date: September 02, 2021
Place: Kadi Mahesana

Nitinbhai Govindbhai Patel
Chairman Cum Managing Director
DIN: 06626646

Kushal Nitinbhai Patel
Managing Director
DIN: 06626639



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AXITA COTTON LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Axita Cotton Limited (the 'Company'), which comprise the Balance Sheet as at 31st March 2021, the Statement of Profit and Loss, the Cash Flow Statement and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2021 and its Profit and Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those

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

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no significant matters that are required to be disclosed here.

Information other than Financial Statements and the Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report the fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and

application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Management is also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility

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 Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

- **Materiality**

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work

and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

- **Communication with Management**

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

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

Report on Other Legal and Regulatory Requirements

1. As required by section 197(16) of the Act, we report that Managerial Remuneration has been paid and provided by the company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
2. As required by 'the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act we give in the "Annexure A", the statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
3. Further to our comments in Annexure A, as required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The balance sheet, the statement of profit and loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2021 from being appointed as a director in terms of section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
 - g) 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 does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Mistry & Shah LLP
Chartered Accountants
F.R.N: - 122702W /W100683

Date: 21/06/2021
Place: Ahmedabad

Malav Shah
Partner
M.NO. 117101
UDIN: 21117101AAAAEY5040



“Annexure A”

To the Independent Auditor’s Report on the Financial Statements of Axita Cotton Limited

Based on the audit procedures performed for the purpose of reporting true and fair view on the financial statements of the company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief we report that:

1. (a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
(b) The Company has a regular program of physical verification in a phased periodic manner, which is in our opinion, is reasonable having regards to size of the Company and nature of its assets. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the period and no material discrepancies between the book records and the physical fixed assets have been noticed.
(c) The title deeds of Immovable property are held in the name of the company.
2. The management has conducted physical verification of the Inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act.
4. In our 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 Companies Act, 2013 In respect of loans to director’s including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.
5. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposit) Rules, 2014 (as amended). Accordingly, the provision of clause 3(v) of the Order is not applicable.
6. As per the sub section (1) of section 148 of the Companies Act, 2013 the company is not required to maintained cost records.
7. (A) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues Income Tax, Cess and other statutory dues applicable to it.
(B) According to information and explanations provided to us, no undisputed amounts payable in respect of Provident fund, Employees State Insurance, Income Tax, Cess and other statutory were outstanding, at the year end, for a period of more than six months from the date they become payable.
8. In our opinion and according to the information and explanations provided by the management, the Company has not defaulted in repayment of loans and borrowing to a financial institution, Bank or Government or dues to Debenture Holders.
9. In our opinion and according to the information and explanations provided by the management, the Company has utilized the monies raised by way of debt instrument, Initial Public offer and term loan for the purpose for which they were raised.
10. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statement and according to the information and explanations provided by the management, we report that no fraud by the Company or on the company by the officers or employees of the Company has been noticed or reported during the period.
11. Managerial Remuneration has been paid and provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company and hence not commented upon.
13. According to the information and explanations provided by the management transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the in the Financial Statements as required by the applicable accounting standards.



14. According to the information and explanations provided to us and overall examination of balance sheet, the Company has not made preferential allotment/private placement of shares or fully and partly convertible Debenture during the year under review hence, reporting requirement under clause 3(xiv) of the order is not applicable to the company and not commented upon.
15. According to the information and explanations provided to us, the company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.
16. According to the information and explanations provided to us, the provisions of section 45-IA of Reserve Bank of India Act, 1934 are not applicable to the Company and hence not commented upon.

For Mistry & Shah LLP
Chartered Accountants
F.R.N: - 122702W /W100683

Date: 21/06/2021
Place: Ahmedabad

Malav Shah
Partner
M.NO. 117101
UDIN: 21117101AAAAEY5040



Annexure B”

To the Independent Auditor’s on the Financial Statements of Axita Cotton Limited

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

We have audited the internal financial controls over financial reporting of Axita Cotton Limited (“the Company”) as of March 31, 2021 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s Management is responsible for establishing and maintaining Internal Financial Controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Control system over Financial Reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles.

A Company’s Internal Financial Control over financial reporting includes those policies and procedures that:

- 1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- 2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and



- 3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Mistry & Shah LLP
Chartered Accountants
F.R.N: - 122702W /W100683

Date: 21/06/2021
Place: Ahmedabad

Malav Shah
Partner
M.NO. 117101
UDIN: 21117101AAAAEY5040

BALANCE SHEET AS AT MARCH 31, 2021
(Amount in ₹)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Share Capital	3.1	131,040,000	131,040,000
(b) Reserves and Surplus	3.2	87,158,161	49,821,901
		218,198,161	180,861,901
Non-Current Liabilities			
(a) Long-Term Borrowings	3.3	8,901,025	-
(b) Deferred Tax Liabilities (Net)		2,103,274	-
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions		-	-
		11,004,299	-
Current Liabilities			
(a) Short-Term Borrowings	3.4	124,441,706	141,274,213
(b) Trade Payables	3.5	485,331,116	265,884,329
(c) Other Current Liabilities	3.6	8,418,703	11,816,735
(d) Short Term Provision	3.7	224,866,540	43,294,112
		843,058,064	462,269,389
Total		1,072,260,523	643,131,291
ASSETS			
Non-Current Assets			
(a) Property, Plants and Equipments			
Tangible Assets	3.8	32,083,395	34,029,543
Intangible Assets		-	-
Capital Work-In-Progress		-	-
Intangible Assets Under Development		-	-
(b) Non-current Investments		-	-
(c) Deferred Tax Assets		-	913,122
(c) Long-term Loan and Advances		-	-
(d) Other Non-Current Assets		-	-
Total		32,083,395	34,942,665
Current Assets			
(a) Current Investments		-	-
(b) Inventories	3.9	80084397	54,068,095
(c) Trade receivables	3.10	710730499	407,601,005
(d) Cash and Cash Equivalent	3.11	98,747,951	30,638,996
(e) Short-Term Loans and Advances	3.12	59,498,739	17,034,823
(f) Other current Assets	3.13	91,115,543	98,845,711



		1,040,177,128	608,188,630
Total		1,072,260,523	643,131,295
Contingent Liabilities	3.14	394,088,575	572,812,929
Corporate Information	1		
Significant Accounting Policies	2		
Notes on Financial Statements	3		

As per our report of even date
For Mistry & Shah LLP
Chartered Accountants
FRN: 122702W/W100683

For and on Behalf of the Board
Axita Cotton Limited

Malav Shah
Partner
M.NO. 117101
Place: Ahmedabad
Date : 21/06/2021

Kushal Patel
Managing Director
DIN: 06626639

Jayesabhai Thakor
CFO
Place: Kadi, Mehsana
Date: 21/06/2021

Amit Patel
Whole Time Director
DIN: 06626585

Deepak Chaubisa
CS (M. No.: A45536)

STATEMENT OF PROFIT & LOSS FOR YEAR ENDING ON MARCH 31, 2021
(Amount in ₹)

Particulars	Note No.	For the year ended on March 31, 2021	For the year ended on March 31, 2020
INCOME :			
Revenue from Operations	3.15	6,187,929,492	4,844,138,078
Other Income	3.16	1,479,300	1,325,386
		6,189,408,792	4,845,463,464
EXPENDITURE:			
Cost of Materials Consumed	3.17	547,181,170	878,674,756
Purchase of stock-in-trade	3.18	4,735,409,407	3,678,255,267
Changes in Inventories	3.19	(26,016,304)	29,633,645
Employee Benefit Expenses	3.20	19,561,732	19,064,804
Finance Costs	3.21	32,909,450	29,528,732
Depreciation Expenses	3.8	4,422,606	5,286,725
Other Expenses	3.22	821,536,059	199,642,325
		6,135,004,119	4,840,086,255
Profit before Exceptional and Extraordinary Items and Tax		54,404,673	5,377,209
Exceptional Items		-	-
Profit before Extraordinary Items and Tax		54,404,673	5,377,209
Extraordinary Items		-	-
Profit Before Tax		54,404,673	5,377,209
Tax Expenses			
Current Tax		14,052,018	2,086,825
Deferred Tax		3,016,396	241,918
Profit after Tax for the year		37,336,259	3,532,302
Earnings per Equity Share			
-Basic		2.85	0.43
-Diluted		2.85	0.43
Corporate Information	1		
Significant Accounting Policies	2		
Notes On Financial Statements	3		

As per our report of even date
For Mistry & Shah LLP
Chartered Accountants
FRN: 122702W/W100683

Malav Shah
Partner
M.NO. 117101
Place: Ahmedabad
Date : 21/06/2021

Kushal Patel
Managing Director
DIN: 06626639

Jayesabhai Thakor
CFO
Place: Kadi, Mehsana
Date: 21/06/2021

For and on Behalf of the Board
Axita Cotton Limited

Amit Patel
Whole Time Director
DIN: 06626585

Deepak Chaubisa
CS (M. No.: A45536)

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021
(Amount in ₹)

Sr. No.	Particulars	For the year ended on March 31, 2021	For the year ended on March 31, 2020
1	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit (Loss) As per Profit & Loss Account	37,336,259	3,532,302
A	Tax and Extra-Ordinary Item		
	Amt Transferred to Reserve	-	(675,000)
	Income Tax	14,052,018	2,086,825
	Deferred Tax	3,016,396	(241,918)
	Net Profit (Loss) before tax	54,404,673	4,702,209
B	Adjustments:-		
	Depreciation	4,422,606	5,286,725
	Credit written off	-	-
	Preliminary expenses written off	-	707,133
	Interest Expense	32,909,450	29,528,732
	Provision Created for the year	210,866,540	41,872,096
	Interest Income	-	(150,481)
	Operating profit(loss) before working capital changes	302,603,268	81,946,414
C	Adjustments:-		
	Decrease/(Increase) in Inventory	(26,016,304)	45,071,703
	Decrease/(Increase) in Trade Receivables	(303,129,494)	(297,071,090)
	Decrease/(Increase) in Other Current Assets	7,730,166	(57,979,426)
	Decrease/(Increase) in Short Term Loans and Advances	(42,463,915)	76,031,130
	Payment of Short Term Provisions	(41,689,663)	(9,299,816)
	(Decrease)/Increase in Trade Payables	219,446,786	233,113,155
	(Decrease)/Increase in Other Current liabilities	(3,398,032)	(7,241,216)
	(Decrease)/Increase in Short Term Borrowings	(16,832,508)	(3,546,179)
	Net Cash Flow before tax and extra ordinary item	96,250,304	61,024,675
	Less: Direct Taxes Paid	1,656,466	2,126,126
	Less: Extraordinary Items	-	-
	Net Cash Flow from Operating Activities	94,593,838	58,898,549
2	CASH FLOW FROM INVESTING ACTIVITIES:		
a	Acquisition of Fixed Assets	(2,476,459)	(1,258,950)
b	Capital Gain Income	-	-
c	Change in DTA	-	-
d	Interest Income	-	150,481
	Net Cash Flow from Investing Activities	(2,476,459)	(1,108,469)
3	CASH FLOW FROM FINANCING ACTIVITIES:		
a	Long Term Borrowing Repaid	8,901,025	(3,500,000)
b	Interest and finance cost	(32,909,450)	(29,528,732)
c	Shares Issued	-	-



d	Share Issue Expenses	-	-
	Net Cash Flow from Financing Activities	(24,008,425)	(33,028,732)
	Net Increase in Cash and Equivalent.	68,108,954	24,761,348
	Cash And Cash Equivalents as at the Beginning of the year	30,638,996	5,877,647
	Cash And Cash Equivalents as at the Closing of the year	98,747,951	30,638,996

As per our report of even date
 For Mistry & Shah LLP
 Chartered Accountants
 FRN: 122702W/W100683

For and on Behalf of the Board
 Axita Cotton Limited

Malav Shah
 Partner
 M.NO. 117101
 Place: Ahmedabad
 Date : 21/06/2021

Kushal Patel
 Managing Director
 DIN: 06626639

Jayesabhai Thakor
 CFO
 Place: Kadi, Mehsana
 Date: 21/06/2021

Amit Patel
 Whole Time Director
 DIN: 06626585

Deepak Chaubisa
 CS (M. No.: A45536)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**Note: 1. Corporate Information**

Axita Cotton Limited ("the Company") is a company incorporated in Ahmedabad, Gujarat, India on 23rd March, 2016. The Registered office of the Company is Located at Servey No. 324, 357, 358, Kadi-Thol Road, Borisana, Kadi, Mahesana, Gujarat-382715, India

The Company is engaged in activities of manufacturing, processing & finishing of cotton bales.

Note: 2. Significant Accounting Policies:**2.1 Basis of Preparation of Financial Statement**

The financial statements have been prepared on the historical cost.

The financial statement of the company have been prepared to comply with Accounting Standards as prescribed under section 133 of The Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules 2014.

The preparation of financial statements in conformity with the Accounting Standards requires the Management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosures of contingent liabilities. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from the estimates. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

Company's Financial Statements are presented in Indian Rupees (₹), which is also its functional currency.

2.2 Summary of Significant Accounting Policies**(a) Property, Plant & Equipment**

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost include purchase price, borrowing cost and any cost directly attributable to the bringing the assets to its working condition for its intended use, net charges on foreign exchange attributable to the assets. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, appropriate, only when it's probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately.

Depreciation on Fixed asset is provided on a Written Down Value Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013

Sr. No.	Major Head	Assets Included	Useful Life
1.	Buildings	Factory Building	30 Years
		Tubewell	5 Years
2.	Plant and Machinery	Plant and Electric Installation	15 years
3.	Motor Vehicle	Truck and Car	8 Years
		Motor Cycle	10 Years
4.	Office Equipment	Air Conditioner and Refrigeration	15 Years
		CCTV and Television	5 Years
5.	Furniture & Fixtures	Furniture	10 Years
6.	Computers & Data Processing Units	Computers & Printers	3 Years
		Software	10 Years

(b) Intangible Assets

Intangible Assets acquired separately are measured on initial recognition at cost. Following initial recognition, Intangible Assets are carried at cost less accumulated amortization and accumulated impairment, if any. Gains or losses arising from derecognition of an Intangible Asset are measured as the difference between the net disposal proceeds and the carrying amount of the Asset and are recognized in the statement of profit and loss when the asset is derecognized.

Intangible assets are amortized on their useful life estimates subject to AS-26 “Intangible Assets” issued by The Institute of Chartered Accountants of India.”

(c) Borrowing Cost

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

(d) Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any, Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

(e) Provisions and Contingent Liability

Provisions and Contingent Liability are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amount of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

Contingent Liability has been recognized in current year regarding the trade receivables discounted with Bank and the liability for same shall arise only on default by the counter party hence recorded as contingent liability.

(f) Employee Benefits Expenses

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services.

Post-Employment Benefits

a) Defined Contribution Plans

Payments made to a defined contribution plan such as Provident Fund is charged as an expense in the Statement of Profit and Loss as they fall due.

b) Defined Benefit Plans

Past Service Cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculate on is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

(g) Taxes on Income

Tax expense comprises both current and deferred taxes. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

(h) Foreign Currencies Transactions and Translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction.

Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss except to the extent of exchange differences which are directly attributable to the acquisition or construction of qualifying assets which are accumulated in "Foreign Currency Monetary Item Translation Difference Account".

(i) Revenue Recognition

Revenue from sale of goods is recognized when the significant risks and reward of ownership has been transferred to the buyer, recovery of the consideration is probable, and the amount of revenue can be measured reliably.

(j) Cash and Cash Equivalents (for the purpose of Cash Flow Statement)

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand, fixed deposits with banks which are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in values.

(k) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / loss before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on available information.

(l) Investment

Investments are either classified as current or non-current based on management's intention. All Investments are carried at cost.

(m) Government Grant

Government grants are recognized only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grant will be received. Grants related to assets are shown as a deduction from gross value of the asset concerned. Grants related to revenue are reported as separate item and is not reduced from related expense for which the grants have been received.

NOTES ON FINANCIAL STATEMENTS FOR THE PERIOD FROM 1ST APRIL, 2020 TO 31ST MARCH, 2021

Note No-3.1.1 Share Capital

Particulars	As at March 31,2021		As at March 31,2020	
	Number	Amt. in Rs	Number	Amt. in Rs
Equity Share Capital of ₹ 10/- each				
Authorized Share Capital	14,000,000.00	140,000,000.00	14,000,000.00	140,000,000.00
Issued Share Capital	13,104,000.00	131,040,000.00	13,104,000.00	131,040,000.00
Subscribed and Fully Paid Up	13,104,000.00	131,040,000.00	13,104,000.00	131,040,000.00
	13,104,000.00	131,040,000.00	13,104,000.00	131,040,000.00

Notes

1. The company has only one class of shares viz. equity shares having a par value of Rs.10/- each as above. All equity shares, in present and in future, rank pari passu with the existing equity shares of the company and each shareholder is entitled to one vote per share.
2. The company has made a bonus issue of 65,52,000 shares in the ratio of 1:1 during the year ended 31-03-2020
3. The company has made an Initial Public Offer of 17,52,000 equity shares of face value Rs. 10 at the price of Rs. 60 per share during the year ended 31-03-2019. There has also been a right issue of 23,00,000 equity shares of Face Value Rs. 10 at the price of Rs. 15 per share during the year ended 31-03-2019.
3. The company is neither a subsidiary nor a holding company of any other body corporate. Disclosures as regards the Shareholdings in or by such body-corporate, accordingly, are not applicable on the company.
4. The equity shareholders of the company are entitled to get the dividend as and when proposed by the Board of Directors and approved by Shareholders in the ensuing General Meeting.
5. In the Event of Liquidation of the company, the shareholders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

Note No-3.1.2 Reconciliation of Share Capital

Particulars	As at March 31,2021		As at March 31,2020	
	Number	Amt. in Rs	Number	Amt. in Rs
Equity Shares (Face Value ₹ 10.00)				
Shares outstanding at the beginning of the year	13,104,000.00	131,040,000.00	6,552,000.00	65,520,000.00
Conversion of of fully paid up Compulsorily Convertible Debentures of Rs.10 each	-	-	-	-
Conversion from Unsecured Loans to Share Capital	-	-	-	-

Bonus Shares issued during the year	-	-	6,552,000.00	65,520,000.00
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	13,104,000.00	131,040,000.00	13,104,000.00	131,040,000.00

Notes

1. The company did not have outstanding calls unpaid by directors and officers of the company (Previous year NIL) and also did not have any amount of forfeited shares (Previous Year NIL).
2. As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Note No-3.1.3 Shareholders holding more than 5% of Share

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number	% of Holding	Number	% of Holding
Patel Kushal Nitinbhai	3,997,048	30.50%	3,997,048	30.50%
Patel Nitinkumar Govindbhai	3,571,000	27.25%	3,571,000	27.25%
Patel Amitkumar Govindbhai	1,424,400	10.87%	1,424,400	10.87%

Note No- 3.2 Reserves and Surplus

Particulars	As at March 31, 2021		As at March 31, 2020	
		Amt. in ₹		Amt. in ₹
Surplus of Profit & Loss				
Opening Balance	18,178,156.37		14,645,853.98	
(+) Profit for the Current Year	37,336,259.27		3,532,302.39	
(-) Tax Paid of earlier Years			-	
Closing balance		55,514,415.64		18,178,156.37
Security Premium Account				
Opening Balance	31,643,745.36		97,838,745.36	
(+) Addition during the year	-		-	
(-) Bonus Issue and related Expenses	-		66,195,000.00	
(-) Preliminary expenses charged	-		-	
Closing Balance		31,643,745.36		31,643,745.36
		87,158,161.00		49,821,901.73

Note No - 3.3 Long Term Borrowings

Particulars	As at March 31, 2021	As at March 31, 2020
Secured Term Loan from Bank ****		
PNB Covid Loan	8,901,025	-
Total	8,901,025	-

****The PNB Covid Loan is secured against hypothecation of entire current assets including raw material, stock in process, finished goods, stores & spares and receivables of the company.

Note No - 3.4 Short Term Borrowings

Particulars	As at March 31, 2021	As at March 31, 2020
Secured Borrowings from Bank		
PNB Bank CC*	113,027,136	120,847,433
Unsecured Loans & Advances from Related Parties		
Unsecured loan from Directors	11,414,570	20,426,780
Total	124,441,706	141,274,213

* The PNB Bank CC is secured against hypothecation of entire current assets including raw material, stock in process, finished goods, stores & spares and receivables of the company.

Note No - 3.5 Trade Payables

Particulars	As at March 31, 2021	As at March 31, 2020
Total outstanding dues of micro enterprises and small enterprises	-	3,223,715
Total outstanding dues of creditors other than micro enterprises and small enterprises	476,262,725	206,315,228
Advance from Debtors	9,068,391	56,345,386
Total	485,331,116	265,884,329

Notes

* The company has dispatch letter by post/emails for asking MSME Registration of Vendors. Till date company has not received some of the confirmations on that. Hence in the absence of information, those vendors who have not confirmed are classified under Non-MSME Trade Payables.

** Balance of Trade payable are subject to confirmations and unsecured; considered good by the management.

Note No - 3.6 Other Current Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Duties & Taxes :		
GST Payable (RCM)	2,197,047	1,394,656
Current Maturities of Long Term Debts		
PNB Term Loan	6,197,765	4,033,950
Other Current Liabilities		
Provident Fund	18,141	14,466
Professional tax payable	5,750	76,800



Forward Contract Payable	-	3,211,789
Deferred Forward Contract Discount	-	3,085,073
Total	8,418,703	11,816,735

Note No - 3.7 Short Term Provisions

Particulars	As at March 31, 2021	As at March 31, 2020
Audit Fees Payable	331,000	297,000
Electric Expense Payable	37,285	45,067
Employee Benefits Payable	-	46,600
Interest for Bank CC A/C	-	1,108,008
Market fees payable	232,900	352,500
Rent Payable	23,000	75,748
Custom and Clearance payable*	47,491,068	-
Marketing Expense Payable	11,215,250	-
Brokerage Local Payable	22,137,500	-
Income tax payable	14,000,000	-
Sales related allowances payable*	125,708,572	38,851,448
Statutory Dues Payable	3,689,964	2,517,740
Total	224,866,540	43,294,112

* Provisions are created for the shipments which are received as on 31-03-2021.


Note No: 3.8 Property, Plants and Equipments

	GROSS BLOCK				DEPRECIATION / AMORTIZATION					NET BLOCK	
Particulars	As at April 1,2020	Addition during the year	Ded/Adj during the year	As at March 31st,2021	Upto March 31, 2020	For the Period	Ded/Adj during the year	Effect on Deprn as per Co. Act,2013	Upto March 31, 2021	As at March 31,2021	As at March 31,2020
Computer & Printer	793,201	-	-	793,201	461,882	145,706	-	-	607,588	185,612.30	331,318
Electrification	1,951,589	125,000	-	2,076,589	1,000,694	179,674	-	-	1,180,368	896,221	950,895
Factory & Building	11,316,427	-	-	11,316,427	3,352,391	756,196	-	-	4,108,587	7,207,840	7,964,036
Land	8,621,474	-	-	8,621,474		-	-	-	-	8,621,474	8,621,474
Plant & Machinery	26,450,703	1,342,030	-	27,792,733	12,853,582	2,496,136	-	-	15,349,718	12,443,015	13,597,121
Motor Vehicles	3,839,975	556,845	-	4,396,820	2,011,383	600,624	-	-	2,612,007	1,784,813	1,828,592
Furniture	859,700	48,491	-	908,191	316,253	141,910	-	-	458,163	450,028	543,447
Office Equipments	565,222	404,093	-	969,315	372,564	102,360	-	-	474,924	494,391	192,658
Total :	54,398,291	2,476,459	-	56,874,750	20,368,749	4,422,606	-	-	24,791,355	32,083,395	34,029,542

Note No-3.9 Inventories

Particulars	As at March 31, 2021	As at March 31, 2020
Bales	79,951,577	41,087,087
Kapas	-	-
Kapasiya	132,820	12,981,006
Total	80,084,397	54,068,093

Note No-3.10 Trade Receivables

Particulars	As at March 31, 2021	As at March 31, 2020
Outstanding for less than 6 months from the due date		
Unsecured, Considered Good	710,730,499	401,487,050
Forward Contract Receivable	-	6,113,955
Outstanding for more than 6 months from the due date	-	-
Total	710,730,499	407,601,005

Notes

1. Balance of Trade receivable are subject to confirmations and Unsecured; considered good by the Management.
2. Forward contract receivable is shown separately as the contracts are not linked to specific debtors and thus cannot be accounted for through debtors.

Note No-3.11 Cash and Cash Equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
Balance with Bank		
In Current Accounts	64,224,862	106,026
In Deposit Accounts	33,588,746	29,065,885
Cash On hand	934,343	1,467,085
Total	98,747,951	30,638,996

Note No-3.12 Short Term Loans and Advances

Particulars	As at March 31, 2021	As at March 31, 2020
Deposits:		
GEB Deposit	1,363,635	1,368,407
Rent Deposit	44,000	44,000
Loans & Advances:		
Advance to Creditors	58,091,103	15,622,416
Total	59,498,739	17,034,823

Note No - 3.13 Other Current Assets

Particulars	As at March 31, 2021	As at March 31, 2020
Balance with Government Authorities	(3,232,265)	14,065,870

Dollar Fluctuation Receivable *	-	2,601,105
Duty Drawback Receivable	4,613,503	5,282,191
FD Interest Receivable	72,506	57,317
FIRE insurance receivable	-	2,634,664
GST Refund Receivable	82,374,429	55,093,543
GST Subsidy Receivable	2,451,981	15,596,576
Interest Equalization Receivable	725,023	2,371,503
Interest on GEB Deposit Receivable	12,216	74,659
MSME BSE Subsidy Receivable	-	500,000
Prepaid Expense	562,618	568,281
TDS Receivable	3,535,532	-
Total	91,115,543	98,845,709

* Dollar Fluctuation receivable is amount receivable on account of exchange rate dispute with the bank and has been subsequently received in current year.

Note No - 3.14 Contingent Liabilities

Particulars	Current Period	Previous Period
Discounted Trade Receivable with bank	394,088,575	572,812,929
Total	394,088,575	572,812,929

Note No - 3.15 Revenue from Operations

Particulars	Current Period	Previous year
<u>Sales Revenue</u>		
Bales Sales Domestic	1,746,762,768	2,143,908,355
Bales Sales Export	4,133,357,028	2,363,336,141
Shankar Kapasia	219,958,636	277,391,752
Shankar Kapas	1,870,810	-
Gray Cloth	200,000	-
Organic Premium	2,644,686	-
Wash Oil Tax Sale	4,021,818	-
	6,108,815,746	4,784,636,248
<u>Other Operating Revenue</u>		
Brokerage Income	1,700,035	1,920,000
Creditor Written off	-	-
Duty Drawback income	20,306,315	11,588,431
Fire Insurance claim income	-	364,818
Forex Gain	39,268,893	22,165,135
Forward Contract Discount	-	3,028,882
GST Subsidy Income	-	14,196,750
Interest Equalization income	11,127,692	4,457,683
Profit on Cotton Trading	-	71,092
Settlement Income	-	309,214
VAT Refund Income	-	1,399,826
BCI Charges	4,038,288	-

Certification Income	2,672,524	-
	79,113,747	59,501,831
Total	6,187,929,492	4,844,138,078

Note No - 3.16 Other Income

Particulars	Current Period	Previous year
FD Interest	1,309,448	591,948
Interest Income	-	150,481
Interest on GEB Deposit	77,044	82,957
MSME BSE subsidy income	-	500,000
Forward Contract Cancellation Gain	47,808	-
Machine Rent Income	45,000	-
Total	1,479,300	1,325,386

Note No - 3.17 Cost of Materials Consumed

Particulars	Current Period	Previous year
Opening Stock :		
Raw material	-	15,438,060
Add:- Purchase (Net)	547,181,170	863,236,696
Less:- Closing Stock		
Raw material	-	-
Total	547,181,170	878,674,756

Note No - 3.18 Purchase of Stock-in-trade

Particulars	Current Period	Previous year
Bales	4,696,669,618	3,661,173,093
Kapasiya	38,739,789	17,082,174
Total	4,735,409,407	3,678,255,267

Note No - 3.19 Changes in Inventories of Finished Goods, Stock in Trade and Work in Progress

Particulars	Current Period	Previous year
Opening Balance		
Bales	41,087,087	64,876,238
Kapasiya	12,981,006	18,825,500
	54,068,093	83,701,738
Less : Closing Balance		
Bales	79,951,577	41,087,087
Kapasiya	132,820	12,981,006
	80,084,397	54,068,093
Total	(26,016,304)	29,633,645

Note No: - 3.20 Employee Benefits

Particulars	Current Period	Previous year
Bonus Exp.	308,000	-
Directors Remuneration	7,200,000	7,200,000
ICA Training Expense	-	-
Incentive Expenses	-	210,000
Employee Salary	11,977,649	11,541,156
Provident Fund Contribution	76,083	113,648
Total	19,561,732	19,064,804

Note No: - 3.21 Finance Costs

Particulars	Current Period	Previous year
Bank Charges	1,869,773	1,516,306
Interest on CC	7,523,747	8,872,760
Interest on Unsecured Loan	2,093,306	2,763,686
Interest on Covid Loan	481,660	699,530
Interest on LC Discounting	19,598,477	14,979,593
Interest A/c	1,104,186	696,857
Interest on term Loan	238,300	-
Total	32,909,450	29,528,732

Note No: - 3.22 Other Expense

Particulars	Current Period	Previous year
DIRECT EXP:		
Power expense	4,365,324	5,074,187
Ginning and Pressing Expense	36,361,438	294,581
Kapasias Kharajat Expense	16,952	104,177
Market Fees Expense	79,500	869,805
Packing Material	3,297,966	2,567,710
Sales allowances and Discounts	140,649,763	49,896,949
Stores, Spares and Consumables	6,382,577	1,847,388
Other Purchases	3,250,457	-
	194,403,977	60,654,796
INDIRECT EXP:		
Audit Fees	350,000	511,000
Brokerage Exp.	181,878,722	34,470,322
Canteen and Food Expenses	389,254	152,622
Carring Charges	404,880	650,000
Cash Discount	-	-
Computer Repairing Exp.	16,568	76,134
Custom Clearing Charges	176,433,816	40,263,579
Handling & Forwarding Charges	81,653,497	
Donation	2,000	2,700
Factory License Expense	-	13,000



Fire Wooden Exp.	107,512	91,523
Forward Contract Cancellation Loss	-	3,233,824
Godown Charges	377,305	-
GST Expense	836,835	238,689
Inspection Fees	12,744,697	7,296,307
Insurance Expenses	2,795,798	1,840,193
International Trading Fees	-	84,700
Listing Fees	-	418,049
Petrol and diesel expense	2,340,971	1,977,797
Postage and Courier Exp.	317,799	115,298
Preliminary Expenses written off	-	707,133
Professional and Consultancy Expenses	11,566,600	2,141,961
Rating Exp.	35,000	95,000
Registration and Membership Expenses	542,510	1,018,113
Rent Expense	3,702,748	498,490
Repairs and Maintenance	257,189	328,434
ROC Fees	9,000	8,200
Sales Promotion Expense	11,325,220	1,624,449
Settlement Account	74,441,275	404,816
Software Development Charges	144,000	78,780
Sponsorship charges	50,000	158,622
Stationery Exp.	115,580	76,738
Stock Audit	-	21,530
Sundry Bank Related Expenses	-	170,886
Sundry Office Expenses	161,513	192,629
Supervision Charges	-	158,851
Telephone and Internet Expense	38,198	151,481
Testing Expense	4,599,715	31,684
Transportation Expense	57,179,450	38,871,924
Travelling and Accommodation expense	500,030	1,011,856
Vatav Kasar and write off	117,093	(199,784)
Interest on Income Tax	154,974	-
Medical Expense	45,570	-
SME Expense	418,701	-
PF Penalty and Damages	189,303	-
Interest on GST	425,154	-
Interest on TDS	580	-
Kapasias Premium Charges	232,260	-
Legal and Stamp Charges	184,200	-
License expense	19,890	-
Miscellaneous Expense	26,677	-
	627,132,082	138,987,529
Total	821,536,059	199,642,325

Note No: - 3.23 Balance Confirmation

Balances from Trade Receivable, Trade Payables, Loans and Advances, Deposits and, including other payables are subject to confirmation. In the opinion of management of the Company, provisions for all known liabilities have been made in the books of accounts. Further, the current assets and liabilities are stated at the value realizable in the ordinary course of business.

Note No: - 3.24 Prior Period and Extraordinary Item

As per Accounting Standard-5, Net Profit and loss for the period, prior period items and change in accounting policies, Prior period items are income or expenses which arise in the current period as a result of errors or omissions in the preparation of the financial statements of one or more prior periods.

Note No: - 3.25 Prior Period and Extraordinary Item

As per AS 4 Events occurring after the balance sheet date are those significant events, both favourable and unfavourable, that occur between the balance sheet date and the date on which the financial statements are approved by the Board of Directors in the case of a company, and, by the corresponding approving authority in the case of any other entity.

These events can broadly be classified in two ways:

- Those which provide further evidence of conditions that existed at the balance sheet date; and
- Those which are indicative of conditions that arose subsequent to the balance sheet date.

Adjustments to assets and liabilities are required for events occurring after the balance sheet date that provide additional information materially affecting the determination of the amounts relating to conditions existing at the balance sheet date.

Loss arising on cancellation of forward contracts has been recognised on amortised basis in the current year for contracts cancelled before the approval of the financial statements.

Note No: - 3.26 Earnings Per Share

Particular	Year ended March 31 st , 2021	Year ended March 31 st , 2020
Net Profit as per Profit and Loss Statement	3,73,36,259	35,32,302
Weighted Average Number of Equity Shares	1,31,04,000	1,31,04,000
Nominal Value Per Share	10.00	10.00
Basic EPS	2.85	0.27
Diluted EPS	2.85	0.27

*The weighted average number of equity shares for calculation of EPS for the year 2020-21

- Calculation of Weighted Average Number of Equity Shares**

Particular	Year ended March 31 st , 2021	Year ended March 31 st , 2020
Net Profit as per Profit and Loss Statement	3,73,36,259	35,32,302
Weighted Average Number of Equity Shares	1,31,04,000	1,31,04,000
Nominal Value Per Share	10.00	10.00
Basic EPS	2.85	0.27
Diluted EPS	2.85	0.27

Note No: - 3.27 Impairment of Assets

Pursuant to "AS-28 Impairment of Assets" issued by the Central Government under the Companies (Accounting Standard) Rules 2006 for determining Impairment in the Carrying amount of fixed assets, the management has concluded that since recoverable amount of fixed Assets is not less than its carrying amount, therefore no provision is required for impairment in respect of fixed Assets owned by the Company.

Note No: - 3.28 Micro Small and Medium Enterprises (MSME)

The Micro Small and Medium Enterprise registered under The Micro small and Medium Enterprise Development Act 2006 have been taken based on the list of MSME creditors provided by the management. However, as the Company has not received any claims in respect of such interest and as such, no provision has been made in the books of accounts.

The company has dispatch letter by post/email for asking MSME Registration of Vendors. The vendors that confirmed MSME Registration have been classified in the category of MSME Creditors and those who failed to confirm have been classified under Non-MSME Creditors.

Note No: - 3.29 Deferred Tax Assets/Liability

The component of Deferred Tax Assets/Liability provided as on March 31st, 2021, is as under:

Particulars	As at 31 st Mar 21	As at 31 st Mar 20
Opening Deferred Tax Assets/ (Liability)	9,13,122	6,71,204
Add/(Less): Deferred Tax Assets/(Liability) created during the year	(30,16,396)	2,41,918
Closing Net Deferred Tax Assets/ (Liability)	(21,03,274)	9,13,122

The Company has recognized deferred tax Liability on depreciation as per books and depreciation allowable as per Income Tax Act 1961.

Note No: - 3.30 Retirement Benefits

Disclosure Requirement as per AS-15 (Revised 2005) "Employee Benefits" notified under Section 133 of the Companies Act, 2013

- a) **Defined Contribution Plan** (Provident Fund) included in Employee Benefit Expenses during Current Year is ₹ 1,49,024.

b) **Defined Benefit Plan: -**

The Payment of Gratuity Act, 1972 is only applicable to employees who have at least completed 5 full years of the service with the current employer. No employee have completed five full years of service before or during 2020-21 and hence no gratuity provision is required to be created during the year.

Note No: - 3.31 Retirement Benefits

As per AS 18 on "Related Party Disclosure" issued by the Institute of Chartered Accountant of India the disclosure of transactions with related party is as under:

Party	Relation	Transaction	Amount (in Rs.)
Kushal Patel	Director	Salary	24,00,000
Kushal Patel	Director	Loan Accepted	41,90,672
Kushal Patel	Director	Loan Repaid	65,52,844
Nitin Patel	Director	Loan Accepted	77,35,241
Nitin Patel	Director	Loan Repaid	96,82,119

Nitin Patel	Director	Salary	24,00,000
Amit Patel	Director	Loan Accepted	27,77,590
Amit Patel	Director	Loan Repaid	74,80,750.85
Amit Patel	Director	Salary	24,00,000
Aditya Oil Industries Limited	Common Directors	Purchase of Raw Material	19,56,82,112
Aditya Oil Industries Limited	Common Directors	Sale of product	16,93,24,033
Axita Exports Private Limited	Common Directors	Purchase of Raw Materials	13,85,57,578.7
Axita Exports Private Limited	Common Directors	Sale of Products	13,66,51,818
Aditya Oil Industries Private Limited	Common Directors	Purchase of Raw Materials	8,09,86,716.4
Aditya Oil Industries Private Limited	Common Directors	Sale of Products	10,28,225
Shreenathji Enterprise	Relative of KMP	Purchase of Raw Materials	43,49,83,125
Geetaben Patel	Relative of KMP	Salary	9,99,000
Pooja Patel	Relative of KMP	Salary	12,49,000

Note No: - 3.32 Retirement Benefits

There were no Pending Litigations and Criminal Proceedings against the company as on the Balance Sheet Date except for the following: -

- Outstanding Refunds from GST Department: -**

A refund of has been claimed from the GST Department amounting to ₹ 8,23,74,429 (IGST, CGST and SGST) relating to F.Y. 2020-21.

Note No: - 3.33 Impact of COVID 19 pandemic

Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of all its assets & revenue recognized. The impact of the COVID-19 pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.

Note No: - 3.34 Foreign Exchange Earnings & Expenditure
Details of Foreign Exchange Earnings:

Sr. No.	Particulars	F.Y 2020-21	F.Y 2019-20
1.	Foreign Exchange Earnings*	413,33,57,028.00	236,33,36,140.00

**Details of Foreign Exchange Expenditure:**

Sr. No.	Particulars	F.Y 2020-21	F.Y 2019-20
2.	Foreign Exchange Outgo*	17,01,85,145.00	7,46,08,037.00

*Amount derived based on export of the Company.

As per our report of even date
For Mistry & Shah LLP
Chartered Accountants
FRN: 122702W/W100683

Malav Shah
Partner
M.NO. 117101
Place: Ahmedabad
Date : 21/06/2021

Kushal Patel
Managing Director
DIN: 06626639

Jayesabhai Thakor
CFO
Place: Kadi, Mehsana
Date: 21/06/2021

For and on Behalf of the Board
Axita Cotton Limited

Amit Patel
Whole Time Director
DIN: 06626585

Deepak Chaubisa
CS (M. No.: A45536)



NOTICE OF THE 8TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 8th (Eighth) Annual General Meeting (AGM) of the Members of **AXITA COTTON LIMITED** ("the Company") will be held on Thursday, September 30, 2021 at 3:15 p.m. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), to transact the following businesses:

ORDINARY BUSINESSES:

1. ADOPTION OF FINANCIAL STATEMENTS:

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2021 and the Reports of the Board of Directors and the Auditors thereon for the financial year ended 31st March, 2021.

2. APPOINTMENT OF MR. NITINBHAI GOVINDBHAI PATEL (DIN: 06626646) AS DIRECTOR LIABLE TO RETIRE BY ROTATION:

To appoint a Director in place of Mr. Nitinbhai Govindbhai Patel (DIN: 06626646) who retires by rotation and being eligible seeks reappointment.

Explanation: Based on the terms of appointment executive directors and the non-executive are subject to retirement by rotation. Mr. Nitinbhai Govindbhai Patel (DIN: 06626646) who was appointed as Chairman Cum Managing Director for the current term and is the longest-serving member on the Board retires by rotation and being eligible seeks re-appointment.

To the extent that Mr. Nitinbhai Govindbhai Patel (DIN: 06626646) is required to retire by rotation he would need to be reappointed as such. Therefore shareholders are requested to consider and if thought fit to pass the following resolution as an **ORDINARY RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act 2013 the approval of the members of the Company be and is hereby accorded to the reappointment of Mr. Nitinbhai Govindbhai Patel (DIN: 06626646) as such to the extent that he is required to retire by rotation."

SPECIAL BUSINESSES:

3. REGULARISATION OF MRS. GITABEN NITINBHAI PATEL (DIN: 09211543), ADDITIONAL DIRECTOR BY APPOINTING HER AS A WHOLE-TIME DIRECTOR:

To consider and, if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT, pursuant to the provisions of Section 152, 161, 196, 197, 198 and other applicable provisions of the Companies Act, 2013, and Schedule V of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable rules, regulations issued by the Ministry of Corporate Affairs in this regard including any statutory amendments, modifications or re-enactment thereof and all other statutory approvals, as may be required and pursuant to the recommendation of Nomination and Remuneration Committee and the approval of the Board of Directors (hereinafter referred to as "the board), Mrs. Gitaben Nitinbhai Patel (DIN: 09211543), who was appointed by the Board as Additional Whole Time Director of the Company with effect from obtaining valid DIN, i.e from w.e.f. June 22, 2021, in terms of provisions of Section 161 of the Act and Articles of Association of the Company and who holds the office upto the date of this Annual General Meeting, and in respect of whom the Company has received a notice under Section 160 of the Act proposing her candidature for

the office of the Director, approval of the members/shareholders be and is hereby accorded to appoint Mrs. Gitaben Nitinbhai Patel (DIN: 09211543) as a Whole-Time Director of the Company for a period of five (5) years w.e.f. June 22, 2021 (date of obtaining valid Director Identification Number (DIN) from Ministry of Corporate Affairs), liable to retire by rotation and on such terms and conditions including salary, perquisites and commission (hereinafter referred to as “remuneration”) as set out in the Statement annexed to the Notice, with power to the board to alter and modify the same, in accordance with the provisions of the Act in the best interest of the Company.

“RESOLVED FURTHER THAT, subject to the provisions of Section 197 of the Companies Act, 2013 as amended from time to time, the Remuneration payable to Mrs. Gitaben Nitinbhai Patel (DIN: 09211543) as set out in the Statement annexed to the Notice, in the event of loss or inadequacy of profit in any Financial Year, shall be as per the limit set out in Section II of Part II of Schedule V of the Companies Act, 2013 or give excess remuneration by passing special resolution.

“RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the board be and is hereby authorized to undertake all acts, deeds and execute all documents for the purpose of giving effect to this resolution, from time to time and to undertake all such steps, as may be deemed necessary in this matter.”

“RESOLVED FURTHER THAT in terms of Section 190 of the Companies Act, 2013, no formal contract of service with Mrs. Gitaben Nitinbhai Patel (DIN: 09211543) will be executed and resolution along with its explanatory statement to be placed before the Members of the Company be considered as Memorandum setting out terms and conditions of appointment and remuneration of Mrs. Gitaben Nitinbhai Patel (DIN: 09211543) as a Whole-Time Director of the Company.

“RESOLVED FURTHER THAT the Executive Directors of the Company, either jointly or severally be and are hereby authorized to file the said resolution with the Registrar of Companies, Ahmedabad, and to do all such acts, deeds and things as may be necessary, expedient and incidental thereto to give effect to the above resolution.”

4. TO APPROVE REVISION IN REMUNERATION OF MR. NITINBHAI GOVINDBHAI PATEL, CHAIRMAN CUM MANAGING DIRECTOR (DIN: 06626646) OF THE COMPANY:

To consider and if thought fit, to pass with or without modification, the following Resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT in partial modification of resolution passed in this regard by the members/shareholders of the Company at the Extra Ordinary General Meeting held on Thursday, October 18, 2018 and pursuant to the provisions of Section 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (‘the Act) and any other relevant rules (including any statutory modification or re-enactment thereof) and the provisions of the Article of Association of the Company, the consent of the members/shareholders be and is hereby accorded for revision in remuneration of Mr. Nitinbhai Govindbhai Patel, Chairman Cum Managing Director (DIN: 06626646) with effect from October 01, 2021 for the remaining period of his tenure.

RESOLVED FURTHER THAT the remuneration payable to Mr. Nitinbhai Govindbhai Patel, Chairman Cum Managing Director (DIN: 06626646) with effect from October 01, 2021 shall be as under:

Salary: Upto ₹ 5,00,000/- (Five Lakh) per month with effect from October 01, 2021 inclusive of all perquisite:



RESOLVED FURTHER THAT the consent and ratification of the Members of the Company be and is hereby accorded that Mr. Nitinbhai Govindbhai Patel, Chairman Cum Managing Director (DIN: 06626646) be paid remuneration by way of Salary, perquisites and allowances upto a maximum of ₹ 5,00,000/- (Five Lakh) per month for the remaining period in case the Company has no profits or its profits are inadequate.

RESOLVED FURTHER THAT the above remuneration shall be subject to modification, as may be deemed fit by the Board from time to time and subject to the limits and stipulations prescribed by the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time.

RESOLVED FURTHER THAT where in any financial year, during the currency of the tenure of Mr. Nitinbhai Govindbhai Patel, Chairman Cum Managing Director (DIN: 06626646), the Company has no profits or its profits are inadequate, the Company shall pay remuneration by way of salary, perquisites and allowances as minimum remuneration, subject to the limits and conditions prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

RESOLVED FURTHER THAT except for the aforesaid revision in salary, all other terms and conditions of his appointment as Chairman Cum Managing Director of the Company, as approved by the Members/Shareholders through resolution passed at the Extra Ordinary General Meeting (EOGM) held on Thursday, October 18, 2018 shall remain unchanged and continue remain in full force and effect.

RESOLVED FURTHER THAT all the Directors of the Company be and are hereby severally authorized to do all such acts, deeds and things, and take such actions as may be required, settle any/or all questions/matters arising with respect to the above matter, and execute all such documents, instruments and writings as may be required, as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution.

5. TO APPROVE REVISION IN REMUNERATION OF MR. KUSHAL NITINBHAI PATEL, MANAGING DIRECTOR (DIN: 06626639) OF THE COMPANY:

To consider and if thought fit, to pass with or without modification, the following Resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT in partial modification of resolution passed in this regard by the members/shareholders of the Company at the Extra Ordinary General Meeting held on Thursday, October 18, 2018 and pursuant to the provisions of Section 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (‘the Act) and any other relevant rules (including any statutory modification or re-enactment thereof) and the provisions of the Article of Association of the Company, the consent of the members/shareholders be and is hereby accorded for revision in remuneration of Mr. Kushal Nitinbhai Patel, Managing Director (DIN: 06626639) with effect from October 01, 2021 for the remaining period of his tenure.

RESOLVED FURTHER THAT the remuneration payable to Mr. Kushal Nitinbhai Patel, Managing Director (DIN: 06626639) with effect from October 01, 2021 shall be as under:

Salary: Upto ₹ 5,00,000/- (Five Lakh) per month with effect from October 01, 2021 inclusive of all perquisite:



RESOLVED FURTHER THAT the consent and ratification of the Members of the Company be and is hereby accorded that Mr. Kushal Nitinbhai Patel, Managing Director (DIN: 06626639) be paid remuneration by way of Salary, perquisites and allowances upto a maximum of ₹ 5,00,000/- (Five Lakh) per month as remuneration for the remaining period in case the Company has no profits or its profits are inadequate.

RESOLVED FURTHER THAT the above remuneration shall be subject to modification, as may be deemed fit by the Board from time to time and subject to the limits and stipulations prescribed by the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time.

RESOLVED FURTHER THAT where in any financial year, during the currency of the tenure of Mr. Kushal Nitinbhai Patel, Managing Director (DIN: 06626639), the Company has no profits or its profits are inadequate, the Company shall pay remuneration by way of salary, perquisites and allowances as minimum remuneration, subject to the limits and conditions prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

RESOLVED FURTHER THAT except for the aforesaid revision in salary, all other terms and conditions of his appointment as Managing Director of the Company, as approved by the Members/Shareholders through resolution passed at the Extra Ordinary General Meeting (EOGM) held on Thursday, October 18, 2018 shall remain unchanged and continue remain in full force and effect.

RESOLVED FURTHER THAT any one of the Directors of the Company be and is hereby severally authorized to do all such acts, deeds and things, and take such actions as may be required, settle any/or all questions/matters arising with respect to the above matter, and execute all such documents, instruments and writings as may be required, as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution.

6. APPROVAL OF THE MATERIAL RELATED PARTY TRANSACTIONS WITH AXITA EXPORTS PRIVATE LIMITED:

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 188 of the Companies Act 2013 (“Act”) and other applicable provisions if any read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules 2014 as amended till date and other applicable provisions of the act, approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into the contract(s)/arrangement(s)/transaction(s) with Axita Exports Private Limited, a related party within the meaning of Section 2(76) of the Companies Act 2013 for Purchase of Raw Materials, Purchase of Products, Sale of Raw Material and Sale of Products on such terms and conditions as the Board of Directors may deem fit up to a maximum aggregate value of ₹ 400 Crore for the financial year 2021-22 provided that the said contract(s)/arrangement(s)/transaction(s) so carried out shall be at arm’s length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board of Directors (including a Committee thereof) be and is hereby authorized to negotiate and finalize other terms and conditions and to do all such acts deeds matters and things and to execute or authorize any person to execute all such documents instruments and writings as may be considered necessary relevant usual customary and/or expedient to give effect to this resolution.”



7. APPROVAL OF THE MATERIAL RELATED PARTY TRANSACTIONS WITH ADITYA OIL INDUSTRIES LIMITED:

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 188 of the Companies Act 2013 (“Act”) and other applicable provisions if any read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules 2014 as amended till date and other applicable provisions of the act, approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into the contract(s)/arrangement(s)/transaction(s) with Aditya Oil Industries Limited, a related party within the meaning of Section 2(76) of the Companies Act 2013 for Purchase of Raw Materials, Purchase of Products, Sale of Raw Material and Sale of Products on such terms and conditions as the Board of Directors may deem fit up to a maximum aggregate value of ₹ 400 Crore for the financial year 2021-22 provided that the said contract(s)/arrangement(s)/transaction(s) so carried out shall be at arm’s length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board of Directors (including a Committee thereof) be and is hereby authorized to negotiate and finalize other terms and conditions and to do all such acts deeds matters and things and to execute or authorize any person to execute all such documents instruments and writings as may be considered necessary relevant usual customary and/or expedient to give effect to this resolution.”

8. APPROVAL OF THE MATERIAL RELATED PARTY TRANSACTIONS WITH SHREENATHJI ENTERPRISE:

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 188 of the Companies Act 2013 (“Act”) and other applicable provisions if any read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules 2014 as amended till date and other applicable provisions of the act, approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into the contract(s)/arrangement(s)/transaction(s) with Shreenathji Enterprise, a related party within the meaning of Section 2(76) of the Companies Act 2013 for Purchase of Raw Materials, Purchase of Products, Sale of Raw Material and Sale of Products on such terms and conditions as the Board of Directors may deem fit up to a maximum aggregate value of ₹ 400 Crore for the financial year 2021-22 provided that the said contract(s)/arrangement(s)/transaction(s) so carried out shall be at arm’s length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board of Directors (including a Committee thereof) be and is hereby authorized to negotiate and finalize other terms and conditions and to do all such acts deeds matters and things and to execute or authorize any person to execute all such documents instruments and writings as may be considered necessary relevant usual customary and/or expedient to give effect to this resolution.”

9. APPROVAL OF THE MATERIAL RELATED PARTY TRANSACTIONS WITH AXITA INDUSTRIES PRIVATE LIMITED:

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 188 of the Companies Act 2013 (“Act”) and other applicable provisions if any read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules 2014 as amended till date and other applicable provisions of the act, approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into the contract(s)/arrangement(s)/transaction(s) with Axita Industries Private Limited, a related party within the meaning of Section 2(76) of the Companies Act 2013 for Purchase of Raw Materials, Purchase of Products, Sale of Raw Material and Sale of Products on such terms and conditions as the Board of Directors may deem fit up to a maximum aggregate value of ₹ 400 Crore for the financial year 2021-22 provided that the said contract(s)/arrangement(s)/transaction(s) so carried out shall be at arm’s length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board of Directors (including a Committee thereof) be and is hereby authorized to negotiate and finalize other terms and conditions and to do all such acts deeds matters and things and to execute or authorize any person to execute all such documents instruments and writings as may be considered necessary relevant usual customary and/or expedient to give effect to this resolution.”

10. APPROVAL OF THE MATERIAL RELATED PARTY TRANSACTIONS WITH NG ORGANICS PRIVATE LIMITED:

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 188 of the Companies Act 2013 (“Act”) and other applicable provisions if any read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules 2014 as amended till date and other applicable provisions of the act, approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into the contract(s)/arrangement(s)/transaction(s) with NG Organics Private Limited, a related party within the meaning of Section 2(76) of the Companies Act 2013 for Purchase of Raw Materials, Purchase of Products, Sale of Raw Material and Sale of Products on such terms and conditions as the Board of Directors may deem fit up to a maximum aggregate value of ₹ 400 Crore for the financial year 2021-22 provided that the said contract(s)/arrangement(s)/transaction(s) so carried out shall be at arm’s length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board of Directors (including a Committee thereof) be and is hereby authorized to negotiate and finalize other terms and conditions and to do all such acts deeds matters and things and to execute or authorize any person to execute all such documents instruments and writings as may be considered necessary relevant usual customary and/or expedient to give effect to this resolution.”

Registered office:
Servey No. 324 357 358,
Kadi Thol Road, Borisana Kadi,
Mahesana - 382715 Gujarat

For and on behalf of Board of Directors
Axita Cotton Limited
CIN: L17200GJ2013PLC076059

Date: September 02, 2021
Place: Kadi Mahesana

Kushal Nitinbhai Patel
Managing Director
DIN: 06626639

NOTES

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) vide its Circular No. 20/2020 dated 5th May, 2020 read with Circular Nos. 14/2020, 17/2020 and 02/2021 dated 8th April, 2020, 13th April, 2020 and 13th January, 2021 followed by Circular No. 20/2020 dated 05th May, 2020 and Circular No. 02/2021 dated January 13, 2021 respectively (collectively referred to as “MCA Circulars”) and all other relevant circulars issued from time to time, and Securities and Exchange Board of India vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 (“SEBI Circular”) dated 15th January, 2021, has permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and MCA Circulars, the AGM of the Company is being held through VC / OAVM. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Body Corporates whose Authorised Representatives are intending to attend the Meeting through VC / OAVM are requested to send to the Company on the E-mail Id cs@axitacotton.com, a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting and through e-voting.
4. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorization etc., authorizing its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to scsandcollp@gmail.com with copies marked to the Company at cs@axitacotton.com and to National Securities Depository Limited (NSDL) at evoting@nsdl.co.in.
5. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a pre-requisite and pursuant to General Circular No. 14/2020 dated 8th April, 2020, General Circular No. 17/2020 dated 13th April, 2020 issued by the Ministry of Corporate Affairs followed by General Circular No. 20/2020 dated 5th May, 2020 and General Circular No. 02/2021 dated 13th January, 2021, physical attendance of the Members is not required. Hence, Members will have to attend and participate in the ensuing AGM through VC / OAVM.
6. Those shareholders who have not yet registered their e-mail address are requested to get their e-mail addresses submitted, by following the procedure given below:
 - a) 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 cs@axitacotton.com
 - b) 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 cs@axitacotton.com
 - c) Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (a) or (b) as the case may be.

It is clarified that for permanent submission of e-mail address, the shareholders are however requested to register their email address, in respect of electronic holdings with the depository through the concerned depository participants and in respect of physical holdings with the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited, C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai-400083, Maharashtra, , E-Mail ID : rnt.helpdesk@linkintime.co.in by due procedure.

- d) Those shareholders who have already registered their e-mail address are requested to keep their e-mail addresses validated with their depository participants / the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited to enable servicing of notices / documents / annual Reports electronically to their e-mail address.
7. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
8. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
9. Instructions and other information for members for attending the AGM through VC / OAVM are given in this Notice under Note No. 30.
10. The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
11. As the AGM of the Company is held through VC / OAVM, we therefore request the Members to register themselves as speaker by sending their question / express their views from their registered E-mail address mentioning their name, DP ID and Client ID / folio number, PAN, mobile number at E-mail Id cs@axitacotton.com before 23rd September, 2021. The Members who have registered themselves as speaker will only be allowed to ask queries / express their views during the AGM. The Company reserves the right to limit the number of Members asking questions depending on the availability of time at the AGM.
12. Relevant Explanatory Statement pursuant to provisions of Section 102 of the Companies Act, 2013 read with Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force), in respect of Special Business items i.e. item nos. 3 to 10 as set out above is annexed hereto.
13. 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.
14. To support the 'Green Initiative', we request the Members of the Company to register their E-mail 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 E-mail Id, you are

not required to re-register unless there is any change in your E-mail Id. Members holding shares in physical form are requested to send E-mail at cs@axitacotton.com to update their E-mail Ids.

15. 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. Link Intime India Private Limited.
16. The information regarding the Director(s) who is / are proposed to be re-appointed, as required to be provided under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued, is annexed hereto.
17. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No. 30.
18. In case of joint holders, only such joint holder who is higher in the order of names will be entitled to vote.
19. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at <https://axitacotton.com/>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
20. The Annual Report along with the Notice of AGM will be available on Company's website on <https://axitacotton.com/>
21. Members of the Company holding shares either in physical form or in dematerialised form as on Benpos date i.e. September 03, 2021 will receive Annual Report for the financial year 2020-2021 through electronic mode.
22. As per the MCA General Circular No. 20/2020 dated 5th May, 2020 & General Circular No. 02/2020 dated 13th January, 2021 and Securities and Exchange Board of India ("SEBI") Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 & Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021, the Annual Report will be sent through electronic mode to only those Members whose E-mail Ids are registered with the Registrar & Share Transfer Agent of the Company / Depository Participant.
23. Members are requested to notify any changes in their address to the Company's Registrar & Share Transfer Agent, Link Intime India Private Limited, C-101, 1st Floor, 247 Park, Lal Bahadur, Shastri Maarg, Vikhroli (West), Mumbai-400 083, Maharashtra.
24. 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.
25. Since the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice
26. The Members who have cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.
27. Members seeking any information with regard to the accounts or any matter to be placed at the AGM or who would like to ask questions or registered themselves as Speaker, are requested to write to the Company mentioning their name demat account number/folio number, email id, mobile number at cs@axitacotton.com on or before September 23, 2021 so as to enable the management to keep the information ready. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
28. 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 in electronic mode.

29. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

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

The remote e-voting period begins on Monday, September 27, 2021 at 09:00 A.M. and ends on Wednesday, September 29, 2021 at 05:00 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. Thursday, September 23, 2021, 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 Thursday, September 23, 2021.

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

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

Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp



	<p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held 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 options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in 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 provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	<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. Once login, you will be able to see e-Voting option. Once you 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 options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</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 toll free no.: 1800 1020 990 and 1800 22 44 30
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 022- 23058738 or 022-23058542-43

B) Login Method 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.	<p>EVEN Number followed by Folio Number registered with the company</p> <p>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***</p>

5. Password details for shareholders other than Individual shareholders are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- 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.
- How to retrieve your ‘initial password’?
 - 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’.
 - 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:

- 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.
- Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- 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.
- Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

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

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

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

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

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

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



2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to scsandcollp@gmail.com with a copy marked to evoting@nsdl.co.in.
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 toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to (NDSL Person) at evoting@nsdl.co.in

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@axitacotton.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@axitacotton.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.



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

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

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

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



ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH REGULATION 17 OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD 2 ON GENERAL MEETING (INCLUDING ANY STATUTORY MODIFICATION(S) OR RE-ENACTMENT THEREOF, FOR THE TIME BEING IN FORCE).

ITEM NO. 3

REGULARISATION OF MRS. GITABEN NITINBHAI PATEL (DIN: 09211543), ADDITIONAL DIRECTOR BY APPOINTING HER AS A WHOLE-TIME DIRECTOR:

Mrs. Gitaben Nitinbhai Patel (DIN: 09211543) was appointed as an Additional Director of the Company with effect from June 22, 2021 in accordance with the provisions of Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company. The Board is of the view that the appointment of Mrs. Gitaben Nitinbhai Patel (DIN: 09211543) on the Company's Board as Whole Time Director is desirable and would be beneficial to the Company.

The Company has received notice in writing under Section 160 of the Act, proposing the candidature of Mrs. Gitaben Nitinbhai Patel (DIN: 09211543) for the office of Whole-Time Director of the Company.

Further, the Company has received consent in writing to act as director and intimation in Form DIR-8 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

It is proposed to seek members' approval for the regularization and remuneration payable to Mrs. Gitaben Nitinbhai Patel designated as Whole-Time Director of the Company, in terms of the applicable provisions of the Companies Act, 2013. Broad particulars of the terms of appointment of and remuneration payable to Mrs Gitaben Nitinbhai Patel are as under:

Remuneration:

A. Salary: ₹ 24,00,000/- (Twenty Four Lakh) per annum with such increments as may be decided by the Board from time to time, subject to ceiling on maximum remuneration in terms of provisions of Section II of Part II of Schedule V to the Companies Act, 2013.

B. Perquisites, allowances and benefits:

- a. Leave Travel Concession: Once for self and family every year to anywhere in India or abroad, incurred in accordance with the policy of the Company.
- b. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.
- c. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- d. Encashment of leave at the end of the tenure.
- e. Insurance premium for medical and hospitalization and Personal Accident insurance cover.
- f. Medical reimbursement: Reimbursement of medical expenses incurred whether in India or abroad for self and family including hospitalization, surgical charges, nursing charges and domiciliary charges as per the rules of the Company.
- g. Club Fees: Fees of clubs subject to a maximum of two clubs
- h. Use of Car with Driver: One car with driver with reimbursement of running and maintenance expenses.
- i. Other Perquisites and Amenities: Any other perquisites and/or amenities as per the policy applicable to the senior executives of the Company and/or which may become applicable in the future and/or any other perquisites and/or amenities as the board may from time to time decide.

- j. Any other one time, periodic retirement allowances / benefits as may be decided by the board at the time of retirement.

Provided however that, perquisites and amenities shall be valued, wherever applicable, as per the Income Tax Act, 1961 read with relevant rules issued thereunder.

Provided further that perquisites mentioned in point “b” to “d” above shall not be included in the computation of the ceiling on remuneration in terms of provisions of Section II of Part II of Schedule V to the Companies Act, 2013 or any statutory modifications thereto or re-enactments thereof.

Remuneration payable by companies having no profit or inadequate profit:

Where in any financial year during the currency of tenure of a managerial person a company has no profits or its profits are inadequate, it may pay remuneration to the managerial person not exceeding the higher of the limits given below:

Sl. No.	Where the effective capital (in rupees) is	Limit of yearly remuneration payable shall not exceed (in Rupees) in case of a managerial person
(i)	Negative or less than 5 crores.	60 lakhs
(ii)	5 crores and above but less than 100 crores.	84 lakhs
(iii)	100 crores and above but less than 250 crores.	120 lakhs
(iv)	250 crores and above.	120 lakhs plus 0.01% of the effective capital in excess of Rs.250 crores

Provided that the remuneration in excess of above limits may be paid if the resolution passed by the shareholders is a special resolution.

Explanation.—it is hereby clarified that for a period less than one year, the limits shall be pro-rated.

Therefore Directors of your Company proposed to pass this resolution to shareholders of the Company as Special Resolution so that our Company can give excess remuneration as limit prescribe above.

The details required pursuant to Schedule V of the Companies Act, 2013 is as under:

Nature of industry: The Company is in Manufacturing Sector, it is engaged in Cotton Bales Manufacturing. The Company is also involved in Trading and Export of Raw Cotton Bales, Organic Cotton Bales, BCI Cotton Bales, Primark Cotton and Cotton Seeds. The Cotton Varieties includes Shankar-6, J-34 Cotton, MCU-5 Cotton, Mech-1 Cotton, DCH-32 Cotton, V797 Cotton.

Date of commencement of commercial production: The Company is already making the production.

In case of new companies, expected date of commencement of activities as per project approved by financial institution appearing in the prospectus: Not applicable.

Financial Performance based on given indicators:

The financial performance of the Company is as under:

Particulars	F.Y. 2021-21	F.Y. 2019-20	F.Y. 2018-19
Revenue from operations	6,18,79,29,492	4,84,41,38,078	2,13,43,73,261



Other Income	14,79,300	13,25,386	4,79,575
Total Income	6,18,94,08,792	4,84,54,63,464	2,13,48,52,836
Operating expenditure before Financial Cost, depreciation and amortization	6,09,76,72,063	7,50,08,124	2,15,15,64,444
Earning before Finance Cost, depreciation and amortization	9,17,36,729	4,01,92,667	3,05,20,162
Less:			
Finance Cost	3,29,09,450	2,95,28,732	1,79,65,903
Depreciation and amortization expense	44,22,606	52,86,725	56,49,982
Profit Before Tax	5,44,04,673	53,77,210	69,04,277
Less: Current Tax/Deferred Tax	1,70,68,414	18,44,907	22,90,045
Profit for the year (PAT)	3,73,36,259	35,32,303	46,14,232

Export performance:

During the year 2020-21 the Company has exported goods worth ₹ 4,13,33,57,028 while in the year 2019-20 the Company has exported goods worth ₹ 2,36,33,36,141.

Foreign investment and collaborations, if any: There is no foreign investment or collaborations.

Information about Mrs. Gitaben Nitinbhai Patel:

Brief Profile of Mrs Gitaben Nitinbhai Patel is given below for reference of the member:

Mrs. Gitaben Nitinbhai Patel is part of the Promoter Group of Axita Cotton Limited, She is having a more than 6 (Six) years' experience in Cotton Industry, her rich experience in the Cotton Industry will be of immense beneficial to the Company.

Other Information:

Reason of loss or inadequate profits: The Company is facing huge competition in the Market and the raw material cost and other fixed overheads is leading Company for the huge expenses and hence the Company may face problem to generate adequate profit in future.

Steps taken or proposed to be taken for improvement: The Company has taken many steps from which the Company has benefited. The Company has adopted new concept for buying and selling of products in the market. The benefit of which you can see under the year ended on March 31, 2021.

Expected increase in productivity and profits in measurable terms: In the financial year 2020-21 showed considerable demand and business results. The Company is working on own stagey, which can benefit the Company in the future.

The details of shares held by Mrs. Gitaben Nitinbhai Patel and her relatives as on September 02, 2021 are as under:

Sr. No.	Name of Shareholder	Number of Shares Held	% of total paid up Capital
1.	Gitaben Nitinbhai Patel	4,52,352	3.452
2.	Nitinbhai Govindbhai Patel	47,91,000	36.561
3.	Kushal Nitinbhai Patel	39,97,048	30.503

4.	Amitkumar Govindbhai Patel	2,00,400	1.529
5	Gitaben Amitbhai Patel	3,000	0.023
6.	Pooja Kushal Patel	40,000	0.305
7.	Krunalbhai Girishkumar Patel	200	0.002

Your Directors recommend Resolution at Item No. 3 as a Special Resolution for approval of the members.

Except Mrs. Gitaben Nitinbhai Patel, Mr. Kushal Nitinbhai Patel & Mr. Nitinbhai Govindbhai Patel, their relatives and entire Promoters' Group, none of other Director(s) and Key Managerial Personnel(s) and their relative(s) is/are, in any way, concerned or interested in the said resolution.

ITEM NO. 4

TO APPROVE REVISION IN REMUNERATION OF MR. NITINBHAI GOVINDBHAI PATEL, CHAIRMAN CUM MANAGING DIRECTOR (DIN: 06626646) OF THE COMPANY:

Mr. Nitinbhai Govindbhai Patel was appointed as Managing Director of the Company since July 16, 2013 and has been appointed as Chairman Cum Managing Director w.e.f. October 16, 2018, liable to retire by rotation, for a period of 5 (Five) years with effect from October 16, 2018 at the Extra Ordinary General Meeting of the Company held on Thursday, October 18, 2018.

Taking into consideration the increased business activities of the Company coupled with higher responsibilities cast on Mr. Nitinbhai Govindbhai Patel, the Board of Directors of the Company has, as its meeting held on Thursday, September 02, 2021, based on the recommendation of the Nomination & Remuneration Committee, approved revision in the remuneration payable to Mr. Nitinbhai Govindbhai Patel, Chairman Cum Managing Director (DIN: 06626646) with effect from October 01, 2021 for the remaining period of his tenure subject to the approval of shareholders.

Pursuant to the provisions of Section 196, 197 and 198 of the Companies Act, 2013 read with Schedule V, a company having inadequate/no profits, may subject to certain conditions including the passing of a special resolution, pay such remuneration to its managerial personnel as may be decided by the Board of Directors on the recommendation of Nomination and Remuneration Committee.

Remuneration payable by companies having no profit or inadequate profit:

Where in any financial year during the currency of tenure of a managerial person a company has no profits or its profits are inadequate, it may pay remuneration to the managerial person not exceeding the higher of the limits given below:

Sl.No.	Where the effective capital (in rupees) is	Limit of yearly remuneration payable shall not exceed (in Rupees) in case of a managerial person
(i)	Negative or less than 5 crores.	60 lakhs
(ii)	5 crores and above but less than 100 crores.	84 lakhs
(iii)	100 crores and above but less than 250 crores.	120 lakhs
(iv)	250 crores and above.	120 lakhs plus 0.01% of the effective capital in excess of Rs.250 crores

Provided that the remuneration in excess of above limits may be paid if the resolution passed by the shareholders is a special resolution.

Explanation.—it is hereby clarified that for a period less than one year, the limits shall be pro-rated.

The details required pursuant to Schedule V of the Companies Act, 2013 is as under:

Nature of industry: The Company is in Manufacturing Sector, it is engaged in Cotton Bales Manufacturing. The Company is also involved in Trading and Export of Raw Cotton Bales, Organic Cotton Bales, BCI Cotton Bales, Primark Cotton and Cotton Seeds. The Cotton Varieties includes Shankar-6, J-34 Cotton, MCU-5 Cotton, Mech-1 Cotton, DCH-32 Cotton, V797 Cotton.

Date of commencement of commercial production: The Company is already making the production.

In case of new companies, expected date of commencement of activities as per project approved by financial institution appearing in the prospectus: Not applicable.

Financial Performance based on given indicators:

The financial performance of the Company is as under:

Particulars	F.Y. 2021-21	F.Y. 2019-20	F.Y. 2018-19
Revenue from operations	6,18,79,29,492	4,84,41,38,078	2,13,43,73,261
Other Income	14,79,300	13,25,386	4,79,575
Total Income	6,18,94,08,792	4,84,54,63,464	2,13,48,52,836
Operating expenditure before Financial Cost, depreciation and amortization	6,09,76,72,063	7,50,08,124	2,15,15,64,444
Earning before Finance Cost, depreciation and amortization	9,17,36,729	4,01,92,667	3,05,20,162
Less:			
Finance Cost	3,29,09,450	2,95,28,732	1,79,65,903
Depreciation and amortization expense	44,22,606	52,86,725	56,49,982
Profit Before Tax	5,44,04,673	53,77,210	69,04,277
Less: Current Tax/Deferred Tax	1,70,68,414	18,44,907	22,90,045
Profit for the year (PAT)	3,73,36,259	35,32,303	46,14,232

Export performance:

During the year 2020-21 the Company has exported goods worth ₹ 4,13,33,57,028 while in the year 2019-20 the Company has exported goods worth ₹ 2,36,33,36,141.

Foreign investment and collaborations, if any: There is no foreign investment or collaborations.

Information about Mr. Nitinbhai Govindbhai Patel:

Director Identification Number (DIN)	06626646
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Background details	Mr. Nitinbhai Govindbhai Patel, aged 56 years is a Managing Director of the Company since July 16, 2013 and has been appointed as Chairman Cum Managing Director w.e.f. October 16, 2018. He has established the Company and is activity involved in day to day manufacturing process from the day one. Mr. Nitinbhai Govindbhai Patel has put his step into Oil Industries in the year 2007 when he established Aditya Oil Industries as Cotton Seed Oil and Cotton Seed Oil Cake manufacturing plant. He has an experience of almost 15 Years.
Father Name	Govindbhai Ambalal Patel
Date of Birth	27-01-1965
Educational Qualification	S.S.C (Senior Secondary Class)
Past Remuneration	In the financial year 2020-21, Mr. Nitinbhai Govindbhai Patel was paid total remuneration of ₹ 24,00,000/- as Chairman Cum Managing Director
Recognition/ Awards	None
Remuneration proposed	It is proposed to pay remuneration upto ₹ 5,00,000/- per month with effect from October 01, 2021
Pecuniary relationship	Besides the following Mr. Nitinbhai Govindbhai Patel does not have any other pecuniary relationship with the Company:- <ol style="list-style-type: none"> 1. Remuneration proposed to him, 2. Further Mr. Nitinbhai Govindbhai Patel is a father of our Managing Director, Mr. Kushal Nitinbhai Patel and husband of Mrs. Gitaben Nitinbhai Patel, Additional Whole-Time Director of the Company.
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	Taking into consideration the size of the Company, the profile of Mr. Nitinbhai Govindbhai Patel, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level incumbents, in other Companies.
Directorship in other Company	<ol style="list-style-type: none"> 1. Axita Exports Private Limited – Managing Director 2. Aditya Oil Industries Limited – Director 3. Axita Industries Private Limited – Director 4. NG Organics Private Limited – Director

Other Information:

Reason of loss or inadequate profits: The Company is facing huge competition in the Market and the raw material cost and other fixed overheads is leading Company for the huge expenses and hence the Company is facing problem to generate adequate profit.

Steps taken or proposed to be taken for improvement: The Company has taken many steps from which the Company has benefited. The Company has adopted new concept for buying and selling of products in the market. The benefit of which you can see under the year ended on March 31, 2021.

Expected increase in productivity and profits in measurable terms: In the financial year 2020-21 showed considerable demand and business results. The Company is working on own stagey, which can benefit the Company in the future.

The details of shares held by Mr. Nitinbhai Govindbhai Patel as on September 02, 2021 and his relatives are as under:

Sr. No.	Name of Shareholder	Number of Shares Held	% of total paid up Capital
1.	Nitinbhai Govindbhai Patel	47,91,000	36.561
2.	Kushal Nitinbhai Patel	39,97,048	30.503
3.	Amitkumar Govindbhai Patel	2,00,400	1.529
4.	Gitaben Nitinbhai Patel	4,52,352	3.452
5.	Gitaben Amitbhai Patel	3,000	0.023
6.	Pooja Kushal Patel	40,000	0.305
7.	Krunalbhai Girishkumar Patel	200	0.002

Except for the aforesaid revision in salary, all other terms and conditions of his appointment as Chairman Cum Managing Director of the Company, as approved by the Members/Shareholders through resolution passed at the Extra Ordinary General Meeting (EOGM) held on Thursday, October 18, 2018 shall remain unchanged and continue remain in full force and effect.

After considering above facts and requirements of the Acts your Directors recommended the Resolution in Item No. 4 as a Special Resolution for approval of the members.

Except Mr. Nitinbhai Govinbhai Patel, Mr. Kushal Nitinbhai Patel & Mrs. Gitaben Nitinbhai Patel, their relatives and entire Promoters' Group, none of other Director(s) and Key Managerial Personnel(s) and their relative(s) is/are, in any way, concerned or interested in the said resolution.

ITEM NO. 5

TO APPROVE REVISION IN REMUNERATION OF MR. KUSHAL NITINBHAI PATEL, MANAGING DIRECTOR (DIN: 06626639) OF THE COMPANY:

Mr. Kushal Nitinbhai Patel appointed as a Managing Director since inception i.e. from July 16, 2013. Then after appointed as Managing Director, liable to retire by rotation for a new term of 5 (five) years w.e.f. October 16, 2018 at the Extra Ordinary General Meeting of the Company held on Thursday, October 18, 2018.

Taking into consideration the increased business activities of the Company coupled with higher responsibilities cast on Mr. Kushal Nitinbhai Patel, the Board of Directors of the Company has, as its meeting held on Thursday, September 02, 2021, based on the recommendation of the Nomination & Remuneration Committee, approved revision in the remuneration payable to Mr. Kushal Nitinbhai Patel, Managing Director (DIN: 06626639) with effect from October 01, 2021 for the remaining period of his tenure subject to the approval of shareholders.

Pursuant to the provisions of Section 196, 197 and 198 of the Companies Act, 2013 read with Schedule V, a company having inadequate/no profits, may subject to certain conditions including the passing of a special resolution, pay such remuneration to its managerial personnel as may be decided by the Board of Directors on the recommendation of Nomination and Remuneration Committee.

Remuneration payable by companies having no profit or inadequate profit:

Where in any financial year during the currency of tenure of a managerial person a company has no profits or its profits are inadequate, it may pay remuneration to the managerial person not exceeding the higher of the limits given below:

Sl.No.	Where the effective capital (in rupees) is	Limit of yearly remuneration payable shall not exceed (in Rupees) in case of a managerial person
(i)	Negative or less than 5 crores.	60 lakhs
(ii)	5 crores and above but less than 100 crores.	84 lakhs
(iii)	100 crores and above but less than 250 crores.	120 lakhs
(iv)	250 crores and above.	120 lakhs plus 0.01% of the effective capital in excess of Rs.250 crores

Provided that the remuneration in excess of above limits may be paid if the resolution passed by the shareholders is a special resolution.

Explanation.—it is hereby clarified that for a period less than one year, the limits shall be pro-rated.

The details required pursuant to Schedule V of the Companies Act, 2013 is as under:

Nature of industry: The Company is in Manufacturing Sector, it is engaged in Cotton Bales Manufacturing. The Company is also involved in Trading and Export of Raw Cotton Bales, Organic Cotton Bales, BCI Cotton Bales, Primark Cotton and Cotton Seeds. The Cotton Varieties includes Shankar-6, J-34 Cotton, MCU-5 Cotton, Mech-1 Cotton, DCH-32 Cotton, V797 Cotton.

Date of commencement of commercial production: The Company is already making the production.

In case of new companies, expected date of commencement of activities as per project approved by financial institution appearing in the prospectus: Not applicable.

Financial Performance based on given indicators:

The financial performance of the Company is as under:

Particulars	F.Y. 2021-21	F.Y. 2019-20	F.Y. 2018-19
Revenue from operations	6,18,79,29,492	4,84,41,38,078	2,13,43,73,261
Other Income	14,79,300	13,25,386	4,79,575
Total Income	6,18,94,08,792	4,84,54,63,464	2,13,48,52,836
Operating expenditure before Financial Cost, depreciation and amortization	6,09,76,72,063	7,50,08,124	2,15,15,64,444
Earning before Finance Cost, depreciation and amortization	9,17,36,729	4,01,92,667	3,05,20,162
Less:			
Finance Cost	3,29,09,450	2,95,28,732	1,79,65,903

Depreciation and amortization expense	44,22,606	52,86,725	56,49,982
Profit Before Tax	5,44,04,673	53,77,210	69,04,277
Less: Current Tax/Deferred Tax	1,70,68,414	18,44,907	22,90,045
Profit for the year (PAT)	3,73,36,259	35,32,303	46,14,232

Export performance:

During the year 2020-21 the Company has exported goods worth ₹ 4,13,33,57,028 while in the year 2019-20 the Company has exported goods worth ₹ 2,36,33,36,141.

Foreign investment and collaborations, if any: There is no foreign investment or collaborations.

Information about Mr. Kushal Nitinbhai Patel:

Director Identification Number (DIN)	06626639
Background details	Mr. Kushal Nitinbhai Patel aged 32 years and Mr. Kushal Nitinbhai Patel appointed as a Managing Director since inception i.e. from July 16, 2013. Then after appointed as Managing Director, liable to retire by rotation for a new term of 5 (five) years w.e.f. October 16, 2018 at the Extra Ordinary General Meeting of the Company held on Thursday, October 18, 2018.
Father Name	Nitinbhai Govindbhai Patel
Date of Birth	27-11-1988
Educational Qualification	Bachelor of Pharmacy
Past Remuneration	In the financial year 2020-21, Mr. Kushal Nitinbhai Patel was paid total remuneration of ₹ 24,00,000/- as Managing Director.
Recognition/ Awards	None
Remuneration proposed	It is proposed to pay remuneration upto ₹ 5,00,000/- per month with effect from October 01, 2021
Pecuniary relationship	Besides the following Mr. Kushal Nitinbhai Patel does not have any other pecuniary relationship with the Company:- <ol style="list-style-type: none"> 1. Remuneration proposed to him, 2. Further Mr. Kushal Nitinbhai Patel is a son of our Chairman Cum Managing Director, Mr. Nitinbhai Govindbhai Patel and Mrs. Gitaben Nitinabhai Patel, Additional Whole Time Director of the Company.
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	Taking into consideration the size of the Company, the profile of Mr. Kushal Nitinbhai Patel, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level incumbents, in other Companies.
Directorship in other Company	<ol style="list-style-type: none"> 1. Axita Exports Private Limited – Managing Director 2. Aditya Oil Industries Limited – Director

3. Axita Industries Private Limited – Director
4. NG Organics Private Limited – Director

Other Information:

Reason of loss or inadequate profits: The Company is facing huge competition in the Market and the raw material cost and other fixed overheads is leading Company for the huge expenses and hence the Company may face problem to generate adequate profit in future.

Steps taken or proposed to be taken for improvement: The Company has taken many steps from which the Company has benefited. The Company has adopted new concept for buying and selling of products in the market. The benefit of which you can see under the year ended on March 31, 2021.

Expected increase in productivity and profits in measurable terms: In the financial year 2020-21 showed considerable demand and business results. The Company is working on own stagey, which can benefit the Company in the future.

The details of shares held by Mr. Kushal Nitinbhai Patel as on September 02, 2021 and his relatives are as under:

Sr. No.	Name of Shareholder	Number of Shares Held	% of total paid up Capital
1.	Kushal Nitinbhai Patel	39,97,048	30.503
2.	Nitinbhai Govindbhai Patel	47,91,000	36.561
3.	Amitkumar Govindbhai Patel	2,00,400	1.529
4.	Gitaben Nitinbhai Patel	4,52,352	3.452
5.	Gitaben Amitbhai Patel	3,000	0.023
6.	Pooja Kushal Patel	40,000	0.305
7.	Krunalbhai Girishkumar Patel	200	0.002

Except for the aforesaid revision in salary, all other terms and conditions of his appointment as Managing Director of the Company, as approved by the Members/Shareholders through resolution passed at the Extra Ordinary General Meeting (EOGM) held on Thursday, October 18, 2018 shall remain unchanged and continue remain in full force and effect.

After considering above facts and requirements of the Acts your Directors recommended the Resolution in Item No. 5 as a Special Resolution for approval of the members.

Except Mr. Kushal Nitinbhai Patel, Mr. Nitinbhai Govindbhai Patel & Mrs. Gitaben Nitinbhai Patel, their relatives and entire Promoters' Group, none of other Director(s) and Key Managerial Personnel(s) and their relative(s) is/are, in any way, concerned or interested in the said resolution.

ITEM NO. 6
APPROVAL OF THE MATERIAL RELATED PARTY TRANSACTIONS WITH AXITA EXPORTS PRIVATE LIMITED:

Section 188 of the Companies Act 2013 and the applicable Rules framed thereunder provided that any related party transaction will require prior approval of shareholders through ordinary resolution if the aggregate value of transaction(s) amounts to 10% or more of the annual turnover of the Company as per last audited financial statements of the Company.

Axita Exports Private Limited is related parties with reference to the Company within the meaning of Clause (76) of section 2 of the Companies Act 2013.

The value of proposed aggregate transactions with Axita Exports Private Limited is likely to exceed the said threshold limit during the financial year 2021-22.

Accordingly transaction(s) entered with Axita Exports Private Limited comes within the meaning of Related Party Transaction(s) in terms of provisions of the Act applicable rules framed thereunder.

Hence approval of the shareholders is being sought by way of Ordinary Resolution as per our related party transactions policy for the said Related Party Transaction(s) proposed to be entered by our Company with Axita Exports Private Limited in the financial year 2021-22.

Although approval of the shareholders would not be required under the provisions of Section 188 of the Companies Act 2013 and the rules made thereunder and as amended from time to time due to the reason that transactions with related party are in the ordinary course of business and at the arm's length basis the same is being sought as an abundant precautionary measure.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules 2014 as amended till date particulars of the transactions with Axita Exports Private Limited are as follows:

Sl.	Particulars	Remarks
1.	Name of Related Parties	Axita Exports Private Limited
2.	Name of the Director or KMP who is related	Mr. Kushal Nitinbhai Patel, Mr. Nitinbhai Govindbhai Patel & Mrs. Gitaben Nitinbhai Patel
3.	Nature of Relationship	Mr. Kushal Nitinbhai Patel is promoter & managing director of Axita Cotton Limited as well as Axita Exports Private Limited. Mr. Kushal Nitinbhai Patel holds 3997048 number of Equity Shares in Axita Cotton Limited and holds 152000 number of Equity Shares in Axita Exports Private Limited. Mr. Nitinbhai Govindbhai Patel is Promoter & Chairman cum Managing Director of Axita Cotton Limited and Promoter & Managing Director in Axita Exports Private Limited. Mr. Nitinbhai Govindbhai Patel holds 4791000 number of Equity Shares in Axita Cotton Limited and holds 98000 number of Equity Shares in Axita Exports Private Limited.
4.	Monetary Value	The estimated aggregate value of contracts/arrangements value for the matters proposed in the resolution shall not exceed ₹ 400 Crores in the F.Y. 2021-22 with Axita Exports Private Limited.
5.	Nature materials terms and particulars of the Contracts/ arrangements	Purchase and Sale of Products and Raw Materials and these are dependent on the requirement of both companies for its products and raw materials from time to time and the ability to supply. However

		such transactions would be in ordinary course of the Company's business and at the arm's length basis.
6.	Any advance paid or received for the contracts/arrangements	As per industry norms customs and usages.
7.	Tenure of contracts/arrangement	F.Y. 2021-22
8.	Any other information relevant or important for the members to take a decision on the proposed resolution.	Nil

Except Mr. Kushal Nitinbhai Patel & Mr. Nitinbhai Govindbhai Patel, their relatives and entire Promoters' Group, none of other Director(s) and Key Managerial Personnel(s) and their relative(s) is/are, in any way, concerned or interested in the said resolution.

Since, entire Promoters and Promoters' Group may construe as Related Party to this transaction, all entities falling under the definition of Promoters and Promoters' Group of the Company shall abstain from voting for this resolution.

The Board of Directors recommends passing of the resolution as set out item no. 6 of this Notice as Ordinary Resolution.

ITEM NO. 7

APPROVAL OF THE MATERIAL RELATED PARTY TRANSACTIONS WITH ADITYA OIL INDUSTRIES LIMITED:

Section 188 of the Companies Act 2013 and the applicable Rules framed thereunder provided that any related party transaction will require prior approval of shareholders through ordinary resolution if the aggregate value of transaction(s) amounts to 10% or more of the annual turnover of the Company as per last audited financial statements of the Company.

Aditya Oil Industries Limited is related parties with reference to the Company within the meaning of Clause (76) of section 2 of the Companies Act 2013.

The value of proposed aggregate transactions with Aditya Oil Industries Limited is likely to exceed the said threshold limit during the financial year 2021-22.

Accordingly transaction(s) entered with Aditya Oil Industries Limited comes within the meaning of Related Party Transaction(s) in terms of provisions of the Act applicable rules framed thereunder.

Hence approval of the shareholders is being sought by way of Ordinary Resolution as per our related party transactions policy for the said Related Party Transaction(s) proposed to be entered by our Company with Aditya Oil Industries Limited in the financial year 2021-22.

Although approval of the shareholders would not be required under the provisions of Section 188 of the Companies Act 2013 and the rules made thereunder and as amended from time to time due to the reason that transactions with related party are in the ordinary course of business and at the arm's length basis the same is being sought as an abundant precautionary measure.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules 2014 as amended till date particulars of the transactions with Aditya Oil Industries Limited are as follows:



Sl.	Particulars	Remarks
1.	Name of Related Parties	Aditya Oil Industries Limited
2.	Name of the Director or KMP who is related	Mr. Kushal Nitinbhai Patel & Mr. Nitinbhai Govindbhai Patel
3.	Nature of Relationship	<p>Mr. Kushal Nitinbhai Patel is promoter & managing director of Axita Cotton Limited as well as promoter & director of Aditya Oil Industries Limited. Mr. Kushal Nitinbhai Patel holds 3997048 number of Equity Shares in Axita Cotton Limited and holds 900000 number of Equity Shares in Aditya Oil Industries Limited.</p> <p>Mr. Nitinbhai Govindbhai Patel is Promoter & Chairman cum Managing Director of Axita Cotton Limited and Promoter as well as Managing Director in Aditya Oil Industries Limited. Mr. Nitinbhai Govindbhai Patel holds 4791000 number (Majority Stake) of Equity Shares in Axita Cotton Limited and holds 900000 number of Equity Shares in Aditya Oil Industries Limited.</p>
4.	Monetary Value	The estimated aggregate value of contracts/arrangements value for the matters proposed in the resolution shall not exceed ₹ 400 Crores in the F.Y. 2021-22 with Aditya Oil Industries Limited
5.	Nature materials terms and particulars of the Contracts/ arrangements	Purchase and Sale of Products and Raw Materials and these are dependent on the requirement of both companies for its products and raw materials from time to time and the ability to supply. However such transactions would be in ordinary course of the Company's business and at the arm's length basis.
6.	Any advance paid or received for the contracts/arrangements	As per industry norms customs and usages.
7.	Tenure of contracts/arrangement	F.Y. 2021-22
8.	Any other information relevant or important for the members to take a decision on the proposed resolution.	Nil

Except Mr. Kushal Nitinbhai Patel & Mr. Nitinbhai Govindbhai Patel, their relatives and entire Promoters' Group, none of other Director(s) and Key Managerial Personnel(s) and their relative(s) is/are, in any way, concerned or interested in the said resolution.

Since, entire Promoters and Promoters' Group may construe as Related Party to this transaction, all entities falling under the definition of Promoters and Promoters' Group of the Company shall abstain from voting for this resolution.

The Board of Directors recommends passing of the resolution as set out item no. 7 of this Notice as Ordinary Resolution.

ITEM NO. 8

APPROVAL OF THE MATERIAL RELATED PARTY TRANSACTIONS WITH SHREENATHJI ENTERPRISE:

Section 188 of the Companies Act 2013 and the applicable Rules framed thereunder provided that any related party transaction will require prior approval of shareholders through ordinary resolution if the aggregate value of transaction(s) amounts to 10% or more of the annual turnover of the Company as per last audited financial statements of the Company.

Shreenathji Enterprise is related parties with reference to the Company within the meaning of Clause (76) of section 2 of the Companies Act 2013.

The value of proposed aggregate transactions with Shreenathji Enterprise is likely to exceed the said threshold limit during the financial year 2021-22.

Accordingly transaction(s) entered with Shreenathji Enterprise comes within the meaning of Related Party Transaction(s) in terms of provisions of the Act applicable rules framed thereunder.

Hence approval of the shareholders is being sought by way of Ordinary Resolution as per our related party transactions policy for the said Related Party Transaction(s) proposed to be entered by our Company with Shreenathji Enterprise in the financial year 2021-22.

Although approval of the shareholders would not be required under the provisions of Section 188 of the Companies Act 2013 and the rules made thereunder and as amended from time to time due to the reason that transactions with related party are in the ordinary course of business and at the arm's length basis the same is being sought as an abundant precautionary measure.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules 2014 as amended till date particulars of the transactions with Shreenathji Enterprise are as follows:

Sl.	Particulars	Remarks
1.	Name of Related Parties	Shreenathji Enterprise (Sole Proprietor of Mrs. Gitaben Nitinbhai Patel)
2.	Name of the Director or KMP who is related	Mrs. Gitaben Nitinbhai Patel, Mr. Kushal Nitinbhai Patel & Mr. Nitinbhai Govindbhai Patel.
3.	Nature of Relationship	<p>Mrs. Gitaben Nitinbhai Patel is Promoter & Additional Whole-Time Director of Axita Cotton Limited & Sole Proprietor of Shreenathji Enterprise. Mrs. Gitaben Nitinbhai Patel holds 452352 number of Equity Shares in Axita Cotton Limited</p> <p>Mr. Kushal Nitinbhai Patel is promoter & managing director of Axita Cotton Limited and Mrs. Gitaben Nintinbhai Patel is his mother. Mr. Kushal Nitinbhai Patel holds 3997048 number of Equity Shares in Axita Cotton Limited.</p> <p>Mr. Nitinbhai Govindbhai Patel is Promoter & Chairman cum Managing Director of Axita Cotton Limited and Mrs. Gitaben Nitinbhai Patel is his wife. Mr. Nitinbhai Govindbhai Patel holds 4791000 number (Majority Stake) of Equity Shares in Axita Cotton Limited.</p>
4.	Monetary Value	The estimated aggregate value of contracts/arrangements value for the matters proposed in the resolution shall not exceed ₹ 400 Crores in the F.Y. 2021-22 with Shreenathji Enterprise



5.	Nature materials terms and particulars of the Contracts/ arrangements	Purchase and Sale of Products and Raw Materials and these are dependent on the requirement of both for its products and raw materials from time to time and the ability to supply. However such transactions would be in ordinary course of the Company's business and at the arm's length basis.
6.	Any advance paid or received for the contracts/arrangements	As per industry norms customs and usages.
7.	Tenure of contracts/arrangement	F.Y. 2021-22
8.	Any other information relevant or important for the members to take a decision on the proposed resolution.	Nil

Except Mrs. Gitaben Nitinbhai Patel, Mr. Kushal Nitinbhai Patel & Mr. Nitinbhai Govindbhai Patel, their relatives and entire Promoters' Group, none of other Director(s) and Key Managerial Personnel(s) and their relative(s) is/are, in any way, concerned or interested in the said resolution.

Since, entire Promoters and Promoters' Group may construe as Related Party to this transaction, all entities falling under the definition of Promoters and Promoters' Group of the Company shall abstain from voting for this resolution.

The Board of Directors recommends passing of the resolution as set out item no. 8 of this Notice as Ordinary Resolution.

ITEM NO. 9

APPROVAL OF THE MATERIAL RELATED PARTY TRANSACTIONS WITH AXITA INDUSTRIES PRIVATE LIMITED:

Section 188 of the Companies Act 2013 and the applicable Rules framed thereunder provided that any related party transaction will require prior approval of shareholders through ordinary resolution if the aggregate value of transaction(s) amounts to 10% or more of the annual turnover of the Company as per last audited financial statements of the Company.

Axita Industries Private Limited is related parties with reference to the Company within the meaning of Clause (76) of section 2 of the Companies Act 2013.

The value of proposed aggregate transactions with Axita Industries Private Limited is likely to exceed the said threshold limit during the financial year 2021-22.

Accordingly transaction(s) entered with Axita Industries Private Limited comes within the meaning of Related Party Transaction(s) in terms of provisions of the Act applicable rules framed thereunder.

Hence approval of the shareholders is being sought by way of Ordinary Resolution as per our related party transactions policy for the said Related Party Transaction(s) proposed to be entered by our Company with Axita Industries Private Limited in the financial year 2021-22.

Although approval of the shareholders would not be required under the provisions of Section 188 of the Companies Act 2013 and the rules made thereunder and as amended from time to time due to the reason that transactions with related party are in the ordinary course of business and at the arm's length basis the same is being sought as an abundant precautionary measure.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules 2014 as amended till date particulars of the transactions with Axita Industries Private Limited are as follows:

Sl.	Particulars	Remarks
1.	Name of Related Parties	Axita Industries Private Limited
2.	Name of the Director or KMP who is related	Mr. Kushal Nitinbhai Patel & Mr. Nitinbhai Govindbhai Patel
3.	Nature of Relationship	<p>Mr. Kushal Nitinbhai Patel is promoter & managing director of Axita Cotton Limited as well as Promoter & Director of Axita Industries Private Limited. Mr. Kushal Nitinbhai Patel holds 3997048 number of Equity Shares in Axita Cotton Limited and holds 5000 number of Equity Shares in Axita Industries Private Limited.</p> <p>Mr. Nitinbhai Govindbhai Patel is Promoter & Chairman cum Managing Director of Axita Cotton Limited as well as Promoter & Managing Director in Axita Industries Private Limited. Mr. Nitinbhai Govindbhai Patel holds 4791000 number (Majority Stake) of Equity Shares in Axita Cotton Limited and holds 5000 number of Equity Shares in Axita Industries Private Limited.</p>
4.	Monetary Value	The estimated aggregate value of contracts/arrangements value for the matters proposed in the resolution shall not exceed ₹ 400 Crores in the F.Y. 2021-22 with Axita Industries Private Limited.
5.	Nature materials terms and particulars of the Contracts/ arrangements	Purchase and Sale of Products and Raw Materials and these are dependent on the requirement of both for its products and raw materials from time to time and the ability to supply. However such transactions would be in ordinary course of the Company's business and at the arm's length basis.
6.	Any advance paid or received for the contracts/arrangements	As per industry norms customs and usages.
7.	Tenure of contracts/arrangement	F.Y. 2021-22
8.	Any other information relevant or important for the members to take a decision on the proposed resolution.	Nil

Except Mr. Kushal Nitinbhai Patel & Mr. Nitinbhai Govindbhai Patel, their relatives and entire Promoters' Group, none of other Director(s) and Key Managerial Personnel(s) and their relative(s) is/are, in any way, concerned or interested in the said resolution.

Since, entire Promoters and Promoters' Group may construe as Related Party to this transaction, all entities falling under the definition of Promoters and Promoters' Group of the Company shall abstain from voting for this resolution.

The Board of Directors recommends passing of the resolution as set out item no. 9 of this Notice as Ordinary Resolution.

ITEM 10:

APPROVAL OF THE MATERIAL RELATED PARTY TRANSACTIONS WITH NG ORGANICS PRIVATE LIMITED:

Section 188 of the Companies Act 2013 and the applicable Rules framed thereunder provided that any related party transaction will require prior approval of shareholders through ordinary resolution if the aggregate value of transaction(s) amounts to 10% or more of the annual turnover of the Company as per last audited financial statements of the Company.

NG Organics Private Limited is related parties with reference to the Company within the meaning of Clause (76) of section 2 of the Companies Act 2013.

The value of proposed aggregate transactions with NG Organics Private Limited is likely to exceed the said threshold limit during the financial year 2021-22.

Accordingly transaction(s) entered with NG Organics Private Limited comes within the meaning of Related Party Transaction(s) in terms of provisions of the Act applicable rules framed thereunder.

Hence approval of the shareholders is being sought by way of Ordinary Resolution as per our related party transactions policy for the said Related Party Transaction(s) proposed to be entered by our Company with NG Organics Private Limited in the financial year 2021-22.

Although approval of the shareholders would not be required under the provisions of Section 188 of the Companies Act 2013 and the rules made thereunder and as amended from time to time due to the reason that transactions with related party are in the ordinary course of business and at the arm's length basis the same is being sought as an abundant precautionary measure.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules 2014 as amended till date particulars of the transactions with NG Organics Private Limited are as follows:

Sl.	Particulars	Remarks
1.	Name of Related Parties	NG Organics Private Limited
2.	Name of the Director or KMP who is related	Mr. Kushal Nitinbhai Patel & Mr. Nitinbhai Govindbhai Patel
3.	Nature of Relationship	<p>Mr. Kushal Nitinbhai Patel is promoter & managing director of Axita Cotton Limited as well as Promoter & Director of NG Organics Private Limited. Mr. Kushal Nitinbhai Patel holds 3997048 number of Equity Shares in Axita Cotton Limited and holds 25000 number of Equity Shares in NG Organics Private Limited.</p> <p>Mr. Nitinbhai Govindbhai Patel is Promoter & Chairman cum Managing Director of Axita Cotton Limited as well as Promoter & Director in NG Organics Private Limited. Mr. Nitinbhai Govindbhai Patel holds 4791000 number (Majority Stake) of Equity Shares in Axita Cotton Limited and holds 25000 number of Equity Shares in NG Organics Private Limited.</p>
4.	Monetary Value	The estimated aggregate value of contracts/arrangements value for the matters proposed in the resolution shall not exceed ₹ 400 Crores in the F.Y. 2021-22 with NG Organics Private Limited.



5.	Nature materials terms and particulars of the Contracts/ arrangements	Purchase and Sale of Products and Raw Materials and these are dependent on the requirement of both for its products and raw materials from time to time and the ability to supply. However such transactions would be in ordinary course of the Company's business and at the arm's length basis.
6.	Any advance paid or received for the contracts/arrangements	As per industry norms customs and usages.
7.	Tenure of contracts/arrangement	F.Y. 2021-22
8.	Any other information relevant or important for the members to take a decision on the proposed resolution.	Nil

Except Mr. Kushal Nitinbhai Patel & Mr. Nitinbhai Govindbhai Patel, their relatives and entire Promoters' Group, none of other Director(s) and Key Managerial Personnel(s) and their relative(s) is/are, in any way, concerned or interested in the said resolution.

Since, entire Promoters and Promoters' Group may construe as Related Party to this transaction, all entities falling under the definition of Promoters and Promoters' Group of the Company shall abstain from voting for this resolution.

The Board of Directors recommends passing of the resolution as set out item no. 10 of this Notice as Ordinary Resolution.

Registered office:
Servey No. 324 357 358,
Kadi Thol Road, Borisana Kadi,
Mahesana - 382715 Gujarat

For and on behalf of Board of Directors
Axita Cotton Limited
CIN: L17200GJ2013PLC076059

Date: September 02, 2021
Place: Kadi Mahesana

Kushal Nitinbhai Patel
Managing Director
DIN: 06626639


ANNEXURE TO THE EXPLANATORY STATEMENT:

Name of Director	Nitinbhai Govindbhai Patel
Directors Identification Number (DIN)	06626646
Date of Birth	January 27 1965
Age	56 Years
Qualification	S.S.C (Senior Secondary Class)
Nature of his expertise in specific functional areas	13 years into Oil Industries and more than 10 years in Cotton Industries. He is actively involved in managing, planning and executing manufacturing process and to achieve desired targets. He is the guiding force behind all the corporate decisions and is responsible for the entire Business operations of the Company since his appointment.
Date of first Appointment on the Board of the Company	July 16 2013
Date of Appointment (at current term)	October 16 2018
Shareholding in Axita Cotton Limited	4791000 number of Equity Shares
Listed entities form which the person has resigned in the past three years	Nil
Terms and conditions of re-appointment	As per resolution at item no. 2 of this Notice convening 8 th Annual General Meeting (AGM) to be held on September 30, 2021.
Remuneration last drawn	₹ 24,00,000/-
Number of Meetings of the Board attended during the year	9 Out of 9 Board Meeting attended during the year 2020-21
List of Directorship held in Listed companies	Axita Cotton Limited
Membership /Chairmanship in Committees of Listed companies as on date	Corporate Social Responsibility Committee of Axita Cotton Limited - Member
Relationships between Directors inter-se	With Directors & KMP of the Company: Father of our Promoter cum Managing Director Mr. Kushal Nitinbhai Patel Husband of our Promoter & Additional Whole-Time Director of Mrs. Gitaben Nitinbhai Patel.

Name of Director	Gitaben Nitinbhai Patel
Directors Identification Number (DIN)	09211543
Date of Birth	June 06, 1966
Age	55 Years
Qualification	S.S.C (Senior Secondary Class)
Nature of his expertise in specific functional areas	More than 6 (Six) Years' experience in Cotton Industry. She is looking day to day activity in the Company and also accounting and finance function of the Company since her appointment.
Date of first Appointment on the Board of the Company	June 22, 2021
Date of Appointment (at current term)	June 22, 2021
Shareholding in Axita Cotton Limited	452352 number of Equity Shares
Listed entities form which the person has resigned in the past three years	Nil



Terms and conditions of appointment	As per resolution at item no. 3 of this Notice convening 8 th Annual General Meeting (AGM) to be held on September 30, 2021.
Remuneration last drawn	Not Applicable (Appointed as an Additional Whole-Time Director w.e.f. June 22, 2021)
Number of Meetings of the Board attended during the year	Not Applicable (Appointed as an Additional Whole-Time Director w.e.f. June 22, 2021)
List of Directorship held in Listed companies	Axita Cotton Limited
Membership /Chairmanship in Committees of Listed companies as on date	Nil
Relationships between Directors inter-se	With Directors & KMP of the Company: Mrs. Gitaben Nitinbhai Patel is wife of Mr. Nitinbhai Govindbhai Patel, Chairman Cum Managing Director of the Company and, Mrs. Gitaben Nitinbhai Patel is mother of Mr. Kushal Nitinbhai Patel, Managing Director of the Company.

Registered office:
Servey No. 324 357 358,
Kadi Thol Road, Borisana Kadi,
Mahesana - 382715 Gujarat

For and on behalf of Board of Directors
Axita Cotton Limited
CIN: L17200GJ2013PLC076059

Date: September 02, 2021
Place: Kadi Mahesana

Kushal Nitinbhai Patel
Managing Director
DIN: 06626639



AXITA COTTON LIMITED

CIN: L17200GJ2013PLC076059

Regd. Office: Servey No. 324 357 358 Kadi Thol Road
Borisana Kadi Mahesana- 382715, Gujarat.