



Axita Cotton Limited

Mfg. & Exporter of Cotton

ISO 9001:2015
CERTIFIED

CIN No. : L17200GJ2013PLC076059

GST IN : 24AALCA8092L1Z6

PAN : AALCA8092L

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

Tele : +91 6358747514 | E-mail : cs@axitacotton.com | Website : www.axitacotton.com

Date: 06-09-2024

To,
The Secretary, Listing Department
BSE Limited,
Phiroze Jeejeebhoy Towers, Dalal Street,
Fort, Mumbai - 400001, Maharashtra,
India

Security Code: 542285

To,
The Manager-Listing Department
The National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (E), Mumbai -
400051, Maharashtra, India

Symbol: AXITA

Respected Sir/Madam,

Subject: Submission of 11th Annual Report of the Company for the financial year 2023-2024 - Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing a copy of 11th Annual Report of the Company for the financial year 2023-2024.

The Annual Report for the financial year 2023- 2024 is also uploaded on the Company's website at www.axitacotton.com.

This is for your information and record.

Thanking you,

Yours faithfully,

For, Axita Cotton Limited



Nitinbhai Govindbhai Patel
Chairman cum Managing Director
DIN: 06626646

Place: Ahmedabad

Date: 06-09-2024



AXITA COTTON

ANNUAL 2023
REPORT 2024

ANNUAL
REPORT

2023

2024

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— — About Us

A Decade of Growth, Challenges & Sustainability

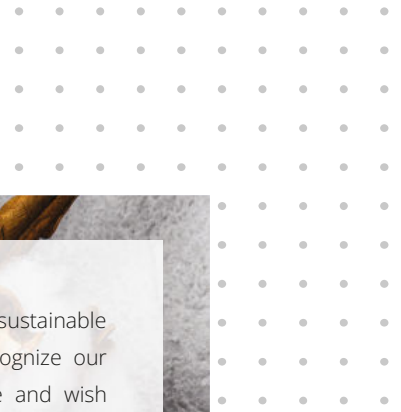
Axita Cotton Limited, established in 2013 in Ahmedabad, Gujarat, is a leading manufacturer and exporter of high-quality cotton products. The company transitioned from a private limited entity to a public limited company in 2018, marking a significant milestone. Axita Cotton successfully launched its Initial Public Offering (IPO) in December 2018, raising ₹1,051.20 lakhs. The company's shares were initially listed on the SME platform of BSE Limited and later graduated to the Main Board. Axita Cotton is now also listed on the National Stock Exchange (NSE), reflecting its robust growth and market presence.

The company specializes in producing a wide range of cotton bales, including the highly sought-after Shankar-6 and MCU-5/MECH varieties. Axita Cotton is committed to sustainable and ethical practices, ensuring that its products adhere to the highest international standards such as Global Organic Textile Standards (GOTS) and the Better Cotton Initiative (BCI).

With a strong global presence, Axita Cotton exports to multiple countries, including Bangladesh, Vietnam, China, Indonesia, and Thailand. The company's operations are deeply rooted in sustainability, with continuous investments in energy-efficient technologies and organic farming practices.

Under the dynamic leadership of Kushal Patel, Axita Cotton has experienced rapid growth, with a focus on expanding its global footprint and maintaining its dedication to corporate social

Established in 2013, Axita Cotton today stands tall as a leading manufacturer and exporter of international quality cotton.



VISION

At Axita Cotton, our vision is to pave the way for sustainable and carbon-neutral farming practices. We recognize our role in curbing the impact of climate change and wish to contribute to securing a sustainable future for all by diligently working to reduce carbon emissions.

We aim to use renewable energy, reduce chemicals, and protect the land with methods like no-till farming, organic pest control, crop rotation, and cover cropping to maintain a balanced ecosystem.

We are also resolute in our ambition to extend our reach and export our ideals, products, and values to more countries.

MISSION

OUR MISSION IS TWO FOLD:

Adhering to organic principles and practices in cotton cultivation in order to promote the well-being of farmers and consumers alike.

Championing Sustainable Development that preserves the environment and helps to secure a greener, healthier future for all.

Esteemed Shareholders...



Mr. Nitinbhai Patel
Chairman & Managing
Director

 As the founder of Axita Cotton, I am proud of our continued innovation and growth, driving excellence in every fiber of our business.

As we reflect on the milestones achieved in the financial year 2023-2024, it is with great pride that I share with you the summary of our progress. Operating as a key player in the nationwide trading and international export of cotton bales, yarn, and essential raw materials for the textile industry, we have navigated the year with the unparalleled dedication of our key managerial persons, employees, and invaluable external stakeholders.

During this transformative year, pivotal steps were taken with resounding success. Initiatives such as the Buyback Offer in May 2023, underscoring our commitment to enhancing shareholder value and demonstrating our confidence in the organization's financial prowess, the distribution of an interim dividend in November 2023 to our esteemed shareholders, recognizing their trust and support in our endeavours and the issuance of Bonus Shares in December 2023, a gesture of appreciation for their continued loyalty and trust in our Company. This underscores our commitment to driving value creation. Notably, the introduction of an Employee Stock Ownership Plan (ESOP) Scheme, extending benefits to our dedicated employees within the Company and its Group Companies. This initiative reinforces our commitment to employee welfare, encourages ownership, and fosters a culture of dedication and mutual success among our workforce. Moreover, commencing the year with the declaration of a final dividend and strategic investment in a sports and media Company in June 2024, signalling a bold move towards unprecedented growth and diversification and expansion into new sectors, a vision passionately endorsed by our Promoters.

This report encapsulates a year of growth, symbolizing the convergence of your unwavering confidence and our shared pursuit of excellence.

I extend our heartfelt gratitude to our employees, customers, partners, and investors for their unwavering support and pivotal contributions to our collective journey. Your steadfast faith in Axita Cotton thrusts us forward towards even greater accomplishments.

As we stand at the threshold of the future, our commitment to delivering value to you, our esteemed stakeholders, remains steadfast and resolute. The unwavering dedication of our team ensures that the horizon of possibilities for our Company is limitless, promising sustained value and growth.



Vision

To be a global leader in the cotton industry, renowned for our innovation, quality, and sustainability.



Mission

To deliver superior cotton products through continuous innovation, ethical practices, and commitment to customer satisfaction, while fostering sustainable growth and development.

Voice of Leadership

Dear Stakeholders,

I am honored to return as Managing Director of Axita Cotton Limited, a Company that has consistently set benchmarks in the cotton industry. This past year has been transformative, with significant strides made in sustainability and global expansion. My vision is to continue fostering innovation while expanding our footprint in international markets. Inspired by my father, Mr. Nitin Patel, I remain committed to leading with integrity and excellence.

Under our shared commitment to sustainable growth, we are poised for a future full of new opportunities and continued success. I am excited about the journey ahead and look forward to achieving greater milestones together.

Thank you for your continued support and trust.



Kushal Nitinbhai Patel
Promoter, Director



As the founder of Axita Cotton, I take immense pride in our relentless pursuit of innovation and growth, ensuring excellence is woven into every aspect of our business.



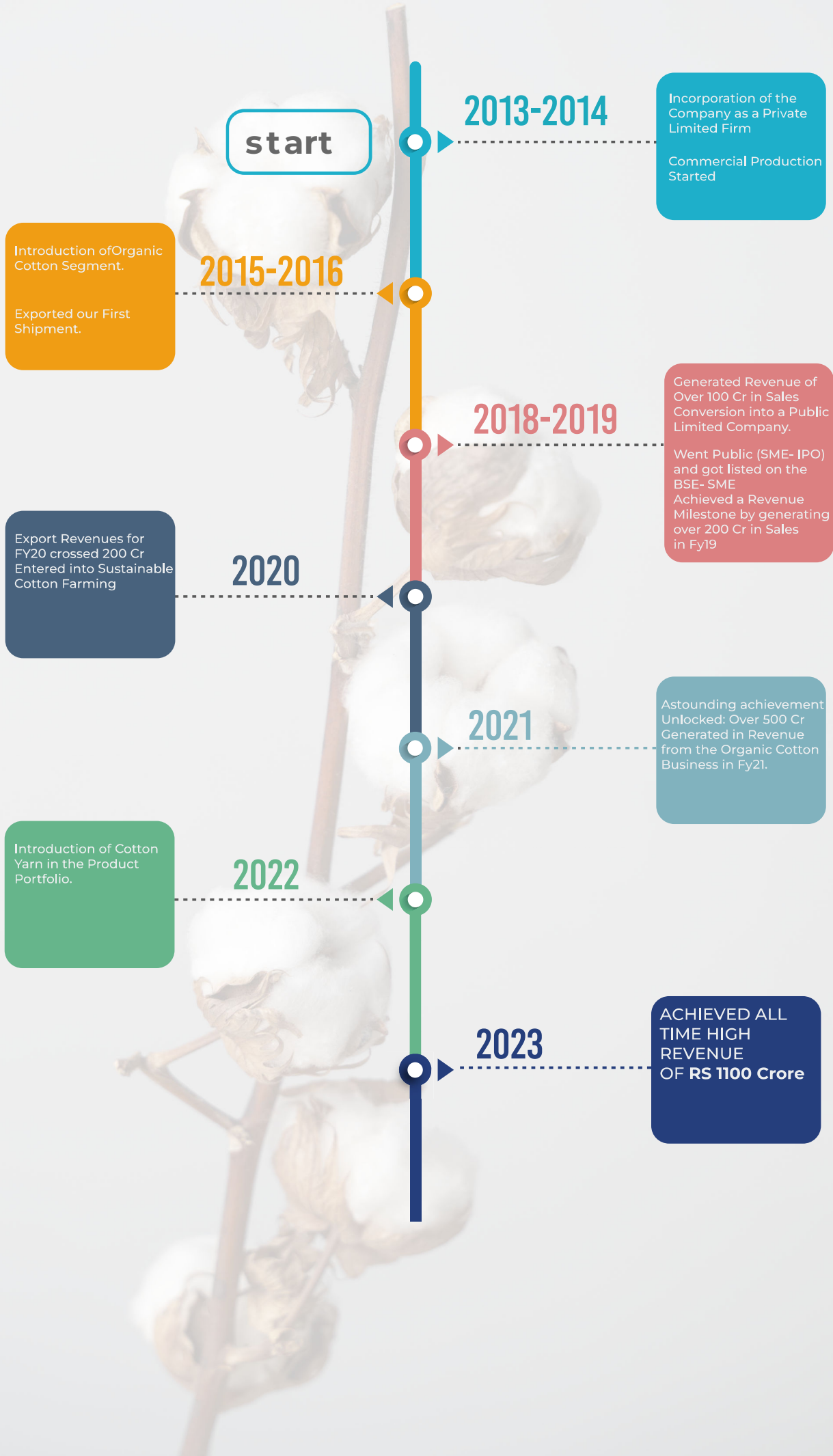
Vision

To be a global leader in the cotton industry, renowned for our innovation, quality, and sustainability.



Mission

To deliver superior cotton products through continuous innovation, ethical practices, and commitment to customer satisfaction, while fostering sustainable growth and development.



AWARDS & RECOGNITIONS

Axita Cotton is honored to be associated with prestigious organizations.



AWARDS & RECOGNITIONS



Axita Cotton was presented a Certificate of Appreciation by the Cotton Association of India for its generous and wholehearted support towards the Cotton India (2019) International Conference as a Silver Sponsor.

Axita Cotton at the Inauguration of the Cotton Association of India's Centenary Year Celebrations, held at the





Cotton association of India 2022

Axita Cotton attended the Textile Exchange Conference in Colorado in the capacity of a Silver Sponsor.



Textile Exchange Colorado 2022

Axita Cotton attended the Textile Exchange Conference in Colorado in the capacity of a Silver Sponsor.



International Cotton Association



The Economic Times
Asian Business Leader Award



CSR ACTIVITIES

Making a Difference

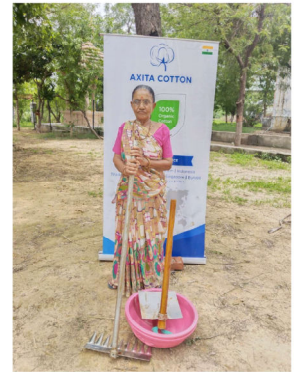


Arranging seminar in remote villages to give them knowledge about organic farming and sustainable future goals.



School bag distribution in village schools.

CSR ACTIVITIES



Agriculture Equipment Distribution To Family Of Farmers.



Note Book Distribution In Over 200 Schools.

CSR ACTIVITIES

Note Book Distribution In Over 200 Schools.



મહેસાણા પુલઆઉટ 19-06-2023

જેતપુરા પ્રા. શાળામાં પ્રવેશોત્સવ ઊજવાયો



કડી: કડીની જેતપુરા પ્રાથમિક શાળામાં બાલવાટીકા અને ધોરણ 1 ના વિદ્યાર્થીઓનો પ્રવેશોત્સવ જિલ્લા પુરવઠા અધિકારીની ઉપસ્થિતિમાં યોજાયો હતો. અક્ષિતા કોટના માલિકોએ શાળાના બાળકોને નોટબુક તથા બે જોડી ગણવેશની ભેટ આપી હતી. વિદ્યાર્થીઓને કીટ વિતરણ કર્યું હતું. પ્રવેશોત્સવમાં ગામના અગ્રણીઓ અને શિક્ષકો તેમજ આરોગ્ય કર્મીઓ ઉપસ્થિત રહ્યા હતા. સમગ્ર કાર્યક્રમનું સંચાલન શાળાના બાળકોએ કર્યું હતું.

બાવ



થોળા...
બજાવત...
બદલી થ...
યોજાયો...
ઓઢાડી...
સરખંચ દ



INVESTING IN GROWTH AND EFFICIENCY

01

Currently, our production facility is located in Kadi in the Mehsana district of Gujarat and remains in operation for nearly 8 months a year. We recognize that a company's success hinges on its ability to meet growing demands efficiently and responsibly. In this endeavour, we have been directing greater attention and resources to amplify our production capacity and unlock higher levels of efficiency and growth.

02

Through strategic investments in technology, infrastructure, and safety measures, we are working on streamlining operations, minimizing downtime, efficient management, well organised accounts /admin department and increasing production

03

In order to prevent production bottlenecks and cater to increased demands, we are optimizing our supply chains to ensure the timely availability of raw materials and e client distribution of our finished products.

04

At Axita Cotton, the safety and well-being of our employees and their families are paramount. Modernizing our machinery and installing the latest safety gear and equipment, will enable us to handle larger workloads, while also ensuring labour safety.

05

Furthermore, we are introducing measures to provide support and security to our employees' families. This includes assistance in accessing healthcare services and education support for the children.

Farmer's Training



Farmers training for sustainable cotton growing is important to help them adopt practices that protect the environment and the health of their communities. Some of the key topics that can be covered in these training include.

01 Good agricultural practices (GAP)

GAP are a set of principles and practices that help farmers to produce crops more efficiently and sustainably. They include things like crop rotation, integrated pest management, and water conservation.

02 Organic farming

Organic farming is a system of agriculture that excludes the use of synthetic fertilizers, pesticides, and herbicides. It can help to improve soil health, reduce pollution, and protect biodiversity.

03 Water conservation

Cotton is a water-intensive crop, so it is important for farmers to adopt water-saving practices. This could include things like drip irrigation, rainwater harvesting, and planting drought-tolerant varieties of cotton.

04 Pest management

There are a number of ways to manage pests without using harmful chemicals. This could include things like crop rotation, biological control, and integrated pest management.

05 Economics of sustainable cotton farming

Farmers need to be able to make a profit from sustainable cotton farming. This means understanding the costs and benefits of different practices, and finding ways to reduce their costs.

Farmer's Training

Training farmers in sustainable cotton growing can be done through a variety of channels, including:



On-farm training:

This is the most effective way to train farmers, as it allows them to learn about the practices in their own fields

Extension services.

Government and non-governmental organizations (NGO) often provide extension services to farmers.

Training materials

There are a number of training materials available to farmers, including books, pamphlets, and videos.

Online training

There are a number of online training courses available to farmers. These courses can be convenient

By providing farmers with the training they need, we can help them to grow cotton in a way that is good for the environment, the economy, and the health of their communities.

Here are some specific examples of sustainable cotton farming practices:

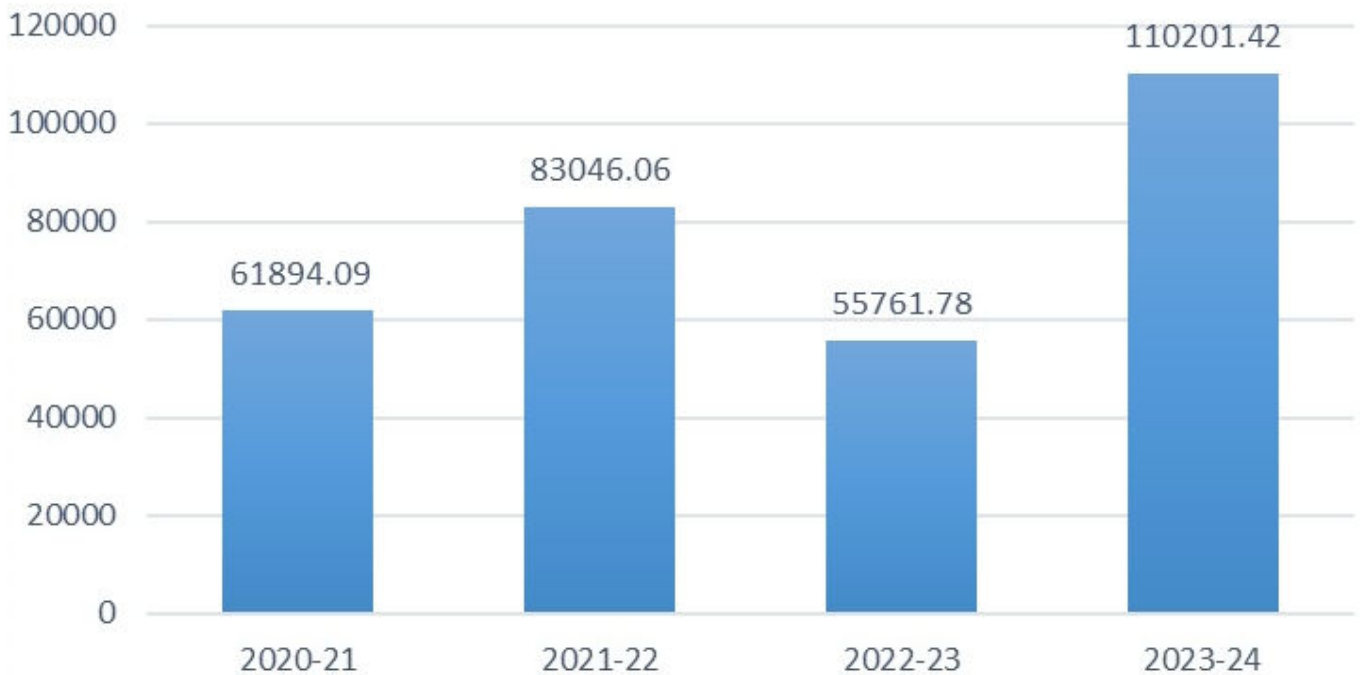
- ~ Using drip irrigation to conserve water.
- ~ Planting cover crops to improve soil health.
- ~ Using integrated pest management to control pests without using harmful chemicals.
- ~ Crops to reduce the build-up of pests and diseases.
- ~ Using organic fertilizers to improve soil fertility.
- ~ Harvesting cotton by hand to avoid damage to the environment.



KEY PERFORMANCE INDICATORS



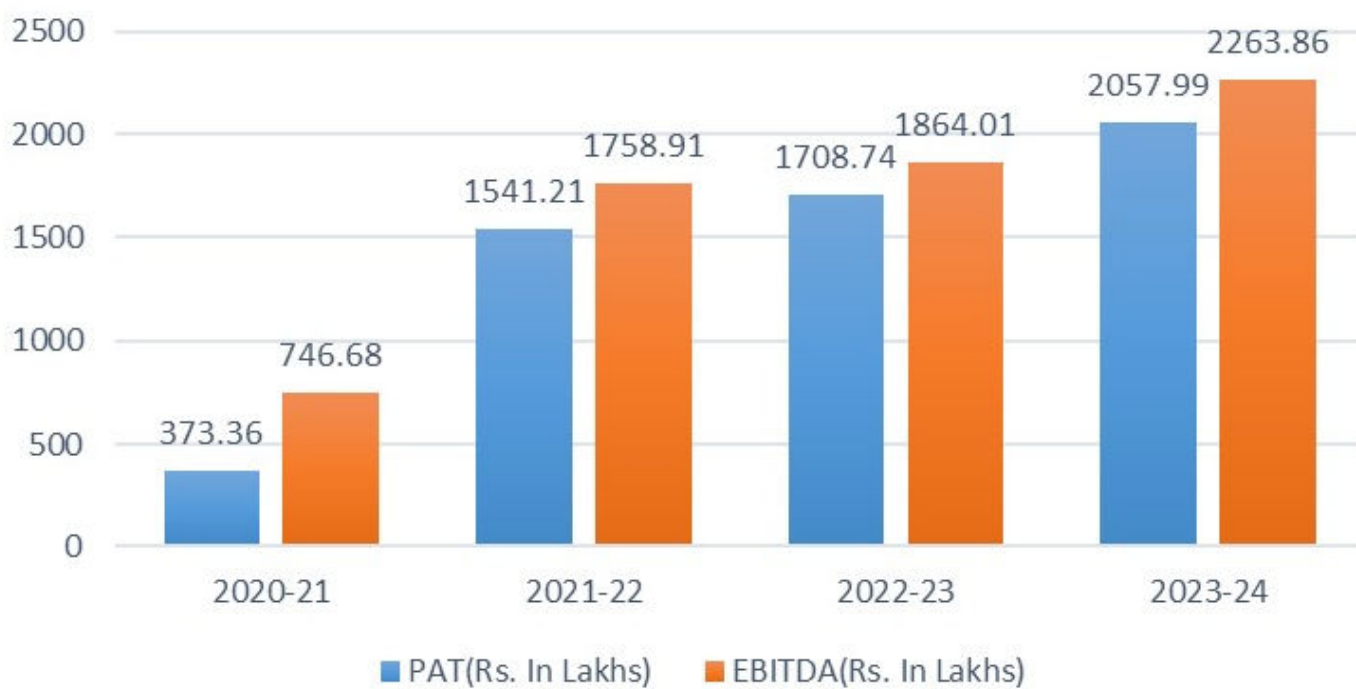
TURNOVER (Rs.in Lakhs)



KEY PERFORMANCE INDICATORS



Profit (Rs.in Lakhs)



BUSINESS HIGHLIGHTS

01 ERP Software Upgrade



Real-time data insights from Enterprise Resource Planning (ERP) software help us manage our production, inventory, and supply chain better.

02 Employee Insurance Coverage



We offer insurance coverage to our dedicated workforce, ensuring that they are safeguarded against unforeseen challenges

03 ERP Software Upgrade



We have achieved a significant reduction in our carbon footprint through energy-efficient machinery and responsible resource utilization. Our sustainable initiatives not only benefit the environment but also position us as a responsible industry leader. We have installed solar-panels in our factory premises which results in energy savings.

04 Zero Incidents or Injuries

OUR GOAL IS
ZERO
INCIDENTS OR INJURIES

Our dedicated safety training programs and well-maintained machinery provide a safe and secure working environment for all our employees.

Corporate Information

Board Of Directors:

Mr. Nitinbhai Govindbhai Patel
Chairman cum Managing Director

Mr. Kushal Nitinbhai Patel
Managing Director

(w.e.f. April 23, 2024)
Non Executive Director
(Oct., 01, 2023 to April 22, 2024)

Mr. Kunjal Jayantkumar Soni
Independent Director

Mr. Vinod Kanubhai Rana
Independent Director

Mr. Utsav Himanshu Trivedi
Independent Director
(w.e.f June 30, 2023)

Ms. Apeksha Sanjaykumar Vyas
Independent Director
(Upto June 12, 2024)

Ms. Shivani Rajeshbhai Pathak
Independent Director
(w.e.f June 17, 2024)

Mr. Dixit Dipakkumar Shah
Independent Director
(Upto June 30, 2023)

Key Managerial Personnel

Mr. Harsh Kalpeshbhai Shah
Chief Financial Officer

Mr. Shyamsunder Kiranbhai Panchal
Company Secretary
(W.e.f. April 01, 2023)

Audit Committee

Mr. Kunjal Jayantkumar Soni Chairperson

Ms. Shivani Rajeshbhai Pathak Member

Mr. Vinod Kanubhai Rana Member

Mr. Utsav Himanshu Trivedi Member

Mr. Kushal Nitinbhai Patel Member

Mr. Nitinbhai Govindbhai Patel Member

Stakeholder's Relationship Committee

Mr. Utsav Himanshu Trivedi Chairperson

Ms. Shivani Rajeshbhai Pathak Member

Mr. Kunjal Jayantkumar Soni Member

Mr. Vinod Kanubhai Rana Member

Mr. Nitinbhai Govindbhai Patel Member

Nomination & Remuneration Committee

Mr. Kunjal Jayantkumar Soni Chairperson

Ms. Shivani Rajeshbhai Pathak Member

Mr. Vinod Kanubhai Rana Member

Mr. Utsav Himanshu Trivedi Member

Mr. Nitinbhai Govindbhai Patel Member

Corporate Social Responsibility Committee

Mr. Nitinbhai Govindbhai Patel Chairperson

Mr. Kushal Nitinbhai Patel Member

Mr. Utsav Himanshu Trivedi Member

Mr. Kunjal Jayantkumar Soni Member

Risk Management Committee

Mr. Nitinbhai Govindbhai Patel Chairperson

Mr. Kushal Nitinbhai Patel Member

Mr. Kunjal Jayantkumar Soni Member

Mr. Utsav Himanshu Trivedi Member

 **Registered Office:**

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

 **Corporate Office:**

Rannade House, First Floor, Opp. Sankalp Grace 3, Near
Ishan Bunglows, Shilaj, Ahmedabad - 380059, Gujarat,
Bharat
Email: ca@axita.in;

 **Plant Location:**

Servey No. 324 357 358, Kadi Thol Road Borisana, Kadi
Mahesana-382715, Gujarat, Bharat
Email: ca@axita.in;

 **Statutory Auditor****Mistry & Shah LLP**

Chartered Accountant

1008, Stratum@Venus Grounds., West Wing, 10th Floor,
Nr. Jhansi Ki Rani BRTS, Nehrunagar, Ahmedabad -
380015, Gujarat, Bharat

Mail ID: info@mistryandshah.com

 **Secretarial Auditor****M/s. SCS And CO. LLP**

Practicing Company Secretaries,

Office No. B- 1310, Thirteenth floor, "Shilp Corporate
Park" Rajpath Rangoli Road, Thaltej, Ahmedabad, 380054,
Gujarat, Bharat

Mail ID: scsandcollp@gmail.com

 **Internal Auditor****R J & ASSOCIATES,**

Cost Accountants

Office: O-703, Shyamhills, New Ranip, Ahmedabad -
382470, Gujarat, Bharat

Mail ID: cmarjandassociates@gmail.com

 **Cost Auditor****M/s. Reena Patadiya & Co.**

Cost Accountant

A 903, Aaryan Gorla, Gala Gymkhana Road, South Bopal,
Ahmedabad - 380058, Gujarat, Bharat

E-mail : patadiya13@gmail.com

 **Principal Bankers**

State Bank of India

The Kalupur Commercial Co-Op. Bank Limited

 **Company Listed At****BSE Limited**

(BSE Scrip Code: 542285)

The National Stock Exchange of India Limited

(NSE Symbol: AXITA)

 **Investor Information**

Website of the Company: www.axitacotton.com

Investor Services Email Id: cs@axitacotton.com

Corporate Identification Number:

L17200GJ2013PLC076059

 **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, Bharat

Tel. Number: +91 22 4918 6200

Email Id: rnt.helpdesk@linkintime.co.in

Website: www.linkintime.co.in





**STATUTORY
REPORT**

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DIRECTORS' REPORT

DEAR MEMBERS,

The Board of Directors have pleasure in presenting the Eleventh (11th) Annual Report of the Company together with the Audited Financial Statements for the year ended on March 31, 2024.

1. FINANCIAL HIGHLIGHTS:

The Audited Financial Statements of the Company as on March 31, 2024, are prepared in accordance with the relevant applicable Indian Accounting Standards (“**Ind AS**”) and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”) and the provisions of the Companies Act, 2013 (“**Act**”).

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

PARTICULARS	(Rs. in Lakh except EPS)	
	F.Y. 2023-2024	F.Y. 2022-2023
Revenue from Operation	1,10,201.42	54,805.69
Other Income	237.50	168.24
Total Income (Total Revenue)	1,10,438.91	54,973.93
Total Expenditure (Excluding Depreciation and Finance Cost)	1,07,502.84	52,532.69
Profit before Financial costs, Depreciation and amortization expenses and Taxation	2,936.07	2,441.23
Less: Finance Costs	80.30	49.63
Operating profit before Depreciation and amortization expenses and Taxation	2,855.77	2,391.59
Less: Depreciation and amortisation	126.69	105.63
Profit before Tax	2,730.20	2,285.96
Less: (1) Current Income Tax	698.49	604.71
Less: (2) Income Tax (Prior Period)	0.00	0.00
Less: (3) Deferred Tax	-1.84	-22.28
Profit after tax	2,033.56	1,703.53
Other Comprehensive Income		
(i) Item that will not be reclassified to profit or loss		
Remeasurement of defined benefit plans	32.65	7.18
Income tax relating to items that will not be reclassified to profit or loss	-8.22	-1.97
Other Comprehensive Income for the Year	24.43	5.21
Total Comprehensive Income for the Year	2,057.99	1,708.74
EPS (Basic)	0.79	0.87
EPS (Diluted)	0.79	0.87

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.

2. OPERATIONAL PERFORMANCE:

During the year under review, the Company recorded Revenue from Operations of Rs. **1,10,438.91** Lakhs for the F.Y. 2023-2024 as compared to Rs. **54,973.92** Lakhs during the previous F.Y. 2022-2023.

During the year under review, the Company achieved Earnings before Interest, Taxes, Depreciation and Amortization Expense of Rs. **2,730.20** Lakhs for the F.Y. 2023-2024 as compared to Rs. **2,285.96** Lakhs during the previous F.Y. 2022-2023.

During the year under review, the Company achieved Profit after Taxation and other comprehensive income of Rs. **2,057.99** Lakhs for the F.Y. 2023-2024 as compared to Rs. **1,708.74** Lakhs during the previous F.Y. 2022-2023.

Export Sales for the F.Y. 2023-2024 was Rs. 6682.49 Lakhs as compared to Rs. 8230.76 Lakhs for the F.Y. 2022-2023.

3. 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 reserve & Surplus account of the Company.

4. DIVIDEND:

The Board of Directors of the Company at their meeting held on April 23, 2024, after, consultation and recommendation of the requisite committee to the Board, considered and approved 10 % final dividend amounting to Rs. 0.10 per Equity Share of Rs. 1/- each for the financial year 2023-2024 amounting to Rs. 260.89 Lakhs, subject to the approval by the Members ensuing Annual General Meeting (AGM) of the Company.

Further, during the year 2023-24, the Board of Directors, at their Meeting held on November 03, 2023 recommended 10% Interim Dividend amounting to Rs. 0.10/- per Equity Share of Rs. 1/- each for the financial year 2023-2024 amounting to Rs. 195.66 Lakhs. Out of above declared Interim Dividend Rs. 1.19 Lakh, which was remained unpaid was transferred to the “Axita Cotton Limited Unpaid Interim Dividend Account for FY 2023 2024” having Account no 018905013880, as per the sub-section (3) of Section 124 of the Companies Act, 2013.

Further, in the previous financial year 2022-23, the Board of Directors, recommended 5% final dividend amounting to Rs. 0.50/- per Equity Share of Rs. 10/- each amounting to Rs. 98.28 Lakhs which was approved by the Members at their 10th Annual General Meeting (AGM) of the Company. Out of above declared Dividend Rs. 3,206/-, which was remained unpaid was transferred to the “M/s. Axita Cotton Limited Unpaid DIV 2021 22” having Account no. 50200072105433 as per the sub-section (3) of Section 124 of the Companies Act, 2013.

Dividend Distribution Policy

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (‘SEBI Listing Regulations’) the Board of Directors of the Company (the ‘Board’) formulated and adopted the Dividend Distribution Policy (the “**Policy**”).

The Policy is available on our website at www.axitacotton.com.

5. TRANSFER OF SHARES AND UNPAID/UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

In terms of the Section 124 and 125 of the Act read with Investor Education and Protection Fund Authority (Accounting, Auditing, Transfer and Refund) Rules, 2016 (IEPF Rules), the dividend amount that remains unclaimed for a period of Seven (7) years or more is required to be transferred to the IEPF administered by the Central Government, along with the corresponding shares to the demat account of IEPF Authority.

As required in terms of the Secretarial Standard on Dividend (SS-3), details of unpaid dividend account and due dates of transfer to the IEPF is given below:

Year	Type of Dividend	Dividend per Share (Rs.)	Date of Declaration / Approved	Due Date for Transfer	Amount (Rs.)
2023-2024	Interim	0.10	November 03, 2023	November 03, 2030	119,798.10
2022-2023	Final	0.50	April 16, 2022	October 26, 2029	3,206.00

Further, the provisions related to the shares in respect of which dividend has not been paid/claimed for the consecutive period of seven (7) years or more which are required to be transferred to the demat account of the IEPF Authority, are not applicable to the Company and details are included in the Corporate Governance Report that forms part of this Report.

The shareholders may note that both the unclaimed dividend and corresponding shares transferred to the IEPF Authority including all benefits accruing on such shares, if any, can be claimed back by them from IEPF Authority after following the procedure (i.e. an application in E-form No. IEPF-5) prescribed in the IEPF Rules. Shareholders may refer Rule 7 of the said IEPF Rules for refund of shares / dividend etc.

6. SHARE CAPITAL:

Authorized Capital:

In the beginning of the review period, the Authorised Share Capital of the Company was Rs. 30,00,00,000 (Rupees Thirty Crores Only) divided into 300000000 (Thirty Crores) Equity Shares of Rs. 1/- each.

During the financial year under review, the board of directors in their meeting held on February 23, 2024, have recommended to increase in Authorised Capital from existing capital of 30,00,00,000 (Rupees Thirty Crores Only) divided into 300000000 (Thirty Crores) Equity Shares of Rs. 1/- each to Rs. 50,00,00,000 (Rupees Fifty Crores Only) divided into 500000000 (Fifty Crores) Equity Shares of Rs. 1/- each and same was approved by the Members of the Company through the Postal Ballot on March 26, 2024.

Issued, Subscribed & Paid-up Capital:

As on March 31, 2024, the Issued, Subscribed and fully Paid-up Capital of the Company stood at Rs. 26,08,78,008/- (Rupees Twenty Six Crores Eight Lakh Seventy Eight Thousand and Eight Only) divided into 260878008 (Twenty Six Crores Eight Lakh Seventy Eight Thousand and Eight) Equity Shares of Rs. 1/- each.

CHANGES IN CAPITAL STRUCTURE:

As on April 01, 2023 the issued, subscribed and fully paid up capital of the Company stood at Rs. 19,65,60,000/- (Rupees Nineteen Crores Sixty Five Lakh Sixty Thousand Only) divided into 196560000 (Nineteen Crores Sixty Five Lakh Sixty Thousand) Equity Shares of 1/- each.

During the year under review there was change in the Capital Structure of the Company due to Buy back of Equity Shares and bonus issue. The brief details of the same are as follows:

Buyback of Shares of the Company

During the year under review, the Company bought back 900000 (Nine Lakh) fully paid-up Equity Shares of the Company, each having a face value of 1/- ("Equity Shares"), representing 0.46% aggregate of the total paid-up Equity Share capital of the Company, at a price of Rs. 56/- (Rupees Fifty-Six Only) per Equity Share ("Buyback Price") paid in cash for an aggregate amount of Rs. 5,04,00,000 (Rupees Five Crore Four Lakh Only) ("Buyback Size") being 9.63% of the aggregate of the fully paid-up equity share capital and free reserves as per the latest audited financial statements of the Company i.e. as at March 31, 2023, excluding transaction

costs viz, brokerage costs, fees, turnover charges, applicable taxes such as buyback tax, securities transaction tax, goods and services tax, stamp duty, etc., expenses incurred or to be incurred for the buyback like filing fees payable to the Securities and Exchange Board of India ("SEBI"), advisors / legal fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses, etc.

The buyback size represented 9.63% aggregate of the 'total issued and fully paid-up equity share capital and free reserves' as per the audited standalone financial statements of the Company as on March 31, 2023, respectively and the shares bought back constituted approximately 0.46% of the total number of equity shares of the total paid-up equity share capital of the Company as on March 31, 2023.

The Company adopted the tender offer route through stock exchange mechanism for the purpose of buyback. The tendering period for buyback of equity shares commenced on June 08, 2023 and closed on June 14, 2023. Post-completion of extinguishment of 900000 (Nine Lakh) equity shares bought back, necessary intimation(s) were filed with the stock exchange(s), where the Company's shares are listed. Further, the certificate of extinguishment was also filed with the Securities and Exchange Board of India on July 05, 2023, in compliance with the applicable provisions of law. The details of buyback are available on the website of the Company at <https://axitacotton.com/investor-relation/offer-document/>.

Consequently, the issued, subscribed and paid-up share capital of the Company was at Rs. 19,56,60,000 /- (Rupees Nineteen Crores Fifty Six Lakh Sixty Thousand Only) divided into 195660000 (Nineteen Crores Fifty Six Lakh Sixty Thousand) Equity Shares of 1/- each as on July 05, 2023, as against Rs. 19,65,60,000/- (Rupees Nineteen Crores Sixty Five Lakh Sixty Thousand Only) divided into 196560000 (Nineteen Crores Sixty Five Lakh Sixty Thousand) Equity Shares of 1/- each as on March 31, 2023. The Company has only one class of equity shares.

Bonus Issue of Shares of the Company

During the year under review and after successfully completion of Buyback, the Board of Directors at their meeting held on November 23, 2023, recommended issue of Bonus Equity Shares, in the proportion of 1:3, i.e., 01 (One) new fully paid-up equity share for every 03 (Three) existing fully paid-up equity share held. This bonus issue was approved vide a resolution by the shareholders at their Extra-ordinary General Meeting held on December 16, 2023. Consequently 65220000 bonus shares were issued on fraction share basis, to the members whose names appeared on the register of members as on December 25, 2023 (Ex Date December 22, 2023), being the record date fixed for that purpose. However, the Company had allotted 65218008 (Six Crore Fifty Two Lakh Eighteen Thousand Eight) equity shares due to fractional shares allotted on December 28, 2023. Pursuant to the aforesaid issue of Bonus Shares, the Issued, Subscribed and Paid-up Equity Share Capital of your Company was increased to Rs. 26,08,78,008/- (Rupees Twenty Six Crores Eight Lakh Seventy Eight Thousand and Eight Only) divided into 260878008 (Twenty Six Crores Eight Lakh Seventy Eight Thousand and Eight) Equity Shares of Rs. 1/- each.

Except as stated above, there were no other changes in the share capital of the Company during the year.

During the year under review, the following no. issue have been made through following procedure in the Company:

➤ DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS

During the Financial Year 2023-2024, the Company has not issued any Equity Shares with differential rights during the year.

➤ **DISCLOSURE REGARDING SHARES HELD IN TRUST FOR THE BENEFIT OF EMPLOYEES WHERE THE VOTING RIGHTS ARE NOT EXERCISED DIRECTLY BY THE EMPLOYEES**

During the Financial Year 2023-2024, the Company does not hold any shares in any trust for the benefit of employees.

➤ **DISCLOSURE REGARDING ISSUE / REDEMPTIONS OF DEBENTURES, BONDS OR ANY NON-CONVERTIBLE SECURITIES**

During the Financial Year 2023-2024, the Company has neither issued nor redeemed any Non-Convertible Debentures through private placement.

➤ **DISCLOSURE REGARDING ISSUE OF WARRANT**

During the Financial Year 2023-2024, the Company has not issued any warrants for any issue by way of preferential allotment, private placement, public issue.

➤ **DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES ISSUED**

During the Financial Year 2023-2024, the Company has not issued any Sweat Equity Shares during the year.

➤ **DISCLOSURE REGARDING ISSUE OF EMPLOYEE STOCK OPTION PLAN (“ESOP”)**

During the Financial Year 2023-2024, the Company has not issued any Employee Stock Option Scheme during the year.

Your Company has an Axita Employee Stock Option Plan 2023 in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2021, as amended. The principal objectives of this Plan are to:

- a) Attract and retain talented employees within the Company;
- b) Motivation to attain performance targets provided to the employees of the Company;
- c) To offer an opportunity of sharing the wealth created with the employees of the Company who have contributed to the creation of wealth of Shareholders of the Company;
- d) Aligning the objective of the individual employee of the Company with the Company’s Shareholders’ interest and Company’s philosophy;
- e) Incentivizing Employees to align their individual performance with the Company’s objectives;
- f) Encourage Employees to align their individual performance with the Company’s objectives.

The Shareholders of the Company vide Annual General Meeting dated September 30, 2023 have approved Axita Employee Stock Option Plan 2023 (“**ESOP Plan 2023**”). The Shareholders of the Company have approved to grant total option of 9000000 (Ninety Lakhs only) fully paid up Equity Shares of Rs.1 each of the Company (“**Equity Share(s)**”). Further, the Members of the Company vide Postal Ballot dated March 26, 2024 have amended the scheme by change in term of Identification of classes of Employees entitled to participate in the Plan and lock in of shares.

The Company has applied for In Principle approval with National Stock Exchange of India Limited and BSE Limited. The Company has received in-principle approval from National Stock Exchange of India Limited and BSE Limited on May 31, 2024 and June 03, 2024 respectively.

The certificate of the Merchant Banker regarding implementation of scheme shall be made available for inspection of members in electronic mode at Annual General Meeting.

Requisite disclosures as required under Regulation 14 of Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 read with SEBI circular no. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 with regard to ESOP Plan 2023 is available on the website of the Company at www.axitacotton.com.

M/s. SCS and Co LLP, Company Secretaries, Secretarial Auditors of the Company have issued a certificate with respect to the implementation of Axita Employee Stock Option Plan 2023 which would be placed before the members at the ensuing Annual General Meeting of the Company and a copy of the same shall be available for inspection at the registered office.

Disclosures in compliance with Section 62 of the Companies Act, 2013 and Rule 12 of Companies (Share Based Employee Benefits and Sweat Equity) Rules, 2014 and the Securities and Exchange Board of India (Share based Employee Benefits and Sweat Equity) Regulations, 2021 are set out in "**Annexure - A**" to this report.

7. CHANGE IN NATURE OF BUSINESS:

During the Financial Year 2023-2024, your Company has managed the affairs in a fair and transparent manner and there was no change in the business of the Company.

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, Yarn and Cotton Seeds.

8. CHANGE IN THE REGISTERED OFFICE:

During the year, there was no change in address of registered office of the Company. The Registered office of the Company is situated at Servey No. 324, 357, 358, Kadi - Thol Road, Borisana, Kadi, Mahesana - 382715, Gujarat, India.

The Corporate office of the Company is situated at Rannade House, First Floor, Opp. Sankalp Grace 3, Near Ishan Bunglow, S, Shilaj, Ahmedabad - 380059, Gujarat, India.

9. SUBSIDIARIES/ASSOCIATES/ JOINT VENTURES:

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

However, after closure of the financial year, the Board of Directors of the Company at their Meeting held on June 17, 2023, considered and recommended the acquisition of 55 % of stake of KPR Sports and Media Private Limited from its existing shareholders and accordingly, KPR Sports and Media Private Limited will be considered as subsidiary Company of the Company.

10. 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).

11. MANAGEMENT - 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 and KMP	Category Cum Designation	Date of Appointment at current Term & designation	Total Directorship ²	No. of Committee ¹ in which Director is Members	No. of Committee ¹ in which Director is Chairman	No. of Shares held as on June 30, 2024
Mr. Nitinbhai Govindbhai Patel	Chairman cum Managing Director	October 1, 2023	8	4	-	90546572
Mr. Kushal Nitinbhai Patel ²	Managing Director	April 23, 2024	8	1	-	60162965
Mr. Kunjal Jayantkumar Soni	Independent Director	February 22, 2022	4	6	3	0
Mr. Vinod Kanubhai Rana	Independent Director	February 22, 2022	2	4	1	0
Mr. Utsav Himanshu Trivedi ³	Independent Director	June 30, 2023	1	2	1	0
Mr. Nilesh Hasmukhbhai Kothari ⁴	Executive Director	April 23, 2024	2	-	-	0
Ms. Shivani Rajeshbhai Pathak ⁵	Independent Director	June 17, 2024	3	5	1	0
Harsh Kalpeshbhai Shah	Chief Financial Officer	September 3, 2021	-	-	-	-
Shyamsunder Kiranbhai Panchal	Company Secretary and Compliance Officer	April 1, 2023	-	-	-	-

1. Committee includes Audit Committee and Shareholders' Grievances Committee across all Public Companies including Axita Cotton Limited but excluding LLPs, Section 8 Company & struck off Companies. Total Directorship includes Axita Cotton Limited also.
2. The designation of Mr. Kushal Nitinbhai Patel was changed by Board of Directors from Director to Managing Director of the Company with effect from i.e. from April 23, 2024 and Members of the Company had approved the same vide special resolution dated July 19, 2024
3. Mr. Utsav Himanshu Trivedi was appointed by Board of Directors as an Additional Director (Independent Non Executive) of the Company with effect from i.e. from June 30, 2023. The Members at their 10th Annual General Meeting (AGM) held on Saturday, September 30, 2023 had approved regularisation of Mr. Utsav Himanshu Trivedi as an Independent Non Executive Director of the Company for a period of 5 (Five) years w.e.f. June 30, 2023.
4. Mr. Nilesh Hasmukhbhai Kothari was appointed by Board of Directors as an Additional Director (Executive) of the Company with effect from i.e. from April 23, 2024. Mr. Nilesh Hasmukhbhai Kothari was regularised as a Director of the Company for a period of 5 (Five) years w.e.f. April 23, 2024, through special resolution passed by the Members through the Postal Ballot dated July 19, 2024.
5. Ms. Shivani Rajeshbhai Pathak was appointed by Board of Directors as an Additional Director (Independent Non Executive) of the Company with effect from i.e. from June 17, 2024. Ms. Shivani Rajeshbhai Pathak was regularised as an Independent Non Executive Director of the Company for a period of 5 (Five) years w.e.f. June 17, 2023, through special resolution passed by the Members through the Postal Ballot dated July 19, 2024.

Names of the Entities where the person is a Director and the category of Directorship as on the date of this report set out below (other than this Company)

Sr. No.	Name of Director	Name of Company and Designation		
1	Mr. Nitinbhai Govindbhai Patel	1	Yuranus Infrastructure Limited	Managing Director
		2	NG Organics Private Limited	Director
		3	Axita Industries Private Limited	Director
		4	Axita Exports Private Limited	Director
		5	AKPR Infrastructure Private Limited	Director
		6	Axita Green Hydrogen Private Limited	Director
		7	KPR Sports And Media Private Limited	Director
2	Mr. Kushal Nitinbhai Patel	1	Yuranus Infrastructure Limited	Managing Director
		2	NG Organics Private Limited	Director
		3	Axita Industries Private Limited	Director
		4	Axita Exports Private Limited	Director
		5	AKPR Infrastructure Private Limited	Director
		6	Axita Green Hydrogen Private Limited	Director
		7	KPR Sports And Media Private Limited	Director
3	Mr. Kunjal Jayantkumar Soni *	1	Yuranus Infrastructure Limited	Director
		2	Vaxtex Cotfab Limited	Director
		3	Scarnose International Limited	Director
4	Mr. Vinod Kanubhai Rana *	1	Yuranus Infrastructure Limited	Director
5	Mr. Nilesh Hasmukhbhai Kothari	1	Yuranus Infrastructure Limited	Director
6	Mr. Utsav Himanshu Trivedi *	NIL		
7	Ms. Shivani Rajeshbhai Pathak *	1	Hindprakash Industries Limited	Director
		2	Adline Chem Lab Limited	Director

* Non Executive Independent Director

Retirement by Rotation:

In accordance with the Articles of Association and the relevant provisions of the Companies Act, 2013, Mr. Kushal Nitinbhai Patel, Managing Director of the Company retires by rotation at this Annual General Meeting and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment for the approval of the Shareholders of the Company.

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”).

During F.Y. 2023-2024, the Board of Directors of the Company comprised of:

- 6 (Six) Directors upto March 31, 2024
- 6 (Six) Directors from April 01, 2023

Out of 6 (Six) Directors on the Board, 1 (One) was Executive Director, 1 (One) was Non Executive Director and remaining 4 (Four) were Independent Directors.

Total Directors as on March 31, 2024:		Total	Percentage (%)
Executive Directors:			
1.	Nitinbhai Govindbhai Patel - Chairman Cum Managing Director	1	16.67%
Non-Executive Directors:			
2.	Kushal Nitinbhai Patel - Non-Executive Director	1	16.67%
Non-Executive Independent Directors:			
3.	Kunjal Jayantkumar Soni - Independent Director	4	66.67%
4.	Vinod Kanubhai Rana - Independent Director		
5.	Ms. Apeksha Sanjaykumar Vyas - Independent Director ¹		
6.	Mr. Utsav Himanshu Trivedi - Independent Director		
		6	100.00%

¹ Ms. Apeksha Sanjaykumar Vyas has resigned from the post of Independent Director w.e.f. June 12, 2024.

Thus, composition of the Board is in conformity with Regulation 17 of the 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.

The number of Directorship(s), Committee Membership(s)/Chairmanship(s) of all Directors is within respective limits prescribed under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 as amended from time to time

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:

Key Managerial Personnel List as on that of this report set out below:

Sr. No.	Name	Designation
1.	Mr. Nitinbhai Govindbhai Patel	Chairman Cum Managing Director
2.	Mr. Kushal Nitinbhai Patel ¹	Managing Director
3.	Mr. Harsh Kalpeshbhai Shah	Chief Financial Officer
4.	Mr. Shyamsunder Kiranbhai Panchal ²	Company Secretary & Compliance Officer

¹ The designation of Mr. Kushal Nitinbhai Patel was changed by Board of Directors to Managing Director of the Company with effect from i.e. from April 23, 2024 and Members of the Company approved the special resolution and approved the change of designation of Mr. Kushal Nitinbhai Patel as a Managing Director of the Company for a period of 5 (Five) years w.e.f. April 23, 2024, through the Postal Ballot dated July 19, 2024

² Mr. Shyamsunder Kiranbhai Panchal has been appointed as a Company Secretary & Compliance Officer with effect from April 01, 2023.

12. DIRECTORS' RESPONSIBILITY STATEMENT:

Based on the framework of internal financial controls and compliance system established and maintained by the Company, work performed by the internal, statutory, cost, and secretarial auditors and external agencies including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during financial year 2023-2024.

Accordingly, pursuant to Section 134(5) of the Companies Act, 2013 ("Act"), in relation to financial statements of the Company for the year ended March 31, 2024, the Board of Directors, to the best of its knowledge and ability confirms that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed and that there were no material departures;

- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis;
- e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were in place, are adequate and operating effectively.

13. 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 - C to this report.

14. 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 - D.

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.

15. 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.

16. 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 notes to the Financial Statements which is a part of this Annual Report.

17. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:

The Independent Directors have been updated with their roles, rights and responsibilities in the Company by specifying them in their appointment letter along with necessary documents, reports and internal policies to enable them to familiarize with the Company's Procedures and practices. The Company has through presentations at regular intervals, familiarized and updated the Independent Directors with the strategy, operations and functions of the Company and Agricultural Industry as a Whole and business model. The details of such familiarization programmes imparted to Independent Directors can be accessed on the website of the Company at www.axitacotton.com.

18. RELATED PARTY TRANSACTIONS:

All transactions with related parties are placed before the Audit Committee for its prior approval. Further, only those members of the Committee, who are Independent Directors, approve the related party transactions.

An omnibus approval from Audit Committee is obtained for the related party transactions which are repetitive in nature.

All transactions with related parties entered into during the year under review were at arm's length basis and in the ordinary course of business and in accordance with the provisions of the Act and the rules made thereunder, the SEBI Listing Regulations and your Company's Policy on Related Party Transactions.

The members of the Audit Committee abstained from discussing and voting in the transaction(s) in which they were interested. During FY2023-24, your Company has not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Act.

Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act, in Form AOC 2, is not applicable.

Your Company did not enter into any related party transactions during the year under review, which could be prejudicial to the interest of minority shareholders.

The Policy on Related Party Transactions is available on your Company's website and can be accessed using the link: <https://axitacotton.com/investor-relation/policies/>.

Pursuant to the provisions of Regulation 23 of the SEBI Listing Regulations, your Company has filed half yearly reports to the stock exchanges, for the related party transactions.

During the F.Y. 2023-2024, 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.

19. AUDITORS:

a. Statutory Auditors and Auditor's Report

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 committed against the Company by its officers or employees, the details of which would be required to be mentioned in the Directors' Report under Section 143 (12) of the Companies Act, 2013, to the Audit Committee of the Company during the year under review.

The Board of Directors of the Company, on the recommendation of the Audit Committee, has appointed M/s Mistry & Shah, Chartered Accountants, Ahmedabad a partnership firm (FRN: 122702W) as Statutory Auditors of the Company at its Meeting held on March 08, 2019 to fill the casual vacancy, subject to the approval of the members of the company at ensuing AGM / EGM.

On Friday, April 12, 2019, at the Extra Ordinary General Meeting, Members of the Company, approved the appointment of M/s Mistry & Shah, Chartered Accountants, Ahmedabad a partnership firm (FRN: 122702W) for the was appointed as the Statutory Auditors of the Company, for the financial year 2018-2019, to fill the casual vacancy due to the resignation of M/s. Manish Dave & Co., Chartered Accountants, Ahmedabad.

As M/s Mistry & Shah, Chartered Accountants, Ahmedabad a partnership firm (FRN: 122702W) appointment was to fill the casual vacancy their tenure of appointment was came to an end on the Sixth (6th) Annual General Meeting and they being eligible to appointed as the Statutory Auditors of the Company, in terms of the provisions of Section 139, 141, 142, 143 of the Companies Act, 2013, read with the Companies (Audit and Auditors) rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they gave their consent and the eligibility letter, dated August 16, 2019, along with a confirmation that, their appointment, if made, would be within the limits prescribed under the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

On Friday, September 27, 2019, at the 6th Annual General Meeting, the Members of the Company, had approved the appointment of M/s Mistry & Shah, Chartered Accountants, Ahmedabad a partnership firm (FRN: 122702W), as the Statutory Auditors of the Company to hold office for the five (5) consecutive years from the conclusion of the Sixth (6th) AGM till the conclusion of the Eleventh (11th) AGM of the Company to be held in the year 2024. Later to the year 2019, M/s Mistry & Shah, Chartered Accountants, Ahmedabad a partnership firm (FRN: 122702W) was converted to Limited Liability Partnership Firm (“LLP”) vide certificate of Incorporation on April 29, 2020 and name was amended to M/s Mistry & Shah. LLP, Chartered Accountants (Firm Registration No. 122702W / W100683).

On the recommendation of the Audit Committee and consideration of the Board of the Directors of the Company in its meeting held on September 05, 2024, a suitable Resolution is being incorporated in the Notice convening the 11th Annual General Meeting at *Item No. 4* seeking reappointment of M/s Mistry & Shah. LLP, Chartered Accountants (Firm Registration No. 122702W/W100683), as the Statutory Auditors of the Company, for the second (2nd) consecutive term of Four (4) years from the conclusion of this of the Eleventh (11th) AGM till the conclusion of Sixteenth (16th) AGM of the Company to be held in the year 2029, at a remuneration as may be mutually agreed between the Board and the Statutory Auditors.

b. Cost Auditors and Cost Audit

In the financial year 2023-2024, on basis of recommendation by Audit Committee and approval of the Board of Directors of the Company at their meeting held on August 08, 2023, had approved the appointment of Ms. Reena K. Patadiya (ACMA and M.Com.), Proprietor of a Proprietorship firm (PAN BJFPP1420A and Firm Registration No. 004346) as a Cost Auditor of the Company to audit the Company’s Cost Records relating to manufacture of Cotton Yarn and other Products for the year 2023-2024 at a remuneration of 35,000/- (Rupees thirty Five thousand only) exclusive of GST and out of pocket expenses.

Ms. Reena K. Patadiya (ACMA and M.Com.), Proprietor of a Proprietorship firm (PAN BJFPP1420A and Firm Registration No. 004346), Cost Accountants, Ahmedabad has carried out the cost audit for applicable businesses during the year. The Board of Directors has appointed them as Cost Auditors for the financial year 2024-2025. The remuneration payable to the Cost Auditors is required to be placed before the Members in a general meeting for their ratification. Accordingly, a suitable Resolution is being incorporated in the Notice convening the 11th Annual General Meeting at *Item No. 5* seeking Members’ ratification for the remuneration payable to Ms. Reena K. Patadiya (ACMA and M.Com.), Proprietor of a Proprietorship firm (PAN BJFPP1420A and Firm Registration No. 004346), Cost Accountants, Ahmedabad

In accordance with the provisions of Section 148(1) of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, the Company has maintained cost accounts and records.

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. 2023-2024 to conduct Secretarial Audit and the Secretarial Audit Report in Form MR-3.

Pursuant to Regulation 24A of the SEBI Listing Regulations, a report on Secretarial Compliance has been issued by M/s. SCS And CO. LLP, Practicing Company Secretaries, Ahmedabad, for the financial year ended March 31, 2024 and the same is being submitted to stock exchanges. The report is available on the website of the Company at <https://axitacotton.com/investor-relation/t-secretarial-compliance-report/>.

A report from the Secretarial Auditor in the prescribed Form MR-3 is annexed to this report as an Annexure - E. It does not contain any qualification, reservation or adverse remark and the Company has complied with the provisions of the Act, Rules made there under, Regulations, guidelines etc. except following;

Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary																																								
1.	Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Delay by Company in entering some of UPSI Sharing Entries in software (Structured Digital Database)	<p>There is a Delay by Company in entering of following mentioned UPSI Sharing Entries in software.</p> <table border="1"> <thead> <tr> <th>Nature of UPSI</th> <th>Event date</th> <th>Captured date</th> <th>Delay by</th> <th>Management Response</th> </tr> </thead> <tbody> <tr> <td>Outcome of board meeting for financial result for the year ended March 31, 2023</td> <td>28-04-2023</td> <td>29-04-2023</td> <td>1 day</td> <td>Management of the Company will be more alert in making entries of UPSI sharing into software the same day on which UPSI is shared to any Designated Person for any specific compliance purpose.</td> </tr> <tr> <td>Intimation of Board Meeting for Buyback</td> <td>18-05-2023</td> <td>19-05-2023</td> <td>1 day</td> <td>The delay was purely unintentional, to make all compliance within due date, UPSI sharing entries into software got delayed.</td> </tr> <tr> <td>Outcome for appointment and resignation of Independent Directors</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Intimation & Outcome of Interim Dividend for the half year ended September 30, 2023</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Outcome of Board Meeting for results for quarter ended September 30, 2023</td> <td>03-11-2023</td> <td>04-11-2023</td> <td>1 day</td> <td></td> </tr> <tr> <td>Intimation for Issue of Bonus Shares</td> <td>16-11-2023</td> <td>17-11-2023</td> <td>1 day</td> <td></td> </tr> <tr> <td>Intimation for Receipt of order</td> <td>22-11-2023</td> <td>23-11-2023</td> <td>1 day</td> <td></td> </tr> </tbody> </table>	Nature of UPSI	Event date	Captured date	Delay by	Management Response	Outcome of board meeting for financial result for the year ended March 31, 2023	28-04-2023	29-04-2023	1 day	Management of the Company will be more alert in making entries of UPSI sharing into software the same day on which UPSI is shared to any Designated Person for any specific compliance purpose.	Intimation of Board Meeting for Buyback	18-05-2023	19-05-2023	1 day	The delay was purely unintentional, to make all compliance within due date, UPSI sharing entries into software got delayed.	Outcome for appointment and resignation of Independent Directors					Intimation & Outcome of Interim Dividend for the half year ended September 30, 2023					Outcome of Board Meeting for results for quarter ended September 30, 2023	03-11-2023	04-11-2023	1 day		Intimation for Issue of Bonus Shares	16-11-2023	17-11-2023	1 day		Intimation for Receipt of order	22-11-2023	23-11-2023	1 day	
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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 M/s RJ and Associates, Cost Accountants, a Partnership firm (PAN ABCFR2322R and Firm Registration No. 004690), was appointed as an Internal Auditor of the Company for Internal Audit of the Company for F.Y. 2023-2024.

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.

20. INSURANCE:

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

21. 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.

22. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

Your Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for Directors and employees in confirmation with Section 177 of the Act and Regulation 22 of SEBI Listing Regulations, to facilitate reporting of the genuine concerns about unethical or improper activity, without fear of retaliation.

The vigil mechanism of your Company provides for adequate safeguards against victimization of Directors and employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases.

No person has been denied access to the Chairman of the Audit Committee. The said Policy is uploaded on the website of the Company at www.axitacotton.com.

During the year under review, your Company had not received any complaint under the whistle blower policy.

23. CORPORATE SOCIAL RESPONSIBILITY AND CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

In accordance with the provisions of section 135 of the Companies Act, 2013, the Company is required to do CSR Expenditure for the financial year 2023-2024 as Net profit of the Company exceeded the specified threshold in the preceding financial year 2022-2023. In compliance with the provisions of Section 135, the board of Directors of the Company has formulated CSR policy and the same has been placed on the website of the Company i.e. <https://axitacotton.com/investor-relation/policies/>.

Pursuant to Section 135(3)(b) of the Companies Act, 2013, The Corporate Social Responsibility Committee recommended total CSR expenditure of Rs. 31,86,498/- for F.Y. 2023-2024 to the Board of Directors of the Company. Your Company had spent total amount of Rs. 54,79,530/- for F.Y. 2023-2024.

Sr. No.	Particular	Amount in Rs.
i	Two percent of average net profit of the Company as per section 135(5)	31,86,497.85
ii	Total amount spent for the Financial Year	54,79,530.00
iii	Excess amount spent for the financial year [(ii)-(i)]	22,93,032.15
iv	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	5,100.75
v	Amount available for set off in succeeding financial years [(iii)-(iv)]	22,98,132.90

The Company’s CSR Policy Statement and Annual Report on the aforesaid CSR activities undertaken during the financial year ended March 31, 2024, in accordance with Section 135 of the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out in Annexure - I to this report.

24. MEETINGS OF THE COMPANY:

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 Companies Act, 2013.

Fourteen Board Meetings were held during the year under review. The dates and notices were fixed/issued well in advance in compliance with the Secretarial Standards. Meetings were held on 1) Friday, April 28, 2023, 2) Tuesday, May 23, 2023, 3) Monday, June 05, 2023, 4) Wednesday, June 21, 2023, 5) Friday, June 30, 2023, 6) Tuesday, August 08, 2023, 7) Tuesday, August 29, 2023, 8) Monday, September 04, 2023, 9) Friday, November 03, 2023, 10) Thursday, November 23, 2023, 11) Thursday, December 28, 2023, 12) Friday, January 19, 2024, 13) Friday, February 23, 2024 and 14) Wednesday, March 27, 2024 at the registered office of the Company i.e. Survey No. 324, 357, 358, Kadi - Thol Road, Borisana, Kadi, Mahesana - 382715, Gujarat, India. The Composition of Board, procedure, venue, dates, time and other details are included in the Corporate Governance Report that forms part of this Report.

25. COMMITTEE OF BOARDS:

As required by the provisions of the Act and Listing Regulations, the Company has already formed the following Committees, the details of which are disclosed in the Report on Corporate Governance forming part of this Report.

The Board of Directors has constituted 5 Committees of the Board viz.

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee (w.e.f 28-04-2023 as applicable in FY 2023-2024)

Independent Directors' Meeting:

The Independent Directors met on Saturday, March 30, 2024, without the attendance of Non-Independent Directors and members of the management. The Independent Directors reviewed the performance of Non-Independent Directors, the Committees and the Board as a whole along with the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Board Evaluation and familiarization Programme:

The Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structure devaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

During the year under review, the Company has also conducted familiarization of the Directors on different aspects.

26. RISK MANAGEMENT POLICY

Under the framework, the Company has laid down a Risk Management Policy which defines the process for identification of risks, its assessment, mitigation measures, monitoring and reporting. While the Company, through its employees and Executive Management, continuously assess the identified Risks, the Risk Management Committee reviews the identified Risks and its mitigation measures annually.

The top 10 risks identified by the Company includes – 2 Strategic Risks, 7 Operational Risks & 1 Regulatory Risks. Key Strategic Risks include demand destruction / shift, geopolitical issues and reputational risks. Key Operating Risks include customer concentration, vendor concentration, availability of competent human resource, major system outages, industrial safety, sustainability and cyber security / data protection. Regulatory Risks include litigation and regulatory compliances.

Pursuant to Section 134 (3) (n) of the Companies Act, 2013 and Regulation 17(9) of SEBI (LODR) Regulations, 2015, the Company has developed and implemented the Risk Management Policy. The policy envisages identification of risk and procedures for assessment and strategies to mitigate / minimisation of risk thereof. The Risk Management Policy of the Company is available at the Company's website www.axitacotton.com and other details are included in the Corporate Governance Report that forms part of this Report.

Cyber Security:

In view of increased cyberattack scenarios, the cyber security maturity is reviewed periodically and the processes, technology controls are being enhanced in-line with the threat scenarios. Your Company's technology environment is enabled with real time security monitoring with requisite controls at various layers starting from end user machines to network, application and the data.

Reporting of frauds by Auditors:

During the year under review, the Statutory Auditors and Secretarial Auditor have not reported any instances of fraud committed against the Company by its officers or employees to the Audit Committee or the Board under section 143(12) of the Act

27. DISCLOSURE RELATION TO REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The details of remuneration paid during the financial year 2023-2024 to Directors and Key Managerial Personnel of the Company is provided in Form MGT- 7 which is uploaded on the website of the Company at www.axitacotton.com

28. 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.

29. LISTING:

The Equity Shares of the Company listed at BSE Limited (Main Board) and National Stock Exchange of India Limited (Main Board). The Annual Listing Fees for the Financial Year 2023-2024 has been paid to BSE Limited and National Stock Exchange of India Limited and other details are included in the Corporate Governance Report that forms part of this Report.

30. 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 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.

31. 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 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they have complied with the Code for Independent Directors as prescribed in Schedule IV to the Act.

32. 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 www.axitacotton.com

33. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has in place adequate internal financial controls with reference to the Financial Statements commensurate with the size, scale and complexity of its operations. During the year, such controls were tested and no reportable material weakness in the design or operation was observed. The Statutory Auditors of the Company have audited such controls with reference to the Financial Reporting and their Audit Report is annexed as [Annexure A](#) to the Independent Auditors' Report under the Standalone Financial Statements and the Consolidated Financial Statements which forms part of the Integrated Annual Report.

34. CORPORATE GOVERNANCE:

Your Company strives to incorporate the appropriate standards for corporate governance. During the Financial Year 2023-2024, pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has complied with the requirements regarding Corporate Governance as stipulated in SEBI (LODR) Regulations, 2015. As required under Schedule V (C) of SEBI (LODR) Regulations, 2015, a report on Corporate Governance being followed by the Company is attached as [Annexure - F](#).

No complaints had been received pertaining to sexual harassment, during the year under review. The relevant statutory disclosure pertaining to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, are available at Point No: 10(l) of Corporate Governance Report.

As required under Schedule V (E) of LODR, a Certificate from the Secretarial Auditor of the Company confirming the compliance of conditions of Corporate Governance is attached as [Annexure - 1](#).

As required under Regulation 34(3) read with Schedule V Para C (10)(i) of LODR, Certificate from the Secretarial Auditor that none of the Company's Directors have been debarred or disqualified from being appointed or continuing as Directors of Companies, is enclosed as [Annexure - 2](#).

As required under Regulation 17(8) read with as specified in Part B of Schedule II of LODR, Compliance Certificate furnished by Managing Director and Chief Financial Officer regarding the reviewed of financial statements and the cash flow statement for the year and certified that to the best of their knowledge there are no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the

listed entity's code of conduct. They also confirm and accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the listed entity and same have been indicated to the auditors and the Audit committee. The said Compliance Certificate is attached as Annexure - 3.

35. 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 - H.

36. 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.

37. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:

During the Financial Year 2023-2024 and as on March 31, 2024, the Company was not fall under the Regulation 34(2)(f) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, for the reporting on Business Responsibility and Sustainability Report. However, pursuant to the SEBI vide Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023 and Regulation 34(2)(f) SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, your Company has prepared and Business Responsibility and Sustainability Report and same is annexed with this Director Report as Annexure – G.

38. SECRETARIAL STANDARDS:

Secretarial Standards as applicable to the Company were followed and complied with during the Financial Year 2023-2024.

39. 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.

40. 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.

41. 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.

42. ENHANCING SHAREHOLDERS VALUE:

Your Company believes that its Members are its most important stakeholders. Accordingly, the Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. The Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.

43. OTHER DISCLOSURES:

The Board of Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions or applicability pertaining to these matters during the year under review:

1. Fraud reported by the Auditors to the Audit Committee or the Board of Directors of the Company.
2. Payment of remuneration or commission from any of its holding or subsidiary companies to the Managing Director/ Whole Time Director of the Company.
3. Voting rights which are not directly exercised by the employees in respect of shares for the subscription / purchase of which loan was given by the Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under section 67(3)(c) of the Companies Act, 2013).
4. There were no significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operations in future.
5. There was no application made or proceeding pending under the Insolvency and Bankruptcy Code, 2016.
6. One time settlement of loan obtained from the banks or financial institutions.

44. APPRECIATION & ACKNOWLEDGEMENTS:

Your Board takes this opportunity to thank Company's employees for their dedicated service and firm commitment to the goals & vision of the Company. Your directors take this opportunity to thank our customers for their continued loyalty with our products which has resulted in the Company's extraordinary success in industry even in this unprecedented times. The Board also wishes to place on record its sincere appreciation for the wholehearted support received from the shareholders, investors and bankers. Further we would also like to acknowledge the support and assistance extended by the Regulatory Authorities such as SEBI, Stock Exchanges and other Central & State Government authorities and agencies, Auditors, Registrars, Legal Advisors and other consultants. We look forward to continued support of all them in future as well.

Registered office:

**Servey No. 324 357 358, Kadi Thol
Road, Borisana Kadi, Mahesana –
382715, Gujarat, India.**

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

**Date: September 05, 2024
Place: Kadi, Mahesana**

**Nitinbhai Govindbhai Patel
Chairman Cum Managing Director
DIN: 06626646**

**Kushal Nitinbhai Patel
Managing Director
DIN: 06626639**

ANNEXURE - A TO DIRECTORS' REPORT:

AXITA EMPLOYEE STOCK OPTION PLAN 2023 (“ESOP SCHEME”)

DISCLOSURES UNDER REGULATION 14 OF THE SEBI (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021

The details of ESOS 2021 for the year ended March 31, 2024 are as under:

Sr No	Scheme	ESOP 2023
1.	Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time	As the Company has not yet granted ESOPs the said clause is not applicable to the Company
2.	Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by Central Government or any other relevant accounting standards as issued from time to time	As the Company has not yet granted ESOPs the said clause is not applicable to the Company
3.	Details related to ESOS:	
a.	Date of shareholder's approval	September 30, 2023
	Date of shareholder's approval for the amendment in the Scheme	March 26, 2024
b.	Total number of Options approved under ESOP 2023	Upto 9000000 (Ninety Lakhs Only) Options to the eligible Employees of the Company
c.	Vesting requirements	The Option(s) granted under the Scheme shall vest not earlier than a minimum period of 1 (One) year from the Grant Date. The Option(s) once granted shall vest within a maximum period of 1 (One) year from the Grant Date
d.	Exercise price or pricing formula	Exercise Price being the face value per Equity Share(s) or such price as may be decided by the Administrator (Board or the Nomination and Remuneration Committee), subject to a minimum of the face value per Equity Share
e.	Maximum term of options granted	Options granted under ESOP 2023 shall be capable of being exercised within a period of one year from the date of Vesting of the respective Employee Stock Options.
f.	Source of shares (primary, secondary or combination)	Primary
g.	Variation of terms of options	None
4.	Method used to account for ESOP 2023 - Intrinsic or fair value.	The Company may use the Intrinsic Value Method or Fair Value Method as per applicable Accounting Standards and other regulatory provisions for valuation of Stock Based Instruments granted. If Intrinsic Value Method is used the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the Stock Based Instruments and the impact of this difference on profits and on Earnings Per Share (EPS) of the Company shall also be disclosed in the Board's report.

Sr No	Scheme	ESOP 2023
5.	<p>Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on the profits and EPS of the Company shall also be disclosed.</p> <p>1. Difference between Intrinsic value and Fair value compensation cost 2. Impact on the Profits of the Company (Rs.) 3. Impact on Basic Earnings Per Share of the Company (Rs.) 4. Impact on Diluted Earnings Per Share of the Company (Rs.)</p>	Not applicable
6.	Option movement during the year	None
7.	<p>Weighted average exercise prices of options whose</p> <p>1. Exercise price equals market price of stock 2. Exercise price exceeds market price of stock 3. Exercise price is less than market price of stock</p> <p>Weighted average fair value of options whose</p> <p>1. Exercise price equals market price of stock 2. Exercise price exceeds market price of stock 3. Exercise price is less than market price of stock</p>	Not applicable - - - Not applicable - - -
8.	<p>Employee wise details of options granted to:</p> <p>1. Senior managerial personnel 2. any other employee who receives a grant in any one year of options amounting to five per cent or more of options granted during that year; 3. identified employees who were granted options, during any one year, equal to or exceeding one per cent of the issued capital (excluding outstanding warrants and conversions) of the issuer at the time of grant</p>	None None None
9.	<p>Employee wise details of options granted to:</p> <p>1. Share price (Rs.) 2. Exercise price (Rs.) 3. Expected volatility (%) 4. Risk-free interest rate (%) 5. Any other inputs to the model 6. Method used and the assumptions made to incorporate effects of expected early exercise 7. How expected volatility was determined, including an explanation of the extent of to which expected volatility was based on historical volatility 8. Whether any or how any other features of option grant were incorporated into the measurement of fair value, such as market condition.</p>	None None None None None None None None
10.	<p>Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to (a) Senior Managerial Personnel; (b) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and (c) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant</p>	None

Sr No	Scheme	ESOP 2023
11.	A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information viz. (a) the weighted average values of share price, exercise price, expected volatility, expected option life expected dividends, the risk-free interest rate and any other inputs to the model; (b) the method used and the assumptions made to incorporate the effects of expected early exercise; (c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and (d) whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	None



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 in to by the Company during the financial year ended on March 31, 2024, 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
1.	Name(s) of the related party and nature of relationship	Aditya Oil Industries Limited – Company wherein directors are interested	Kushal Nitinbhai Patel- Non Executive Directors	Gitaben Nitinbhai Patel- Relative of Directors	Pooja Kushal Patel- Relative of Directors
2.	Nature of contracts/ arrangements/ transactions	Purchase of Product & Sale of Product	Payment of Professional Fees	Payment of Remuneration	Payment of Remuneration and Professional Fees
3.	Duration of the contracts / arrangements/ transactions	F.Y. 2023-2024	F.Y. 2023-2024	F.Y. 2023-2024	F.Y. 2023-2024
4.	Salient terms of the contracts or arrangements or transactions including the value, if any	Purchase of Product: Rs. 7.73 Lakh Sale of Product: Rs. 701.65 Lakh	Fixed: Rs. 28.01 Lakhs Professional Fees Rs. 21.24 Lakhs	Payment of Remuneration Rs. 30 Lakh	Payment of Remuneration Rs. 17.50 Lakh Professional fees Rs. 10.00 Lakh
5.	Date(s) of approval by the Board	April 28, 2023 and September 04, 2024	September 04, 2023	April 28, 2023	April 28, 2023
6.	Amount paid as advances, if any	N.A.	N.A.	N.A.	N.A.

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

Registered office:

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

For and on behalf of the Board of Directors

Axita Cotton Limited
CIN: L17200GJ2013PLC076059

Date: September 05, 2024

Place: Kadi, Mahesana

Nitinbhai Govindbhai Patel
Chairman Cum Managing Director

DIN: 06626646

Kushal Nitinbhai Patel
Managing Director

DIN: 06626639

ANNEXURE - C 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:**

Your Company has given a lot of attention to energy conservation which is as below:

- We keep upgrading LEDs.
- Services the machines regularly so that the machines run efficiently and reduce power consumption.
- We maintain our Compressors.
- We guide our staff to turn off the light where the light is not used. This is a very small step but it creates awareness among the staff.
- The Machines are run by a trained person so that the machine can run efficiently and save energy consumption.

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

Last Year your Company had taken initiative to generate energy through renewable sources like solar power and your Company installed solar rooftop at the factory premises. This year also your Company is using it as alternate source of energy.

iii. The capital investment on energy conservation equipment:

During the year under review, Company has fitted solar panels at our factory, to save energy by utilising along with electricity.

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. The 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 OUTFLOW

- i). **Details of Foreign Exchange Earnings:**

(Amount in Lakh)			
Sr. No.	Particulars	F.Y. 2023-2024	F.Y. 2022-2023
1.	Foreign Exchange Earnings*	6,853.27	8230.76

- ii). **Details of Foreign Exchange Expenditure:**

(Amount in Lakh)			
Sr. No.	Particulars	F.Y. 2023-2024	F.Y. 2022-2023
1.	Foreign Exchange Outgo	398.51	494.54

*Amount derived based on export of the Company.

Registered office:

Survey No. 324 357 358, Kadi Thol
 Road, Borisana Kadi, Mahesana –
 382715, Gujarat, India.

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

Date: September 05, 2024
 Place: Kadi, Mahesana

Nitinbhai Govindbhai Patel
Chairman Cum Managing Director
DIN: 06626646

Kushal Nitinbhai Patel
Managing Director
DIN: 06626639

**ANNEXURE - D 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 (APPOINTMENTS 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 / Decrease
1.	Kushal Nitinbhai Patel	Managing Director	Remuneration	-8.55: 1	-46.65
2.	Nitinbhai Govindbhai Patel	Managing Director	Remuneration	-12.49: 1	-12.49
3.	Kunjali Jayantkumar Soni	Independent Executive Director	Non Sitting Fees	-	Not Applicable
4.	Vinod Kanubhai Rana	Independent Executive Director	Non Sitting Fees	-	Not Applicable
5.	Apeksha Sanjaykumar Vyas	Independent Executive Director	Non Sitting Fees	-	Not Applicable
6.	Utsav Himanshu Trivedi	Independent Executive Director	Non Sitting Fees	-	Not Applicable
7.	Harsh Kalpeshbhai Shah	Chief Financial Officer	Salary	6.65: 1	25.86
8.	Shyamsunder Kiranbhai Panchal	Company Secretary and Compliance Officer	Salary	3.19: 1	-1.32

- Mr. Utsav Himanshu Trivedi has been appointed (regularised) as an Independent Director w.e.f. September 30, 2023.
- Mr. Apeksha Sanjaykumar Vyas has resigned from the post of Independent Director w.e.f. June 12, 2024.

Note: We have considered only permanent employees of the Company.

- 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 increased by 20.70 % over the previous financial year.

- c) **The number of permanent employees on the rolls of the Company:** 22 permanent Employees as on March 31, 2024.

Average percentile increases 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 (9.47%) decrease was made in salary of employees. The average remuneration increased due to increase in number of employee of the Company and qualitative pay-out to the CFO of the Company. Whereas remuneration of the executive Directors increased by 25.86 %. The remuneration paid to executive directors were within the limit as per approved by the shareholders of the Company.

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

Registered office:

**Servey No. 324 357 358, Kadi Thol
Road, Borisana Kadi, Mahesana –
382715, Gujarat, India.**

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

**Date: September 05, 2024
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 MR-3**

For the financial year ended March 31, 2024

[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, Mahesana-382715, Gujarat, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **Axita Cotton Limited** (hereinafter called 'the **Company**') for the Financial Year ended March 31, 2024. Secretarial Audit was conducted in a manner that provided us 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, 2024, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 except minute books 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. Foreign Exchange Management Act, 1999 (FEMA) and the rules and regulations made there under to the extent of Foreign 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 and circulars/ guidelines/Amendments issued there under;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and circulars/ guidelines/Amendments issued there under;
 - c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars/ guidelines/Amendments issued there under;
 - d) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
 - e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018
 - f) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and circulars/ guidelines/Amendments issued there under
 - g) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
- vi. Revised Secretarial Standards issued by the Institute of Company Secretaries of India.

During the year under the report, the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above read with circulars, notifications and amended rules, regulations, standards etc. issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and such regulatory authorities for such acts, rules, regulations, standards etc. as may be applicable, from time to time issued for compliances, have been complied by the Company.

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

Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary																																
1.	Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015.	Delay by Company in entering some of UPSI Sharing Entries in software (Structured Digital Database)	<p>There is a Delay by Company in entering of following mentioned UPSI Sharing Entries in software.</p> <table border="1"> <thead> <tr> <th>Nature of UPSI</th> <th>Event date</th> <th>Captured date</th> <th>Delay by</th> </tr> </thead> <tbody> <tr> <td>Outcome of board meeting for financial result for the year ended March 31, 2023</td> <td>28-04-2023</td> <td>29-04-2023</td> <td>1 day</td> </tr> <tr> <td>Intimation of Board Meeting for Buyback</td> <td>18-05-2023</td> <td>19-05-2023</td> <td>1 day</td> </tr> <tr> <td>Outcome for appointment and resignation of Independent Directors</td> <td colspan="3">The Entry was done on same day but after publishing the outcome to the Stock Exchange.</td> </tr> <tr> <td>Intimation & Outcome of Interim Dividend for the half year ended September 30, 2023</td> <td colspan="3">The Entry was not made in the software.</td> </tr> <tr> <td>Outcome of Board Meeting for results for quarter ended September 30, 2023</td> <td>03-11-2023</td> <td>04-11-2023</td> <td>1 day</td> </tr> <tr> <td>Intimation for Issue of Bonus Shares</td> <td>16-11-2023</td> <td>17-11-2023</td> <td>1 day</td> </tr> <tr> <td>Intimation for Receipt of order</td> <td>22-11-2023</td> <td>23-11-2023</td> <td>1 day</td> </tr> </tbody> </table>	Nature of UPSI	Event date	Captured date	Delay by	Outcome of board meeting for financial result for the year ended March 31, 2023	28-04-2023	29-04-2023	1 day	Intimation of Board Meeting for Buyback	18-05-2023	19-05-2023	1 day	Outcome for appointment and resignation of Independent Directors	The Entry was done on same day but after publishing the outcome to the Stock Exchange.			Intimation & Outcome of Interim Dividend for the half year ended September 30, 2023	The Entry was not made in the software.			Outcome of Board Meeting for results for quarter ended September 30, 2023	03-11-2023	04-11-2023	1 day	Intimation for Issue of Bonus Shares	16-11-2023	17-11-2023	1 day	Intimation for Receipt of order	22-11-2023	23-11-2023	1 day
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Company being engaged in the business of producing cotton bales and cotton seeds, there are few specific applicable acts to the Company, we have relied on the representation made by the Company and its officers for system and mechanism framed by the Company for compliances of the following law specifically applicable to Company: -

- The Gujarat Textile Policy, 2012

During the Period under review, provisions of the following Acts, Rules, Regulations, Guidelines, Standards, etc. were not applicable to the Company:

- The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;- 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 in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- ii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- iii. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment and External Commercial Borrowings; and
- v. Securities and Exchange Board of India (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008

We further report that -

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

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.

Since none of the members have communicated dissenting views in the matters / agenda proposed from time to time for consideration of the Board and Committees thereof, during the year under the report, hence were not required to be 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 year under review, following special events have taken place –

- Buyback of 900000 fully paid-up Equity Shares of the Company;
- Alteration of “MAIN OBJECT CLAUSE III (A)” of the Memorandum of Association of the Company through resolution passed in the Annual General Meeting dated September 30, 2023 as below;
 2. To carry on business of Import, Export, processing, packing, re-packing, trading in, purchase, sell and cultivate, grow, produce, harvest raise or deal in agriculture produce as agriculturists, farmers or gardeners and to act as mercantile agents, clearing and forwarding agents, brokers, consignors, consignees, conversion, sub-agents, distributors, distribution agents, dealers and manufacturers, representatives, marketing agents or consultants, act as stockiest or storage with the installation for plant, machinery, cold storage, air conditioning, refrigeration and other equipment of the same on own premises or leased premises and promote & sell their own brand along with farmer produce or otherwise deal in any other manner deal in all types of food and food products, organic foods, processed foods, packed foods, frozen foods, canned and Jarred foods, poultry products, groceries including ready to eat preparations, condiments, other ethnic preparations, agricultural produce of all description and to do trading of the all types of agri-commodities whether organic or inorganic whether perishable or non- perishable such as seeds, soya bean, wheat, rice & rice products, maize, all types of grains, pulses, dal, oats, cash crops, sugar cane, sugar, vegetables, cereals and fruits including dehydrated fruits and vegetables and their products, preserved fruits, dry fruits, jam, pickles, masalas, masala mixes, coffee and coffee products, tea & Tea products, edible oils, hydrogenated fat, vanaspathi, tallow, meat and meat products, marine products, poultry, piggery, prawn and pisci-culture, dairy products, condensed milk, flavored milk, ice cream, butter, ghee, backed products, pastries, confectioneries, sweets, biscuits, chocolates, beverages, fruit juices, concentrates, mineral water, soft drinks, syrups, preservatives, flavors, colouring agents, emulsifiers, food supplements, nutrients, natural or synthetic chemicals used for processing and preservation in the food industry.
 3. To do the business of consultants and advisor and give information on time to time basis about the new policies and procedure advised by the GOI on organic production of different crop and give advice on the rates of organic produces along with future prices trends to do also provide consultations on hydroponics and aeroponics farming along with end to end solutions.

- Approval of the Axita Employee Stock Option Plan 2023 (“Plan” OR “ESOP 2023”) and Grant of Stock Options to the Eligible Employees of the Company under the ESOP 2023 through resolution passed in the Annual General Meeting dated September 30, 2023;
- Approval of Issuance of Bonus Shares vide Extra Ordinary General Meeting dated December 16, 2023;
- Amendments in Axita Employee Stock Option Plan 2023 (“Plan” Or “ESOP 2023”) vide Postal Ballot dated March 26, 2024;
- Grant of Employee Stock Options Under the Axita Employee Stock Option Plan 2023 to Employees of Group Company Including Subsidiary Company or Its Associate Company, In India or Outside India, or of a Holding Company of the Company as Applicable vide Postal Ballot dated March 26, 2024.

For, SCS and Co. LLP
Company Secretaries
Firm Registration Number: L2020GJ008700
Peer Review Number: 5333/2023

Anjali Sangtani
Partner
M. No.: A41942, COP: 23630
UDIN: A041942F001152326

Date: September 05, 2024
Place: Ahmedabad

Note: This Report is to be read with my letter of above date which is annexed as Annexure I and forms an integral part of this report.

Annexure I

To,
The Members,
AXITA COTTON LIMITED
(CIN: - L17200GJ2013PLC076059)
Servey No. 324, 357, 358, Kadi-Thol Road,
Borisana Kadi, Mahesana-382715, Gujarat,
India

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 our 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 based on the records and documents provided to us, on test basis, to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices followed by us provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. 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.
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
Firm Registration Number: L2020GJ008700
Peer Review Number: 5333/2023

Anjali Sangtani
Partner
M. No.: A41942, COP: 23630
UDIN: A041942F001152326

Date: September 05, 2024
Place: Ahmedabad

ANNEXURE - F TO DIRECTORS' REPORT:

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is a system by which Corporates are directed and controlled for the attainment of its objectives in a highly effective manner so as to achieve positive results thereby maximising the returns to the stakeholders.

Since inception, Axita Cotton Limited ("Axita") is consistently following its self-determined goals on Corporate Governance. The object of the Company is to protect and enhance the value of all the stakeholders of the Company viz., shareholders, creditors, customers and employees. It strives to achieve these objectives through high standards in dealings and following business ethics in all its activities.

The Company lays great emphasis on team building and motivation. A contented and well developed worker will give to the Company better work and therefore better profits. The Company has strong faith in innate and infinite potential of human resources. It believes in the creative abilities of the people who work for the Company and believes in investing in their development and growth as foundation for strong and qualitative growth of the Organization.

The Company also believes that as the Organization grows, the society and the community around it should also grow.

2. BOARD OF DIRECTORS:

The Board of Directors ("Board"), is the highest authority for the governance and the custodian who push our businesses in the right direction and is responsible for the establishment of cultural, ethical, sustainable and accountable growth of the Company. The Board consists of eminent Professionals from different fraternity empowering the Corporate's strive for sustained better Corporate Governance practices. It comprises Six Directors viz., One Chairman & Executive Director, One Non-Executive & Non-Independent Director and four Independent Directors (Including One woman Director) having no business relationship with the Company & constituting more than 50% of Board's composition in compliance with the Listing Regulation & Companies Act, 2013 ('Act')

The following is the Composition of the Board as at March 31, 2024:

- (i) Composition and category of directors, for example, promoter, executive, non- executive, independent non-executive, nominee director, which institution represented as lender or as equity investor.

Name of Director	Category Cum Designation	Total Directorship	No. of Committee ¹	
			in which Director is Members	in which Director is Chairman
Mr. Nitinbhai Govindbhai Patel	Chairman cum Managing Director (Promoter)	5	2	-
Mr. Kushal Nitinbhai Patel	Non-Executive - Non Independent Director (Promoter)	5	1	-
Mr. Kunjal Jayantkumar Soni	Independent Director	4	6	3
Mr. Vinod Kanubhai Rana	Independent Director	2	4	1
Ms. Apeksha Sanjaykumar Vyas ²	Independent Director	5	9	1
Mr. Utsav Himanshu Trivedi ³	Independent Director	1	2	1

1. Committee includes Audit Committee and Shareholders' Grievances Committee across all Public Companies including Axita Cotton Limited. Excluding LLPs, Section 8 Company & struck of Companies. Total Directorship includes Axita Cotton Limited also.
2. Ms. Apeksha Sanjaykumar Vyas was a an Independent Non Executive Director of the Company upto the date of June 12, 2024 and has tendered her resignation from the office of Independent Directorship and committee of the Company with effect from i.e. from June 12, 2024 due to pre occupation.
3. Mr. Utsav Himanshu Trivedi was appointed by Board of Directors as an Additional Director (Independent Non Executive) of the Company with effect from i.e. from June 30, 2023. The Members at their 10th Annual General Meeting (AGM) held on Saturday, September 30, 2023 approved regularisation of Mr. Utsav Himanshu Trivedi as an Independent Non Executive Director of the Company for a period of 5 (Five) years w.e.f. June 30, 2023.

Names of the Entities where the person is a director and the category of Directorship as at March 31, 2024 (other than this Company)

Sr. No.	Name of Director	Name of Company and Designation
1	Mr. Nitinbhai Govindbhai Patel	1 Yuranus Infrastructure Limited Managing Director
2	Mr. Kushal Nitinbhai Patel	1 Yuranus Infrastructure Limited Managing Director
3	Mr. Kunjal Jayantkumar Soni	1 Yuranus Infrastructure Limited Independent Director
4	Mr. Vinod Kanubhai Rana	1 Yuranus Infrastructure Limited Independent Director
5	Ms. Apeksha Sanjaykumar Vyas	1 Hindprakash Industries Limited Independent Director
		2 Shubhlaxmi Jewel Art Limited Independent Director
		3 Vivanta Industries Limited Independent Director
		4 Vivanza Biosciences Limited Independent Director
6	Mr. Utsav Himanshu Trivedi	NIL

- (ii) Attendance of each Director at the BoD meetings and the last AGM.

BOARD PROCEDURE

Fourteen Board Meetings were held during the year under review. The dates and notices were fixed/issued well in advance in compliance with the Secretarial Standards. Meetings were held on **1)** Friday, April 28, 2023, **2)** Tuesday, May 23, 2023, **3)** Monday, June 05, 2023, **4)** Wednesday, June 21, 2023, **5)** Friday, June 30, 2023, **6)** Tuesday, August 08, 2023, **7)** Tuesday, August 29, 2023, **8)** Monday, September 04, 2023, **9)** Friday, November 03, 2023, **10)** Thursday, November 23, 2023, **11)** Thursday, December 28, 2023, **12)** Friday, January 19, 2024, **13)** Friday, February 23, 2024 and **14)** Wednesday, March 27, 2024 at the registered office of the Company i.e. Survey No. 324, 357, 358, Kadi - Thol Road, Borisana, Kadi, Mahesana - 382715, Gujarat, India.

All the meetings were held through physical mode.

The Agenda and Notes on agenda containing all material information such as Appointment – Resignation of Directors, KMPs, Financial Result, Issue of Dividend, availment of working capital facilities and term loan; FOREX risk exposures, annual budget, capital expenditure, sale of assets, proposal for Investments & Projects and status of its implementation, Cash flow Statement; Comparison of performance with the budget; applicable Regulatory changes etc., are circulated to the Directors in advance for facilitating meaningful and focussed discussions at the Meetings. The attendance record of each Director at the Board Meetings and at the last Annual General Meeting is given below:

Sr. No.	Name of Director	Appointment Date (Original)	Resignation Date	Number of Board Meeting held	Number of Board Meetings Eligible to attend	Number of Board Meeting attended	Presence at the previous AGM
1	Mr. Nitinbhai Govindbhai Patel	16-07-2023	NA	14	14	14	Yes
2	Mr. Kushal Nitinbhai Patel	16-07-2023	NA	14	14	6	Yes

Sr. No.	Name of Director	Appointment Date (Original)	Resignation Date	Number of Board Meeting held	Number of Board Meetings Eligible to attend	Number of Board Meeting attended	Presence at the previous AGM
3	Mr. Kunjal Jayantkumar Soni	22-02-2022	NA	14	14	14	Yes
4	Mr. Vinod Kanubhai Rana	22-02-2022	NA	14	14	14	Yes
5	Ms. Apeksha Sanjaykumar Vyas ³	30-06-2022	12-06-2024	14	14	13	Yes
6	Mr. Dixit Dipakkumar Shah ¹	22-08-2022	30-06-2023	14	5	1	No
7	Mr. Utsav Himanshu Trivedi ²	30-06-2023	NA	14	9	9	Yes

1. Mr. Dixit Dipakkumar Shah had tendered his resignation and ceased as an Independent Director w.e.f. June 30, 2023.
2. Mr. Utsav Himanshu Trivedi was appointed as an Additional Independent Director w.e.f. June 30, 2023 and regularised as an Independent Non Executive Director at the 10th Annual General Meeting (AGM) held on Saturday, September 30, 2023.
3. Ms. Apeksha Vyas had tendered her resignation and ceased as an Independent Director w.e.f. June 12, 2024.

(iii) Independent Directors:

Independent Directors play an important role in the governance processes of the Board. They bring to bear their expertise and experience on the deliberations of the Board. This enriches the decision making process at the Board with different points of view and experiences and prevents conflict of interest in the decision making process.

None of the Independent Directors serves as “Independent Director” in more than seven listed companies. No person has been appointed or continuing as an Alternate Director for an Independent Director of the Company.

Based on the disclosures received from all the Independent Directors and also in the opinion of the Board, the Independent Directors fulfil the conditions specified in SEBI (LODR) Regulations, 2015 and are independent of the management.

During the year under review, the Independent Directors met on March 31, 2024, interalia:

- To review the performance of the Non-Independent Directors (Executive Directors);
- To review the performance of the Board of the Company as a whole;
- To review the performance of Chairman of the Company taking into account the views of Executive Directors on the same;
- To assess the quality, quantity and timeliness of flow of information between the Company management and the Board.

They expressed satisfaction at the robustness of the evaluation process, the Board’s freedom to express views on the business transacted at the Meetings and the openness with which the Management discussed various subject matters on the agenda of meetings.

(iv) Disclosure of relationships between the Directors inter-se:

Except between Mr. Nitinbhai Govindbhai Patel (Chairman & Managing Director) and his Son viz. Mr. Kushal Nitinbhai Patel (Non Executive Director), there is no relationship between the Directors inter-se.

(v) Familiarisation Programme for Independent Director:

On appointment of an individual as Director, the Company issues a formal Letter of Appointment to the concerned director, setting out in detail, the terms of appointment, duties and responsibilities. Each newly appointed Independent Director is taken through a formal Familiarisation Program including the presentation from the Chairman & Managing Director providing information relating to the Company, Cotton ginning factory, industry, business model of the Company, geographies in which Company operates, etc. The programme also provides awareness of the Independent Directors on their roles, rights, responsibilities towards the Company. Further, the Familiarisation Programme also provides information relating to the financial performance of the Company and budget and control process of the Company.

The details of Familiarisation Program imparted to Independent Directors is also posted on the Company's Website at www.axitacotton.com.

(vi) Code of Conduct for Directors and Senior Management Personnel:

In terms of provisions of the SEBI (LODR) Regulations, 2015, the Board of Directors of the Company has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company. The said Code of Conduct has been posted on the website of the Company. The Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code. The Chairman & Managing Director of the Company has given a declaration to the Company that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code.

The details of Code of Conduct for Directors and Senior Management Personnel is also posted on the Company's Website at www.axitacotton.com.

(vii) Prohibition of Insider Trading Code:

The codes viz. "Code of Conduct for Prohibition of Insider Trading" and the "Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information" allows the formulation of a trading plan subject to certain conditions and requires pre-clearance for dealing in the Company's shares. It also prohibits the purchase or sale of Company's shares by the Designated Persons, while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

The details of Prohibition of Insider Trading Code are also posted on the Company's Website at www.axitacotton.com

(viii) Committees of the Board:

The Board of Directors has constituted 4 Committees of the Board viz.

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee

3. AUDIT COMMITTEE.

The Audit Committee of the Company comprises of 3 Members viz. Mr. Kunjal Jayantkumar Soni (Chairperson), Mr. Vinod Kanubhai Rana (Member) and Ms. Apeksha Sanjaykumar Vyas (Member) at the beginning of the financial year. During the year under review, the Committee was reconstituted for one time on November 03, 2023 and Mr. Utsav Himanshu Trivedi (Member), Non-Executive Independent Director, Mr. Kushal Nitinbhai Patel, Non-Executive Non Independent Director and Mr. Nitinbhai Govindbhai Patel Chairman cum Managing Director of the Company were became members of the Committee. Subsequently, at the end of the year, committee of the Company comprises of 6 Members. The details of the Composition, Meetings and attendance of the same is provided hereunder.

(i) Brief description of terms of reference

1. Terms of reference of the committee:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to Auditors for any other services rendered by the Auditors of the Company;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b) Changes, if any, in accounting policies and practices and reasons thereto;
 - c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - d) Significant adjustments made in the financial statements arising out of audit findings;
 - e) Compliance with listing and other legal requirements relating to financial statements;
 - f) Disclosure of any related party transactions; and
 - g) Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial results before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
8. Formulating a policy on related party transactions, which shall include materiality of related party transactions;
9. Approval or any subsequent modification of transactions of our Company with related parties;
10. Scrutiny of inter-corporate loans and investments;
11. Valuation of undertakings or assets of our Company, wherever it is necessary;
12. Evaluation of internal financial controls and risk management systems;
13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
14. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
15. Discussion with internal auditors of any significant findings and follow up there on;

16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
17. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
19. To review the functioning of the whistle blower mechanism;
20. Approval of the appointment of the CFO of the Company (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
21. To review the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision;
22. To review the compliance with the provisions of Regulation 9A of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and to verify that the systems for internal control are adequate and are operating effectively;
23. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders; and
24. To carry out any other function as is mentioned in the terms of reference of the Audit Committee.

Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
 2. Management letters/ letters of internal control weaknesses issued by the statutory auditors of our Company;
 3. Internal audit reports relating to internal control weaknesses;
 4. The appointment, removal and terms of remuneration of the chief internal auditor;
 5. Statement of deviations:
 - (i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to the stock exchanges in terms of sub-regulation (1) of Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
 - (ii) annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of sub-Regulation (7) of Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (ii) The Composition of the Committee as at March 31, 2024 and the details of Members participation at the Meetings of the Committee and attendance are as under:**

During the year, Seven Meetings of Audit Committee were held on i.e. **1)** Friday, April 28, 2023, **2)** Tuesday, May 23, 2023, **3)** Tuesday, August 08, 2023, **4)** Monday, September 04, 2023, **5)** Friday, November 03, 2023, **6)** Thursday, November 23, 2023 and **7)** Friday, January 19, 2024 at the registered office of the Company. The Attendance of Members at meetings was as under:

The composition of the Audit Committee and the details of the meetings attended by its members during the financial year ended March 31, 2024 are as under:

Name of Member	Designation	Category of Director	No. of Committee Meeting held	No. of Committee Meeting Eligible to attend	No. of Committee Meeting Attended
Mr. Kunjal Jayantkumar Soni	Chairperson	Independent Director	7	7	7
Ms. Apeksha Sanjaykumar Vyas	Member	Independent Director	7	7	7
Mr. Vinod Kanubhai Rana	Member	Independent Director	7	7	7
Mr. Utsav Himanshu Trivedi	Member	Independent Director	7	3	2
Mr. Kushal Nitinbhai Patel	Member	Non Executive Director	7	3	1
Mr. Nitinbhai Govindbhai Patel	Member	Managing Director	7	3	2

1. Mr. Utsav Himanshu Trivedi is an Independent Non Executive Director and become Member of the committee vide reconstitution of committee on November 03, 2023.
2. Mr. Kushal Nitinbhai Patel is a Non Executive Director and become Member of the committee vide reconstitution of committee on November 03, 2023.
3. Mr. Nitinbhai Govindbhai Patel is a Chairman cum Managing Director and become Member of the committee vide reconstitution of committee on November 03, 2023.

During the year, Seven Meetings of Audit Committee were held and details are as under:

Quarter	Number of Audit Committee Meeting	Date of Audit Committee Meeting
Q1	Audit Committee Meeting No. 01/2023-2024	Friday, April 28, 2023
	Audit Committee Meeting No. 02/2023-2024	Tuesday, May 23, 2023
Q2	Audit Committee Meeting No. 03/2023-2024	Tuesday, August 08, 2023
	Audit Committee Meeting No. 04/2023-2024	Monday, September 04, 2023
Q3	Audit Committee Meeting No. 05/2023-2024	Friday, November 03, 2023
	Audit Committee Meeting No. 06/2023-2024	Thursday, November 23, 2023
Q4	Audit Committee Meeting No. 07/2023-2024	Friday, January 19, 2024

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.

4. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration (NRC) Committee of the Company comprises of 3 Members viz. Mr. Kunjal Jayantkumar Soni, Mr. Vinod Kanubhai Rana Soni and Ms. Apeksha Sanjaykumar Vyas at the beginning of the financial year. During the year under review, the Committee was reconstituted for one time on November 03, 2023 and Mr. Utsav Himanshu Trivedi, Non-Executive Independent Directors and Mr. Nitinbhai Govindbhai Patel Chairman cum Managing Directors of the Company were became members of the Committee. Subsequently, at the end of the year, committee of the Company comprises of 5 Members. The details of the Composition, Meetings and attendance of the same is provided hereunder.

(i) Terms of reference of the committee:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
 - 1A. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of

such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a) use the services of external agencies, if required;
 - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c) consider the time commitments of the candidates
2. Formulation of criteria for evaluation of the performance of independent directors and the Board;
 3. Devising a policy on Board diversity;
 4. Identify persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
 5. Specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
 6. 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
 7. Recommend to the board, all remuneration, in whatever form, payable to senior management.

(iii) The Composition of the Committee as at March 31, 2024 and the details of Members participation at the Meetings of the Committee and attendance are as under:

During the year, Seven Meetings of Nomination and Remuneration Committee were held on i.e. **1)** Friday, April 28, 2023, **2)** Friday, June 30, 2023, **3)** Tuesday, August 08, 2023, **4)** Monday, September 04, 2023, **5)** Friday, November 03, 2023, **6)** Friday, January 19, 2024 and **7)** Friday, February 23, 2024 at the registered office of the Company. The Attendance of Members at meetings was as under:

The composition of the Nomination and Remuneration Committee and the details of the meetings attended by its members during the financial year ended March 31, 2024 are as under:

Name of Member	Designation	Category of Director	No. of Committee Meeting held	No. of Committee Meeting Eligible to attend	No. of Committee Meeting Attended
Mr. Kunjal Jayantkumar Soni	Chairperson	Independent Director	7	7	7
Ms. Apeksha Sanjaykumar Vyas	Member	Independent Director	7	7	7
Mr. Vinod Kanubhai Rana	Member	Independent Director	7	7	7
Mr. Utsav Himanshu Trivedi ¹	Member	Independent Director	7	2	2
Mr. Nitinbhai Govindbhai Patel ²	Member	Managing Director	7	2	2

1. Mr. Utsav Himanshu Trivedi is an Independent Non Executive Director and become Member of the committee vide reconstitution of committee on November 03, 2023.
2. Mr. Nitinbhai Govindbhai Patel is a Chairman cum Managing Director and become Member of the committee vide reconstitution of committee on November 03, 2023.

During the year, Seven Meetings of Nomination and Remuneration Committee were held and details are as under:

Quarter	Number of Nomination and Remuneration Committee Meeting	Date of Nomination and Remuneration Committee Meeting
Q1	NRC Meeting No. 01/2023-2024	Friday, April 28, 2023
	NRC Meeting No. 02/2023-2024	Friday, June 30, 2023
Q2	NRC Meeting No. 03/2023-2024	Tuesday, August 08, 2023
	NRC Meeting No. 04/2023-2024	Monday, September 04, 2023
Q3	NRC Meeting No. 05/2023-2024	Friday, November 03, 2023
Q4	NRC Meeting No. 06/2023-2024	Friday, January 19, 2024
	NRC Meeting No. 07/2023-2024	Friday, February 23, 2024

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 Nomination and Remuneration Committee.

Recommendations of Nomination and Remuneration Committee wherever/whenever given have been accepted by the Board.

(ii) Remuneration Policy:

The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The Company endeavours to attract, retain, develop and motivate the high-calibre executives and to incentivize them to develop and implement the Group's Strategy, thereby enhancing the business value and maintain a high performance workforce. The policy ensures that the level and composition of remuneration of the Directors is optimum.

i. Remuneration of Management Staff:

Remuneration of Employees largely consists of basic remuneration and perquisites. The components of the total remuneration vary based on the grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled by the employee, individual performance, etc.

ii. Remuneration of Directors:

Independent and Non-Executive Directors:

Independent and Non-Executive Directors of the Company receive sitting fees for attending Board and Committee Meetings. The sitting fees paid to Independent and Non-Executive Directors are within the limits prescribed under the Companies Act, 2013.

Details of the sitting fees paid during the FY 2023-2024 are as under:

Sr. No.	Name of Director	Sitting Fees (Rs. in lakhs)
1	Mr. Kunjal Soni (w.e.f. February 22, 2022)	0.95
2	Mr. Vinod Rana (W.e.f. February 22, 2022)	0.90
3	Ms. Apeksha Vyas (W.e.f. June 30, 2022)	0.83
4	Mr. Dixit Dipakkumar Shah (Upto June 30, 2023)	0.03
5	Mr. Utsav Himanshu Trivedi (w.e.f. June 30, 2023)	0.48

Further, the Independent Directors are paid fixed sitting fees i.e. Rs. 2500/- for attending each Committee Meeting & Board Meeting.

During the year, there were no other pecuniary relationships or transactions of Non- Executive Directors with the Company. The Company has not granted any stock options to Non-Executive Directors.

Executive Directors:

Mr. Nitinbhai Govindbhai Patel, Chairman cum Managing Director, Mr. Kushal Nitinbhai Patel, Managing Director (upto September 30, 2023) were the Executive Directors of the Company as on March 31, 2024.

The Executive Directors are not paid sitting fees for attending meetings of the Board of Directors and its Committee.

Details of remuneration paid to Mr. Nitinbhai Govindbhai Patel, Chairman cum Managing Director, Mr. Kushal Nitinbhai Patel, Managing Director during the FY 2023-2024 are as under:

Particulars	Mr. Nitinbhai Govindbhai Patel	Mr. Kushal Nitinbhai Patel
All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc.	Rs. 60.00 Lakhs	Rs. 60.00 Lakhs
Details of actual remuneration paid during the financial year and fixed component and performance linked incentives (PLI) along with the performance criteria	Fixed: Rs. 52.51 Lakhs PLI: Nil	Fixed: Rs. 28.01 Lakhs Professional Fees Rs. 21.24 Lakhs PLI: Nil
Service Contracts	-	-
Severance Fee	Nil	Nil
Notice Period	-	-
Stock option details, if any and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable	Nil	Nil

5. STAKEHOLDER'S GRIEVANCE & RELATIONSHIP COMMITTEE:

The Stakeholders' Relationship Committee (SRC) of the Company comprises of 3 Members viz. Mr. Kunjal Jayantkumar Soni, Mr. Vinod Kanubhai Rana Soni and Ms. Apeksha Sanjaykumar Vyas at the beginning of the financial year. During the year under review, the Committee was reconstituted for one time on November 03, 2023 and Mr. Utsav Himanshu Trivedi, Non-Executive Independent Director and Mr. Nitinbhai Govindbhai Patel Chairman cum Managing Director of the Company were became members of the Committee. Subsequently, at the end of the year, committee of the Company comprises of 5 Members. The details of the Composition, Meetings and attendance of the same is provided hereunder.

(i) Terms of reference of the Committee:

1. Resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent; and

4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

(iv) The Composition of the Committee as at March 31, 2024 and the details of Members participation at the Meetings of the Committee and attendance are as under:

During the year, Five Meetings of Stakeholders' Relationship Committee were held on i.e. 1) Friday, April 28, 2023, 2) Tuesday, August 08, 2023, 3) Monday, September 04, 2023, 4) Friday, November 03, 2023, 5) Friday, January 19, 2024, at the registered office of the Company. The Attendance of Members at meetings was as under:

The composition of the Stakeholders' Relationship Committee and the details of the meetings attended by its members during the financial year ended March 31, 2024 are as under:

Name of Member	Designation	Category of Director	No. of Committee Meeting held	No. of Committee Meeting Eligible to attend	No. of Committee Meeting Attended
Mr. Utsav Himanshu Trivedi	Chairperson	Independent Director	5	2	1
Ms. Apeksha Sanjaykumar Vyas	Member	Independent Director	5	5	5
Mr. Kunjal Jayantkumar Soni	Member	Independent Director	5	5	5
Mr. Vinod Kanubhai Rana	Member	Independent Director	5	5	5
Mr. Nitinbhai Govindbhai Patel	Member	Managing Director	5	2	1

3. Mr. Utsav Himanshu Trivedi is an Independent Non Executive Director and become Member of the committee vide reconstitution of committee on November 03, 2023.
4. Mr. Nitinbhai Govindbhai Patel is a Chairman cum Managing Director and become Member of the committee vide reconstitution of committee on November 03, 2023.

During the year, Five Meetings of Stakeholders' Relationship Committee were held and details are as under:

Quarter	Number of Stakeholders' Relationship Committee Meeting	Date of Stakeholders' Relationship Committee Meeting
Q1	SRC Meeting No. 01/2023-2024	Friday, April 28, 2023
Q2	SRC Meeting No. 02/2023-2024	Tuesday, August 08, 2023
	SRC Meeting No. 03/2023-2024	Monday, September 04, 2023
Q3	SRC Meeting No. 04/2023-2024	Friday, November 03, 2023
Q4	SRC Meeting No. 05/2023-2024	Friday, January 19, 2024

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 Stakeholder's Grievance & Relationship Committee.

Recommendations of Stakeholder's Grievance & Relationship Committee wherever/whenever given have been accepted by the Board.

(ii) Name and Designation of Compliance Officer:

Mr. Shyamsunder Kiranbhai Panchal, Company Secretary (w.e.f. April 01, 2023), Mr. Deepakkumar Chaubisha Company Secretary (upto March 31, 2023 - resigned on March 31, 2023)

(iii) Details of Complaints/ Queries received and redressed during April 01, 2023 to March 31, 2024 are as follows:

All the complaints/ queries have been redressed to the satisfaction of the complainants and no complaint/ query was pending at the end of the year.

6. RISK MANAGEMENT COMMITTEE:

The Risk Management Committee (RMC) of the Company comprises of 4 Members viz. Mr. Kushal Nitinbhai Patel, Mr. Nitinbhai Govindbhai Patel, and 2 Non-Executive Independent Directors viz. Mr. Kunjal Jayantkumar Soni and Mr. Vinod Kanubhai Rana at the beginning of the financial year. During the year under review, the Committee was reconstituted for one time on November 03, 2023 and Mr. Utsav Himanshu Trivedi, Non-Executive Independent Directors become as Member in place of Ms. Vinod Kanubhai Rana and Mr. Nitinbhai Govindbhai Patel Chairman cum Managing Directors became Chairperson of the committee in place of Mr. Kushal Nitinbhai Patel. Subsequently, at the end of the year, committee of the Company comprises of 4 Members. The details of the Composition, Meetings and attendance of the same is provided hereunder.

(i) Terms of reference of the Committee:

1. To formulate a detailed risk management policy which shall include:
 - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
 - (c) Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the be subject to review by the Risk Management Committee.

(ii) The Composition of the Committee as at March 31, 2024 and the details of Members participation at the Meetings of the Committee and attendance are as under:

During the year, Two Meetings of Risk Management Committee were held on i.e. 1) Monday, September 04, 2023, 2) Friday, November 03, 2023, at the registered office of the Company. The Attendance of Members at meetings was as under:

The composition of the Risk Management Committee and the details of the meetings attended by its members during the financial year ended March 31, 2024 are as under:

Name of Member	Designation	Category of Director	No. of Committee Meeting held	No. of Committee Meeting Eligible to attend	No. of Committee Meeting Attended
Mr. Nitinbhai Govindbhai Patel ¹	Chairperson	Managing Director	2	2	2
Mr. Kushal Nitinbhai Patel ²	Member	Non Executive Director	2	2	0

Name of Member	Designation	Category of Director	No. of Committee Meeting held	No. of Committee Meeting Eligible to attend	No. of Committee Meeting Attended
Mr. Kunjal Jayantkumar Soni	Member	Independent Director	2	2	2
Mr. Vinod Kanubhai Rana	Member	Independent Director	2	2	2
Mr. Utsav Himanshu Trivedi ³	Member	Independent Director	2	0	0

1. Mr. Nitinbhai Govindbhai Patel is a Chairman cum Managing Director and become Chairperson in place of Mr. Kushal Nitinbhai Patel vide reconstitution of committee on November 03, 2023.
2. Mr. Kushal Nitinbhai Patel was a Managing Director and his designation was changed on October 1, 2024 to Non Executive Director and he became member of this committee and Mr. Nitinbhai Govindbhai Patel was become Chairperson vide reconstitution of committee on November 03, 2023.
3. Mr. Utsav Himanshu Trivedi is an Independent Non Executive Director and become Member of the committee in place of in place of Ms. Vinod Kanubhai Ran vide reconstitution of committee on November 03, 2023.

During the year, Two Meetings of Risk Management Committee were held and details are as under:

Quarter	Number of Risk Management Committee Meeting	Date of Risk Management Committee Meeting
Q2	RMC Meeting No. 01/2023-2024	Monday, September 04, 2023
Q3	RMC Meeting No. 02/2023-2024	Friday, November 03, 2023

The Company's risk management system is designed to identify the potential risks that can impact the business and devise a framework for its mitigation along with periodical reviews to reflect changes in market conditions and the company's activities. The Company's Board of Directors has the overall responsibility of the establishment and oversight of risk management framework. The Audit Committee and Risk management committee periodically review the execution of risk management plan and advice the management wherever necessary.

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 Management Discussion and Analysis Report (MDA), which forms a part of this Annual Report.

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee (CSR) of the Company comprises of 3 Members viz. Mr. Kushal Nitinbhai Patel, Mr. Nitinbhai Govindbhai Patel, and 1 Non-Executive Independent Directors viz. Mr. Vinod Kanubhai Rana at the beginning of the financial year. During the year under review, the Committee was reconstituted for one time on November 03, 2023 and Mr. Kunjal Jayantkumar Soni and Mr. Utsav Himanshu Trivedi, Non-Executive Independent Directors become as Members in place of Ms. Vinod Kanubhai Rana and Mr. Nitinbhai Govindbhai Patel Chairman cum Managing Directors became Chairperson of the committee in place of Mr. Kushal Nitinbhai Patel. Subsequently, at the end of the year, committee of the Company comprises of 4 Members. The details of the Composition, Meetings and attendance of the same is provided hereunder.

(i) Terms of reference of the Committee:

1. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII to the Companies Act, 2013;
2. To finalise a list of CSR projects or programs or initiatives proposed to be undertaken periodically including the modalities for their execution / implementation schedules and to review the same from time to time in accordance with requirements of section 135 of the Companies Act, 2013;
3. Recommend the amount of expenditure to be incurred on the activities referred to in clause (a);

4. Monitor the Corporate Social Responsibility Policy of the company from time to time;
5. Review the CSR Report and other disclosures on CSR matters for the approval of the Board for their inclusion in the Board Report.

(ii) The Composition of the Committee as at March 31, 2024 and the details of Members participation at the Meetings of the Committee and attendance are as under:

During the year, Two Meetings of Corporate Social Responsibility Committee were held on i.e. **1)** Friday, June 30, 2023, **2)** Friday, November 03, 2023 and **3)** Friday, January 19, 2024, at the registered office of the Company. The Attendance of Members at meetings was as under:

The composition of the Corporate Social Responsibility Committee and the details of the meetings attended by its members during the financial year ended March 31, 2024 are as under:

Name of Member	Designation	Category of Director	No. of Committee Meeting held	No. of Committee Meeting Eligible to attend	No. of Committee Meeting Attended
Mr. Nitinbhai Govindbhai Patel ¹	Chairperson	Managing Director	3	3	3
Mr. Kushal Nitinbhai Patel ²	Member	Non Executive Director	3	3	2
Mr. Kunjal Jayantkumar Soni	Member	Independent Director	3	1	1
Mr. Vinod Kanubhai Rana	Member	Independent Director	3	2	2
Mr. Utsav Himanshu Trivedi ³	Member	Independent Director	3	1	1

1. Mr. Nitinbhai Govindbhai Patel is a Chairman cum Managing Director and become Chairperson in place of Mr. Kushal Nitinbhai Patel vide reconstitution of committee on November 03, 2023.
2. Mr. Kushal Nitinbhai Patel was a Managing Director and his designation was changed on October 1, 2024 to Non Executive Director and he become member of this committee and Mr. Nitinbhai Govindbhai Patel was become Chairperson vide reconstitution of committee on November 03, 2023.
3. Mr. Utsav Himanshu Trivedi is an Independent Non Executive Director and become Member of the committee in place of in place of Ms. Vinod Kanubhai Ran vide reconstitution of committee on November 03, 2023.

During the year, Three Meetings of Corporate Social Responsibility Committee were held and details are as under:

Quarter	Number of Stakeholders' Relationship Committee Meeting	Date of Stakeholders' Relationship Committee Meeting
Q1	CSR Meeting No. 01/2023-2024	Friday, June 30, 2023
Q3	CSR Meeting No. 02/2023-2024	Friday, November 03, 2023
Q4	CSR Meeting No. 03/2023-2024	Friday, January 19, 2024

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 Corporate Social Responsibility Committee.

Recommendations of Corporate Social Responsibility Committee wherever/whenever given have been accepted by the Board.

8. GENERAL BODY MEETINGS / POSTAL BALLOT:

ANNUAL GENERAL MEETINGS (AGM):

The date, time and location of the Annual General Meetings held during the preceding 3 years and special resolutions passed thereat are as follows:

Financial Year	Date of Meeting	Time of Meeting	Venue of Meeting
2023-2024	Saturday, September 30, 2023	03:30 PM	The AGM was held through VC / OAVM i.e. electronic mode where the Registered office of the Company was deemed venue of AGM
2022-2023	Tuesday, September 27, 2022	03:15 PM	
2021-2022	Thursday, September 30, 2021	03:15 PM	

Special Resolutions passed in last three Annual General Meetings

Financial Year	Date of Meeting	Special Resolution
2023-2024	Saturday, September 30, 2023	Re-Appointment of Mr. Nitinbhai Govindbhai Patel as Chairman Cum Managing Director of the Company and Approval of the Payment of Remuneration:
		Appointment of Mr. Kushal Nitinbhai Patel to Non-Executive Director of the Company:
		Appointment of Mr. Utsav Himanshu Trivedi (DIN: 10185472) as an Independent Director of the Company:
		Alteration of "Main Object Clause III (A)" of the Memorandum of Association of the Company:
		To Approve the Axita Employee Stock Option Plan 2023 ("Plan" or "ESOP 2023") and Grant of Stock Options to the Eligible Employees of the Company Under the ESOP 2023
2022-2023	Tuesday, September 27, 2022	Appointment of Ms. Apeksha Sanjaykumar Vyas (DIN: 09469295) as an Independent Director of The Company:
		Alteration of Capital Clause of Memorandum of Association of the Company:
		Appointment of Mr. Dixit Dipakkumar Shah (DIN: 07826994) as an Independent Director of the Company:
2021-2022	Thursday, September 30, 2021	Regularisation of Mrs. Gitaben Nitinbhai Patel (Din: 09211543), Additional Director by Appointing her as a Whole-Time Director:
		To Approve Revision in Remuneration of Mr. Nitinbhai Govindbhai Patel, Chairman cum Managing Director (DIN: 06626639) of the Company:
		To Approve Revision in Remuneration of Mr. Kushal Nitinbhai Patel, Managing Director (DIN: 06626639) of the Company:

The Chairman/Member of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee attend the AGMs to respond to the queries of the shareholders.

Also, the representatives of the Statutory Auditors and Secretarial Auditors attend the AGMs to respond to the queries of shareholders, if any, with respect to audit observation / matter of emphasis or otherwise.

All the resolutions proposed by the Directors to shareholders in last three years are approved by shareholders with requisite majority.

Voting results of the last AGM is available on the website of the Company at www.axitacotton.com.

EXTRAORDINARY GENERAL MEETINGS (EGM):

The details of the last Three (3) Extraordinary General Meetings (EoGMs) and Special Resolutions thereof are given below in Table,

Financial Year	Date of Meeting	Time of Meeting	Special Resolution	Venue of Meeting
2023-2024	Saturday, December 16, 2023	04:00 PM	NA	The EoGM was held through VC / OAVM i.e. electronic mode where the Registered office of the Company was deemed venue
2022-2023	NA	NA	NA	
2021-2022	NA	NA	NA	

POSTAL BALLOT:

Details of Resolution Passed through Postal Ballot, the person who conducted the Postal Ballot Exercise and details of the voting pattern in last Three (3) years:

During the year under review, the Company has completed process of postal ballot, in compliance with provisions of Section 110 of the Companies Act, 2013 (“the Act”) read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (“Rules”) including any amendment(s) thereof, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”), General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, 3/2022 dated May 5, 2022 and 11/2022 dated December 28, 2022, (collectively the “MCA Circulars”) issued by the Ministry of Corporate Affairs (the “MCA”). The voting was conducted through remote e-voting only in compliance with the General Circulars. The Company had engaged the services of NSDL to provide e-voting facility to its members. The Notice of Postal Ballot was accompanied with detailed instructions kit to enable the members to understand the procedure and manner in which postal ballot voting (including remote e-voting) to be carried out. The following Resolutions were deemed to have been passed on the last date of remote e-voting.

Financial Year	Resolution Passed Date	Type of Resolution
2023-2024	Wednesday, March 27, 2024	Amendments In Axita Employee Stock Option Plan 2023 (“Plan” Or “ESOP 2023”): Special Resolution
		Grant of Employee Stock Options under the Axita Employee Stock Option Plan 2023 to Employees of Group Company including Subsidiary Company or its Associate Company, in India or outside India, or of a Holding Company of the Company as Applicable: Special Resolution
		To Approve Increase in Authorised Share Capital of the Company and Make Consequent Alteration in Clause V of the Memorandum of Association of the Company: Ordinary Resolution
2022-2023		NA
2021-2022	Friday, March 25, 2022	Migration Of Company’s Present Listing from SME Platform of BSE Limited (“BSE”) to the Main Board of BSE Limited as well as on Main Board of National Stock Exchange of India Limited (“NSE”): Special Resolution
		Increasing the Borrowing Powers under section 180(1)(c) of the Companies Act, 2013 up to Rs. 500 Cr: Special Resolution
		Creation of Charges, Mortgages, Hypothecation on the Immovable and Movable Properties of the Company under Section 180(1)(a) of the Companies Act, 2013: Special Resolution
		To give Loans, Inter Corporate Deposits, give guarantees in connection with Loans made by any person or Body Corporate and acquire by way of

	subscription, purchase or otherwise the Securities of any other Body Corporate in excess of the Limits prescribed in Section 186 of the Companies Act 2013: Special Resolution
	Appointment of Mr. Kunjal Soni (DIN: 08160838) as an Independent Director of the Company: Special Resolution
	Appointment of Mr. Vinod Rana (DIN: 08160972) as an Independent Director of the Company: Special Resolution
Thursday, December 30, 2021	To Approve Increase in Authorised Share Capital of the Company and make Consequent Alteration in Clause V of the Memorandum of Association: Ordinary Resolution
	To Consider and approve the issuance of Bonus Shares: Ordinary Resolution

Who conducted the postal ballot exercise:

M/s. SCS and Co. LLP, Practicing Company Secretary was appointed as Scrutinizer for conducting the aforesaid postal ballots in a fair and transparent manner.

The details of Voting pattern are available in Voting results on the website of the Company at www.axitacotton.com.

Procedure for postal ballot:

The Company followed postal ballot process in compliance with SEBI Listing Regulations and Sections 108, 110 and other applicable provisions of the Companies Act, 2013, read with the related Rules. Electronic voting facility was provided to all members, to enable them to cast their votes electronically. The Company engaged the services of National Securities Depository Limited for the purpose of providing e-voting facility to all its members.

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 Saturday, March 30, 2024 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 Companies Act, 2013 that they meet the criteria of independence laid down in Section 149 (6) of the Companies Act, 2013.

9. MEANS OF COMMUNICATION

The Annual Report containing the financial statements is posted / e-mailed to the shareholders of the Company in compliance with the provisions of the Act. Towards Green Initiative, the Shareholders are requested to convey / update their e-mail address as well as register the same with their respective Depository Participant.

Official-news releases and official media releases are sent to Stock Exchanges.

- (i) The quarterly/half yearly financial results are announced within 45 days of close of each quarter. The annual audited financial results are announced within 60 days from the close of the financial year as per the requirements of the Listing Regulations. The aforesaid financial results are disclosed to BSE Limited [BSE] and The National Stock Exchange of India Limited [NSE] where the Company's securities are listed.

- (ii) Quarterly Results are usually published in “Financial Express / Business Standard” (English) and in “Ahmedabad Express / Jay Hind / Jansatta” (in regional language i.e Gujarati)
- (iii) The Financial Results are also accessible on the Company’s Website www.axitacotton.com
- (iv) Presentations made to institutional investors and financial analysts on the Company’s unaudited quarterly as well as audited annual financial results are uploaded on the Company’s website www.axitacotton.com.

10. GENERAL SHAREHOLDER INFORMATION

AGM: Date, time and venue	
Date	September 30, 2024
Time	02:00 P.M.
Mode	Video Conferencing or through Other Audio Visual Means
Financial Calendar 2024-2025	
The Financial Year of the Company is for a period of 12 months from 1 st April to 31 st March.	
Particulars	Tentative Schedule subject to change
First quarter results	2 nd week of August, 2024
Second quarter results	2 nd Week of November, 2024
Third quarter results	2 nd Week of February, 2025
Fourth quarter results / Year end results	3 rd Week of May, 2025
Date of Book closure	Not Applicable as no Physical Shareholders.
Dividend Payment Date	
Interim Dividend:	November 29, 2023 -
Final Dividend:	The Board of Director has recommended a final dividend of Rs. 0.10/- per Equity Share of Rs. 1/- each (i.e. 10%), for the financial year ended on March 31, 2024. The dividend, if declared at the 11 th Annual General Meeting, will be paid within 30 days from the date of AGM.
Listing on Stock Exchanges	Equity Shares (ISIN: INE02EZ01022)
BSE Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001, Maharashtra, India Security Code: 542285
The National Stock Exchange of India Limited (NSE)	Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051, Maharashtra, India Symbol: AXITA
Listing of Debt Securities:	
As on March 31, 2024, no Rated, Listed, Taxable, Secured, Redeemable, Non-Convertible Debentures were outstanding on the Wholesale Debt Market Segment of BSE Limited & NSE India Limited.	
Debenture Trustees (for privately placed debentures):	
None	
Credit Rating:	
The Company has not obtained credit rating.	

The Annual Listing Fee payable to the Stock Exchanges for the Financial Year 2023-2024 have been paid in full.

Market Price Data: High., Low during each month in last financial year

The market price data and volume of the Company's share traded in the BSE Limited and the National Stock Exchange of India Limited during the Financial Year 2023-2024 were as under:

Month	BSE				VOLUME (In Lakh)	NSE				VOLUME (In Lakh)
	BSE HIGH (Rs.)	BSE LOW (Rs.)	BSE Sensex HIGH	BSE Sensex LOW		NSE HIGH (Rs.)	NSE LOW (Rs.)	NSE (NIFTY) HIGH	NSE (NIFTY) LOW	
Apr-23	83.00	55.96	61209.46	58793.08	225.48	83.00	56.00	18089.15	17312.75	1659.62
May-23	52.04	24.70	63036.12	61002.17	151.78	52.00	24.75	18662.45	18042.40	629.28
Jun-23	32.40	24.80	64768.58	62359.14	83.06	32.45	25.70	19201.70	18464.55	342.37
Jul-23	28.00	25.36	67619.17	64836.16	46.94	27.75	25.40	19991.85	19234.40	148.68
Aug-23	27.40	25.55	66658.12	64723.63	84.60	27.60	25.80	19795.60	19223.65	59.54
Sep-23	28.00	26.15	67927.23	64818.37	18.91	27.95	26.00	20222.45	19255.70	52.01
Oct-23	29.30	25.85	66592.16	63092.98	21.90	29.30	25.80	19849.75	18837.85	54.27
Nov-23	32.30	26.00	67069.89	63550.46	135.70	32.35	25.95	20158.70	18973.70	535.43
Dec-23	40.60	24.65	72484.34	67149.07	414.87	40.60	24.55	21801.45	20183.70	1312.74
Jan-24	35.39	25.90	73427.59	70001.60	214.31	35.40	25.90	22124.15	21137.20	855.89
Feb-24	27.50	23.15	73413.93	70809.84	94.64	27.50	23.15	22297.50	21530.20	513.02
Mar-24	24.13	20.00	74245.17	71674.42	93.33	24.15	20.85	22526.60	21710.20	404.94

(Source: This information is compiled from the data available from the websites of BSE and NSE)

The Company's equity shares are frequently traded on the BSE Limited and National Stock Exchange of India Limited.

Registrar and Transfer Agents

LINK INTIME INDIA PRIVATE LIMITED
 C-101, 247 Park, L.B.S. Marg, Vikhroli (West),
 Mumbai - 400083, Maharashtra, India
 Phone: 022-49186000
 Email: mumbai@linkintime.co.in
 Website: www.linkintime.co.in
 SEBI registration no.: INR000004058

Share Transfer System

In terms of Regulation 40(1) of Listing Regulations, as amended from time to time, securities can be transferred only in dematerialised form with effect from April 1, 2019. Further, SEBI had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in dematerialised mode. The requests for effecting transfer/transmission/transposition of securities shall not be processed unless the securities are held in dematerialised mode. Members holding shares in physical form are requested to convert their holdings in dematerialised form. A summary of transmission of shares of the Company approved is placed at the Meeting of the Stakeholders' Relationship Committee.

Requests for dematerialisation of shares are processed and confirmation is given to the respective depositories

i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within 2 working days from the date of receipt of request. There are no pending share transfers as at March 31, 2024.

Category wise shareholding as on as on March 31, 2024: -

Sr. No	Category	DEMAT Holders	DEMAT Securities	Physical Holders	Physical Securities	Total Securities	Total Value	Percent
1	Promoter & Promoter Group	9	163752604	0	0	163752604	16,37,52,604	62.77
2	Foreign Portfolio Investors (Corporate) – I	4	1223661	0	0	1223661	12,23,661	0.47
3	Public							
i	Resident Individual holding nominal share capital up to Rs. 2 lakhs.	126462	89241668	0	0	89241668	8,92,41,668	34.21
ii	Resident individual holding nominal share capital in excess of Rs. 2 lakhs.	5	1305122	0	0	1305122	13,05,122	0.50
5	NRI	765	2252601	0	0	2252601	22,52,601	0.86
6	Hindu Undivided Family	786	2007548	0	0	2007548	20,07,548	0.77
7	Other Bodies Corporate	94	1040443	0	0	1040443	10,40,443	0.40
8	Body Corporate - Ltd Liability Partnership	9	54360	0	0	54360	54,360	0.02
9	Clearing Members	1	1	0	0	1	1	0.00
	TOTAL:	128135	260878008	0	0	260878008	26,08,78,008	100.000

Distribution of shareholding as on March 31, 2024:

Sr. No	Shareholding of Shares	Number of Shareholders	% of Total Shareholders	Shares	% of Total Share Capital
1	1 to 500	97396	74.1664	13470341	5.1635
2	501 to 1000	15272	11.6295	11430131	4.3814
3	1001 to 2000	9889	7.5304	14399003	5.5194
4	2001 to 3000	3276	2.4947	8227107	3.1536
5	3001 to 4000	1633	1.2435	5852849	2.2435
6	4001 to 5000	997	0.7592	4610972	1.7675
7	5001 to 10000	1773	1.3501	12625957	4.8398
8	10001 to above	1085	0.8262	190261648	72.9313
	TOTAL:	131321	100.0000	260878008	100.0000

Shareholding of Directors and KMP as on March 31, 2024

Sr. No	Name of Director and KMP	Category and Designation	DIN	No. of Shares Held	% of Shares Held
1	Nitinbhai Govindbhai Patel	Promoter, Chairman cum Managing Director	06626646	90546572	34.71
2	Kushal Nitinbhai Patel	Promoter and Managing Director	06626639	60162965	23.06
3	Kunjai Jayantkumar Soni	Independent Non Executive Director	08160838	0	0.00
4	Vinod Kanubhai Rana	Independent Non Executive Director	08160972	0	0.00
5	Apeksha Sanjaykumar Vyas	Independent Non Executive Director	09469295	0	0.00
6	Utsav Himanshu Trivedi	Independent Non Executive Director	10185472	0	0.00
7	Harsh Kalpeshbhai Shah	Chief Financial Officer	NA	0	0.00
8	Shyamsunder Kiranbhai Panchal	Company Secretary and Compliance Officer	NA	0	0.00
				150709537	57.77

Dematerialization of shares and liquidity

The Company's shares are available for dematerialisation on both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Shares of the Company are compulsorily to be delivered in the demat form on Stock Exchanges by all investors. As on March 31, 2024, 26,08,78,008 Equity shares representing 100.00% of the issued capital is in dematerialised form.

The Company's equity shares are regularly traded on the BSE Limited and National Stock Exchange of India Limited.

Pursuant to Regulation 40(9) of the Listing Regulations, the Company obtain certificates from a practicing Company Secretary (i) on a yearly basis to the effect that all the transfers are completed within the statutory stipulated period and (ii) on a quarterly basis regarding reconciliation of the share capital audit of the Company confirming that the total issued / paid-up capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. A copy of these certificates so received are submitted to both the Stock Exchanges viz. NSE and BSE.

All communication regarding share certificates, change of address, dividend etc. should be addressed to R & T Agents of the Company at the address given above.

There was no instance of suspension of trading in Company's shares during FY 2023-2024.

Demat ISIN: Equity Shares fully paid: **INE02EZ01022**

Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity

Not applicable as the Company has not made any such issue.

Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

During the year, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company uses forward exchange contracts to hedge its foreign currency exposures related to the underlying transactions, firm commitments and highly probable forecasted transactions. The use of these foreign exchange forward contracts are intended to reduce the risk or cost to the Company and are not intended for trading or speculation purpose. The details of foreign currency exposure are disclosed in **Note No. 36** to the Financial Statements.

Unclaimed Dividend

Section 124 of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“the Rules”), as amended, mandates that companies transfer dividend that has remained unclaimed / un-encashed for a period of *seven (7) years* from the unpaid dividend account to the Investor Education and Protection Fund (IEPF).

Further, the Rules mandate that the shares on which dividend has not been claimed / encashed for seven consecutive years or more be transferred to the IEPF.

Outstanding Unclaimed Shares

Pursuant to Regulation 34(3) and Part F of Schedule V to the Listing Regulations, the Company does not have its equity shares in the demat suspense account or unclaimed suspense account. –

Particulars	No. of Shareholders	No. of Shares
(a) aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year;	0	0
(b) number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	0	0
(c) number of shareholders to whom shares were transferred from suspense account during the year;	0	0
(d) aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year;	11	1615
(e) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.	11	1615

Agreements binding listed entities

Pursuant to Regulation 30A of the Listing Regulations, no agreement has been entered or executed by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel and employees of the Company during the financial year.

The following table provides a list of years for which unclaimed dividends and their corresponding shares would become eligible to be transferred to the IEPF on the dates mentioned below:

Year	Type of Dividend	Dividend per Share (Rs.) ¹	Date of Declaration	Due Date for Transfer ²	Amount (Rs.) ³
2023-2024	Interim	0.10	November 23, 2023	December 02, 2030	119,798.10
2022-2023	Final	0.50	April 16, 2022	October 26, 2029	3,206.00

¹ Not adjusted for bonus issue

² Actual date of transfer may vary

³ Amount unclaimed as on March 31, 2024 and same was transferred to the Unpaid Dividend Account as per the sub-section (3) of section 124 of the Companies Act, 2013.

- The Members who have not claimed the shares still from the above returned undelivered cases are requested to contact the Registrar – Link Intime India Private Limited, at the address given above.
- The voting rights on the shares outstanding in the above suspense account as on March 31, 2024 shall remain frozen till the rightful owner of such shares claims the shares.

Plant Locations

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

Address for correspondence:

Shareholders may correspond with the Company at the Registered Office of the Company or at the office of Registrar and Transfer Agent of the Company:

Axita Cotton Limited

Secretarial Department
Survey No. 324, 357, 358, Kadi - Thol Road, Borisana, Kadi,
Mahesana - 382715, Gujarat, India

Rannade House, First Floor, Opp. Sankalp Grace 3, Near Ishan
Bungalows, Shilaj, Ahmedabad - 380059, Gujarat, India

Phone Nos: 06358747514
E-mail: cs@axitacotton.com
Website: www.axitacotton.com

Link Intime India Private Limited

C-101, 247 Park, L.B.S. Marg, Vikhroli
(West), Mumbai - 400083, Maharashtra,
India

Phone: 022-49186000
Email: mumbai@linkintime.co.in
Website: www.linkintime.co.in

11. OTHER DISCLOSURES:

- 1) There are no materially significant transactions with the related parties viz. promoters, directors or the management or their relatives or subsidiaries etc. that had potential conflict with the Company's interest. Suitable disclosure as required by the Indian Accounting Standard (Ind AS 24) has been made in the Annual Report. The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website at www.axitacotton.com.
- 2) Transactions with related parties are disclosed in detail in **Note No. 35** in "Notes forming part of the Accounts" annexed to the financial statements for the year. There were no related party transactions having potential conflict with the interest of the Company at large.
- 3) Loans and advances in the nature of loans to firms/companies in which directors are interested by the Company and its subsidiaries is **NIL**.
- 4) There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company which has potential conflict with the interests of the Company at large.
- 5) There are no material subsidiaries of the Company during the year 2023-2024.
- 6) No Strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Security Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years i.e. 2021-2022, 2022-2023 and 2023-2024.
- 7) The Company has formed the policy for determining material subsidiary as required by Regulation 16 of the SEBI (LODR) Regulations, 2015 and the same is disclosed on the Company's website. The web link is www.axitacotton.com.

The Audited Annual Standalone Financial Statements Company is tabled at the Audit Committee and Board Meetings.

Copies of the Minutes of the Audit Committee / Board Meetings of Subsidiary Companies are given to all the Directors and are tabled at the subsequent Board Meetings.

- 8) Vigil Mechanism:

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

- 9) The Company has a Whistleblower Policy (WB Policy) that provides a framework and avenue for all directors, employees, business associates and other stakeholders which are a part of the business ecosystem of the Company for reporting, in good faith, instances of unethical/ improper conduct in the Company and commitment in adhering to the standards of ethical, moral and fair business practices, if any. The WB Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. The policy is disclosed on the Company's website. The web link is www.axitacotton.com.
- 10) No personnel have been denied access to the Chairman of the Audit Committee, for making complaint on any integrity issue.
- 11) The minimum information to be placed before the Board of Directors as specified in Part A of Schedule II of Listing Regulations is complied with to the extent possible.

12) Secretarial Compliance Report:

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 read with Regulation 24(A) of the Listing Regulations, directed listed entities to conduct Annual Secretarial Compliance Audit from a Practicing Company Secretary Ms. Anjali Sangtani, a Partner of M/s. SCS and Co. LLP, Practicing Company Secretaries, of all applicable SEBI Regulations and circulars/guidelines issued thereunder. The said Secretarial Compliance report is in addition to the Secretarial Audit Report by Practicing Company Secretaries under Form MR-3 and is required to be submitted to Stock Exchanges within 60 days of the end of the financial year. The Company is publishing the said Secretarial Compliance Report and the same has been uploaded on the website of the company at www.axitacotton.com.

- 13) Complaints pertaining to Sexual Harassment:
Details of Complaints pertaining to Sexual Harassment during the year are as follows:

Number of complaints pending at the beginning of the year	Number of complaints received during the year	Number of complaints redressed during the year	Number of complaints pending at the end of the year
0	0	0	0

- 14) Details of total fees paid to Statutory Auditors:

Details relating to fees paid to the Statutory Auditors are given in **Note No. 29** to the Standalone Financial Statements.

- 15) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:
During the year, the Company has complied with all the requirements as stipulated under SEBI (LODR) Regulations, 2015.

The status of compliance with discretionary recommendations and adoption of the non-mandatory requirements as specified in Regulation 27(1) of the SEBI (LODR) Regulations, 2015, is provided below:

- (i) **The Board:** The Chairman of the Company is Executive Director.
- (ii) **Shareholder Rights:** Half-yearly and other Quarterly financial information / statements are published in newspapers, uploaded on Company's website at www.axitacotton.com and same are not being sent to the shareholders.
- (iii) **Modified Opinion(s) in Audit Report:** The Company already has a regime of un-qualified financial statement. Auditors have raised no qualification on the financial statements.
- (iv) **Separate posts of Chairperson and Chief Executive Officer:** Mr. Nitinbhai Govindbhai Patel is the Chairman and Managing Director of the Company.

- (v) **Reporting of Internal Auditor:** The Internal Auditor is reporting directly to the Audit Committee.

The above Report was placed before the Board at its meeting held on September 05, 2024 and the same was approved.

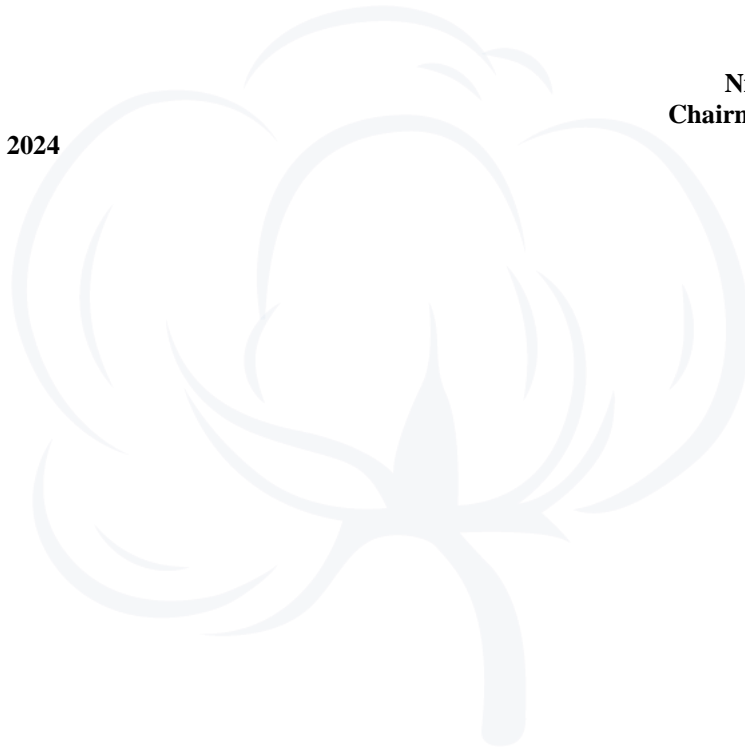
CODE OF CONDUCT AND ETHICS – DECLARATION

It is hereby declared that the Board of Directors of the Company have adopted a Code of Conduct for the Board members and Senior/Key Management Personnel of the Company and the same has also been posted in the website of the Company and that all the Board Members and Senior/Key Management Personnel to whom this Code of Conduct is applicable have affirmed the compliance of Code of Conduct during the year 2022 - 2023.

For and on behalf of the Board

Place: Ahmedabad
Date: September 05, 2024

Nitinbhai Govindbhai Patel
Chairman & Managing Director
DIN: 06626646



Annexure - 1

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE REQUIREMENTS UNDER THE SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.)

(Refer Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To The Members of Axita Cotton Limited

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

The Corporate Governance Report prepared by Axita Cotton Limited (“**AXITA**”) (CIN: L17200GJ2013PLC076059) (“**the Company**”), contains details as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and para-C and D of Schedule V of Securities and Exchange Board of India (**Listing Obligations and Disclosure Requirements**) Regulations, 2015, as amended (“**the Listing Regulations**”) (“**applicable criteria**”) with respect to Corporate Governance for the year ended March 31, 2024. This report is required by the Company for annual submission to the Stock exchanges and to be sent to the Shareholders of the Company.

Management’s Responsibility

The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Secretarial Auditor’s Responsibility

Our responsibility is to provide a reasonable assurance in the form of an opinion whether the Company has complied with the condition of Corporate Governance, as stipulated in the Listing Regulations.

The procedures selected depend on the auditor’s judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures include but not limited to verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.

The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

Based on the procedures performed by us as referred above and according to the information and explanations given to us, we are of the opinion that;

- the Company has complied with the conditions of Corporate Governance as specified in the Regulations 17 to 27, Sub-Regulation (2) of Regulation 46 and para C, D and E of Schedule V, to the extent applicable to the Company during the period April 1, 2023 to March 31, 2024; and

- As regards Discretionary Requirements specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has complied with items C and E.

Other Matters and Restriction on use

This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose.

Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For, SCS and Co. LLP
Company Secretaries
Firm Registration Number: L2020GJ008700
Peer Review Number: 5333/2023

Anjali Sangtani
Partner
M. No.: A41942, COP: 23630
UDIN: A041942F001151996

Date: September 05, 2024
Place: Ahmedabad

Annexure - 2

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To
The Members of Axita Cotton Limited

We have examined the relevant registers, records, forms, returns and disclosures received from all the Directors of **Axita Cotton Limited** (CIN: L17200GJ2013PLC076059) having registered office at Servey No. 324 357 358, Kadi Thol road borisana, Mahesana, Kadi, Gujarat- 382715, India. (hereinafter referred to as “**the Company**”), produced before us by the Company for the purpose of issuing this Certificate, in accordance with the Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in), as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **March 31, 2024** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No	Name of Director	DIN	Original Date of Appointment *
1	Mr. Nitinbhai Govindbhai Patel	06626646	16/07/2013
2	Mr. Kushal Nitinbhai Patel	06626639	16/07/2013
3	Mr. Kunjal Jayantkumar Soni	08160838	22/02/2022
4	Mr. Vinod Kanubhai Rana	08160972	22/02/2022
5	Mr. Utsav Himanshu Trivedi	10185472	30/06/2023
6	Ms. Apeksha Sanjaykumar Vyas	09469295	30/06/2022

* As per website of Ministry of Corporate Affairs.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For, SCS and Co. LLP
Company Secretaries
Firm Registration Number: L2020GJ008700
Peer Review Number: 5333/2023

Anjali Sangtani
Partner
M. No.: A41942, COP: 23630
UDIN: A041942F001151921

Date: September 05, 2024
Place: Ahmedabad

Annexure - 3

**To
The Members of Axita Cotton Limited**

CEO / CFO CERTIFICATE

In relation to the Audited Financial Accounts of the Company as at **March 31, 2024** we hereby certify that:

- A)** We have reviewed financial statements (standalone and consolidated) for the year ended and that to the best of our knowledge and belief:
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Indian Accounting Standards, applicable laws and regulations.
- B)** There are to the best of our knowledge and belief, no transactions entered into by the Company during the period which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C)** We accept that it is our responsibility to establish and maintain internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting and we have disclosed to the Auditor and the Audit Committee, deficiencies in the design or operation or such internal controls, if any of which we are aware and the steps we have taken or proposes to take to rectify these deficiencies.
- (i) There were no deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data and there have been no material weakness in internal controls over financial reporting including any corrective actions with regard to deficiencies.
 - (ii) There were no significant changes in internal control during the period covered by this report.
 - (iii) All significant changes in accounting policies during the period, and that the same have been disclosed in the notes to the financial statements;
 - (iv) There were no instances of fraud of which we have become aware and the involvement therein, if any, of the Management or an employee having a significant role in the Company's internal control system over financial reporting.
- D)** We have disclosed, based on our most recent evaluation of the Company's internal control over financial reporting, wherever applicable, to the Company's auditors and the Audit Committee of the Company's Board (and persons performing the equivalent functions):
- a. Any deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data, and have confirmed that there have been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.
 - b. Any significant changes in internal controls during the year covered by this report.
 - c. All significant changes in accounting policies during the year, if any, and the same have been disclosed in the notes to the financial statements.
 - d. Any instances of significant fraud of which we are aware, that involve the Management or other employees who have a significant role in the Company's internal control system over financial reporting.
- E)** We affirm that we have not denied any personnel access to the Audit Committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to whistleblowers from unfair termination and other unfair or prejudicial employment practices.
- F)** We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report.

Place: Ahmedabad
Date: April 23, 2024

Nitinbhai Govindbhai Patel
Chairman & Managing Director

Harsh Kalpeshbhai Shah
Chief Financial Officer

ANNEXURE - G TO DIRECTORS' REPORT:

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

i. Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	L17200GJ2013PLC076059
2	Name of the Listed Entity	Axita Cotton Limited (ACL)
3	Year of incorporation	16-07-2013
4	Registered address	Survey No. 324, 357, 358, Kadi - Thol Road, Borisana, Kadi, Mahesana - 382715, Gujarat, India
5	Corporate office address	Rannade House, First Floor, Opp. Sankalp Grace 3, Near Ishan Bungalow, Shilaj, Ahmedabad - 380059, Gujarat, India
6	Email	cs@axitacotton.com
7	Telephone	+91 635 8747514
8	Website	www.axitacotton.com
9	Financial Year reported	April 01, 2023 to March 31, 2024 FY (2023-2024)
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited & National Stock Exchange of India Limited
11	Paid up Capital - Rs. In crores	26.0878
12	Name and contact details of the person who may be contacted in case of any queries on the BRSR report	Shri. Kushal Nitinbhai Patel Sustainability Officer, Contact No.: - 6358747514 Email: cs@axitacotton.com
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures under this report are made on a Standalone basis

ii. Products/services

14. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Cotton Bales	To carry on in India or elsewhere the business of manufacturing, processing, producing, washing, dyeing, ginning, pressing, spinning, weaving, crimping, texturising, carding, bleaching, combing, doubling, finishing, calendaring, sizing, colouring, printing, mercerizing, reeling, winding, throwing, embroidering, blending, sorting, garneting, stretching, drying, drawing, cutting, improving, buying, selling, reselling, importing, exporting, transporting, Storing, fabricating, developing, marketing, or	91.82%

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
		supplying, and to act as broker, trader, agent, C & F agent, distributor, representative, consultant, collaborator, adatia, Stockiest, liasioner, job worker, export house or otherwise to deal in all types of textile goods dress materials, fabrics, cloths, yarns, such as nets, matting, hosiery, plastic clothes, water proof fabrics, pavliners, americal clothes, limitation leather and rubber cloths, tents, durries, newar, ropes, rugs, furnishing cloths, tapestries, curtain cloths, blankets, carpets, carpet backing, gloves, laces, terry fabrics, velvet, georgette, gabardine, pashminas, floor cloths, twid, patto, canvas, khaddar, denim, stone wash, suitings, shirting, sarees and other similar items made on powerloom, handloom or oil mills by man made or natural materials like cotton, flax, hemp, linen, wool, nylon, viscose, ramie, polyester, silk, artsilk, rayon, jute, staple fibres, cashmilon, filaments, terecotton, monofilaments, multifilaments, acrylics, polynosic, polypropylene, polymide, polymethane, cellulose, dropping, spun or other fibrous substances or any combination thereof available at present and as may be invented in future.	
2	Cotton Yarn	Cotton textile yarn is a versatile and popular material that is used to make a variety of items. It is known for its softness, breathability, and durability. If you are looking for a yarn that is easy to care for and comfortable to wear, cotton textile yarn is a great option. It is made from short fibers that are spun together to form a soft, lightweight yarn.	7.62%
3	Other Cotton Consultancies	This includes, Cotton brokerage income. The income of a cotton broker is typically based on a commission, which is a percentage of the sale price of the cotton. The commission rate can vary depending on the broker, the volume of cotton traded, and the market conditions. In general, the commission rate is higher for higher-quality cotton and for more difficult-to-trade cotton.	0.002%

15. Products/Services sold by the entity (*accounting for 90% of the entity's Turnover*):

Sr. No.	Product/Service	NIC Code	% of Total Turnover Contributed
1	Cotton Bales	01632	91.82%
2	Cotton Yarn	13111	7.62%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	1	1	2
International	0	0	0

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	8
International (No. of Countries)	12

b. What is the contribution of exports as a percentage of the total turnover of the entity? **6.22%**

c. A brief on types of customers. Export Customers and Trading Customers

Our customer base includes traders, manufactures and merchant exporters.

Trading customers are wholesalers, they buy from us and further sell the bales locally or to other states. Cotton Bales is raw material material for Yarn mills. Traders often sell our products to Big Cotton mills.

Export customers includes big fashions houses for whom cotton bales is raw material for their apparel manufacturing. They process our cotton bales to yarn and then make branded appears, jeans, t-shirts, fabrics etc.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No.	% (C / A)
<u>EMPLOYEES</u>						
1.	Permanent (D)	18	13	72.22	5	27.78
2.	Other than Permanent €	0	0	0	0	0
3.	Total employees (D + E)	18	13	72.22	5	27.78
<u>WORKERS</u>						
4.	Permanent (F)	4	4	100.00	0	0
5.	Other than Permanent (G)	0	0	0	0	0
6.	Total workers (F + G)	4	4	100.00	0	0

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. €	% (C / A)
<u>DIFFERENTLY ABLED EMPLOYEES</u>						
1.	Permanent (D)	0				
2.	Other than Permanent €	0				
3.	Total employees (D + E)	0				
<u>DIFFERENTLY ABLED WORKERS</u>						
4.	Permanent (F)	0				
5.	Other than Permanent (G)	0				

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. C	% (C / A)
6.	Total workers (F + G)	0				

 19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	1	16.67%
Key Management Personnel	2	0	0

 20. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY (Turnover rate in current FY)			FY (Turnover rate in previous FY)			FY (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	8.00%	75.00%	4.17%	4.17%	0.00%	4.17%	6.82%	0.00%	6.82%
Permanent Workers	76.92%	0.00%	76.92%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

 V. Holding, Subsidiary and Associate Companies (including joint ventures)

 21. (a) Names of holding / subsidiary / associate companies / joint ventures

Sr. No.	Name of the Holding /Subsidiary / Associate Companies / Joint Ventures (A)	Indicate Whether Holding/ Subsidiary/ Associate/ Joint Venture	% Of Shares held By Listed Entity	Does The Entity Indicated at Column A, Participate in the Business Responsibility Initiatives of the Listed Entity? (Yes/No)

NA

 VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes)
 (ii) Turnover (in Lakh Rs.) **Rs. 1,10,438.91**
 (iii) Net worth (in Lakh Rs.) **Rs. 6456.43**

 VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint received	Grievance Redressal Mechanism in Place (Yes / No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-2024 Current Financial Year			FY 2022-2023 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Shareholders	Yes In addition, to the above, shareholders may also post their grievances with the stock exchanges on BSE - www.bseindia.com NSE - www.nseindia.com SEBI Scores www.scores.gov.in	11	0	All the Complaint received during the year were satisfactorily resolved in due course of time	0	0	No such complaints received
Communities	No.	-	-	-	-	-	-
Investors (other than shareholders)	Grievance redressal forms that part of the Whistle Blower Policy. Any grievance should be reported on the Ethics portal.	NA	NA	None	NA	NA	None
		0	0	No such complaints received	0	0	No such complaints received
Employees and workers*		Nil	Nil	None	Nil	Nil	None
Customers		Nil	Nil	None	Nil	Nil	None
Value Chain Partners		-	-	-	-	-	-
Other (please specify)		-	-	-	-	-	-

For Customers, Value chain partners and Investors other than shareholders mention – **Yes**, through number and email. Details can be accessed at <https://axitacotton.com/investor-relation/corporate-announcements/> Contact: +91 6358747514

* we have a well-defined redressal mechanism and internal policy in place for employees and workers concerns including concerns relating to sexual harassment. Grievance redressal forms that part of the Whistle Blower Policy. Give web link of both policies

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Responsible corporate governance	Opportunity	Strong, independent and diverse Board of company is committed to defining and practicing the highest level of Corporate Governance	-	Positive: Brand value
2	Water Management	Risk and Opportunity	Water being a scarce resource needs to be used consciously. Water in a crucial input in our manufacturing plants as well as offices. Misuse of water and wrong full Practices of discharging water can have a bearing on the ecosystem and operations of ACL.	ACL will set practices to monitor the amount of water used in its operations and taken steps for better water management. Apart from these various trainings will be conducted for employees and workers to reduce water wastage and awareness	Positive
3.	Community Relations	Opportunity	Engaging with the community provides with an opportunity understand their needs and also provides an avenue to build trust and gain community support. Positive community relations can attract local talent, customers, and investors, creating additional market opportunities.	We have contributed towards 1. Shree Patel Seva Samaj - K. D. Parvadiya Multispeciality Hospital - Atkot 2. Shree Ranchhoddasji Bapu Charitable Hospital, Rajkot 3. Vanprasth Seva Samaj 4. Kadi Taluka Public Charitable Trust 5. VYO-Vallabh Youth Organisation	Positive
5	Occupational Health & Safety	Risk	Providing a safe and healthy workplace to all employees and workers is a prerequisite for productivity and organisational growth.	ACL ensures that adequate Health and Safety measures are provided to all employees and factory associates. ACL ensures that their operations are conducted keeping in mind the safety and well being of their employees	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6	Product Quality and Safety	Risk and Opportunity	Better quality products that are safe to use and also safeguards the Company for quality and safety claims.	The in-house quality inspection ensures that all the delivered products are of the highest quality.	Negative
7	Human Rights	Opportunity	Human Rights can be an opportunity for ACL to increase its brand reputation and gain both internal employees support. Human Rights procedures and policies will help create a positive environment to work.	ACL follows Zero Tolerance towards forced or compulsory labour including bonded labour, slavery, and human trafficking which is embedded in our Human Rights Policy. Further, ACLS's Employee Code of Conduct, Policy on Prevention of Sexual Harassment at the Workplace, Human Rights Policy and HR practices cover various aspects of human rights protection.	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	No, We are in process of implementation.								
b. Has the policy been approved by the Board? (Yes/No)	No, We are in process of implementation.								
c. Web Link of the Policies, if available	N/A								
2. Whether the entity has translated the policy into procedures. (Yes / No)	No, We are in process of implementation.								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	No, We are in process of implementation.								
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The ISO Standards and other standards adopted by the Company are subject to routine monitoring / evaluation / review by their concerned external agencies on periodical basis. The internal audit team reviews the SOP of the various functions of the company and reviews the compliance of the said policies followed by the various functions in line with the SOP's established by the company. Any variations is reported to the Management.								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	ACL will work out a Sustainability strategy 2030 that will focus on key aspects of sustainability								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Key performance targets across ESG parameters will be set internally and monitored from this financial year onwards.								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (<i>listed entity has flexibility regarding the placement of this disclosure</i>)	Refer to the ‘Message from the Chairman & Managing Director’ of the Annual Report.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	<p>Mr. Nitinbhai Govindbhai Patel Chairman and Managing Director DIN: 06626646</p> <p>Mr. Kushal Nitinbhai Patel Non-Executive Director DIN: 06626639</p>								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	<p>Yes, the Board of ACL has constituted various Board committees, which are responsible for and have a remit over key sustainability related policies of ACL, as below:</p> <ol style="list-style-type: none"> The Corporate Social Responsibility Committee: - The CSR committee of the Board governs and reviews the Corporate Social Responsibility and Sustainability activities of the Company. The CSR Committee recommends the annual activities for ACL Corporate Social Responsibility and Sustainability initiatives to the Board for its approval. The Risk Management Committee: The Board has constituted the Risk Management Committee to assist the Board in fulfilling its oversight responsibilities regarding management of element wise key risks, including strategic, financial, operational, sectoral, sustainability (Environment, Social and Governance) related risks, information & cyber security and compliance risks. The Committee ensures that appropriate methodology, processes, and systems are in place to monitor and evaluate risks associated with the business of the Company and reviews the adequacy of the risk management practices and actions deployed by the management in respect of identification, impact assessment, monitoring, mitigation and reporting of key risks to the achievement of business objectives. The Stakeholder Relationship Committee: This Committee considers and resolves the grievances of the shareholders, debenture holders and other security 								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9

holders of the Company, including complaints relating to non-receipt of Annual Report, transfer and transmission of securities, non-receipt of dividends/interests and such other grievances.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)									
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P	P2	P3	P4	P5	P6	P7	P8	P9	
Performance against above policies and follow-up action																			Annually
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances																			Annually

Policy and management processes

11. Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9

No, but the Company does have an internal process of assessment in place. Going forward, the Company may engage with external agency to assess / evaluate the policies.

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated: - Not Applicable

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

- Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness Programs held	Topics / principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programs
Board of Directors	1	Familiarization was provided on various topics related to regulatory changes, economic development, and other various market scenarios.	100%
Key Managerial Personnel	1		
Employees other than BoD and KMPs	1		

- Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators / law enforcement agencies / judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):

Monetary

	NGRBC Principle	Name of regulatory/ enforcement agencies/ judicial institutions	Amount (In Rs.)	Brief of the Case	Has an appeal been preferred? (Yes / No)
Penalty/Fine	NA	-	0	-	-
Settlement	NA	-	0	-	-
Compounding Fee	NA	-	0	-	-

Non Monetary

	NGRBC Principle	Name of regulatory/ enforcement agencies/ judicial institutions	Amount (In Rs.)	Brief of the Case	Has an appeal been preferred? (Yes / No)
Imprisonment	-	-	0	-	-
Punishment	-	-	0	-	-

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory / enforcement agencies / judicial institutions
-	-

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

We do not have any standalone anti-corruption or anti-bribery policy. However, we adhere to the Code of Conduct and Ethics Policy which reflects the commitments made by us around ethics and integrity. This policy is adopted to set forth the basic standards of ethical behavior, detection & prevention of any wrongdoing and to outline the expectations from employees and Directors of the Company in this regard.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2023-2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
Board of Directors	-	-
Key Managerial Personnel	-	-
Employees other than BoD and KMPs	-	-
Workers	-	-

6. Details of complaints with regard to conflict of interest:

	FY 2023-2024 (Current Financial Year)		FY 2022-2023 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of Complaints received in relation to issues of Conflict of Interest of the Directors	-	-	-	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-	-	-	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable as There has been no fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year.

Currently, we do not have well-defined principle-wise training programmes for our value chain partners. However, we continuously engage with them through various mediums and have extended our company’s responsible practices through our Supplier Code of Conduct which guides them on the broader topics of labour and human rights, EHS, business integrity, reporting of unethical practices, etc.

Total number of awareness programmes held	Topics / Principle covered under the Training	% age of value chain partners covered) by value of business done with such partners) under the awareness programmes
-	-	-

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the board? (Yes/No) If yes, provide details of the same.

Yes. We have Related Party Transactions (RPT) and has also formulated a policy for determining the Material RPT and the details of such policies for dealing with RPT are disseminated on our website at www.axitacotton.com. There were no materially significant related party transactions between ACL and the Directors, Promoters, Key Managerial Personnel, and other designated persons which may have a potential conflict with the interest of the company at large. We have obtained all Prior approval for all the related party transactions from the Audit Committee of the Board. Further ACL has a Code of Conduct for the board members and senior management of ACL. The Code of Conduct captures the potential areas where a conflict of interest can arise and the reporting mechanism for the same. The board members and senior management submit an annual declaration to the secretarial team stating that they have duly complied with the Code of Conduct.

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2023-2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)	Details of improvements in environmental and social impacts
R & D	-	-	Reduced ETP waste
CAPEX	-	-	

- Does the entity have procedures in place for sustainable sourcing? (Yes/No)

We at Axita, believe that sustainability when systematically embedded at source gets cascaded throughout the operations and the value chain. As mentioned earlier, sustainable sourcing is a material issue for us. For the same, we have integrated sustainable sourcing into our business.

Since cotton seeds is our key raw material, we are actively engaging with around Hundreds of Villages and engaging with Thousands of farmers for capacity building and procurement of cotton seeds through our nominated farmers. Apart from this, we are also sourcing yarns made out of recycled and alternate natural fibers.

- If yes, what percentage of inputs were sourced sustainably?

In current reporting year, we sourced Majority cotton seeds from sustainable sources (Better Cotton / Global Recycled Standard / Regenagri Organic Certified).

- Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

We have devised an internal process that focuses on the classification of waste followed by segregation and storage in separated areas. periodically the waste is collected and responsibly disposed in accordance with the regulatory norms defined by the State Pollution Control Board (SPCB) / Central Pollution Control Board (CPCB).

- Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

No. ACL does not manufacture any products with plastic packaging in India. We use Grey cloth for packing of our cotton bales.

Leadership Indicators

- Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

At present ACL does not track Product Life Cycle assessments

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
Cotton Seeds	Cultivation of cotton using conventional practices has more environmental impact in comparison to cotton cultivated through Organic or Better Cotton practices.	Increased our engagement with farmers to build their capacity on Organic and Better Cotton practices. Increased the sourcing of sustainable cotton.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate Input Material	Recycled or re-used input material to total material	
	FY 2023-2024 Current Financial Year	FY 2022-2023 Previous Financial Year
Cotton Seeds	45%	45%

1. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

NIC Code	FY 2023-2024 Current Financial Year			FY 2022-2023 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
-	-	-	-	-	-	-

2. Reclaimed products and their packaging materials (as percentage of products sold) for each product category:

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
-	-

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. (a) Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total Health Insurance (A)		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities		
	Number (B)	%(B/A)	Number (C)	%(C/A)	Number (D)	%(D/A)	Number (E)	%(E/A)	Number (F)	%(F/A)	
Permanent employees											
Male	17	17	100.00	17	100.00	-	-	-	-	-	-
Female	5	5	100.00	5	100.00	5	100.00	-	-	-	-
Total	22	22	100.00	22	100.00	5	100.00	-	-	-	-
Other than Permanent employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

(b) Details of measures for the well-being of workers:

Category	% of employees covered by										
	Total Health Insurance (A)		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities		
	Number (B)	%(B/A)	Number (C)	%(C/A)	Number (D)	%(D/A)	Number (E)	%(E/A)	Number (F)	%(F/A)	
Permanent employees											
Male	17	17	100.00	17	100.00	-	-	-	-	-	-
Female	5	5	100.00	5	100.00	5	100.00	-	-	-	-
Total	22	22	100.00	22	100.00	5	100.00	-	-	-	-
Other than Permanent employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

2. Details of retirement benefits, for Current FY and Previous Financial Year.

	No. of employees covered as a % of Total Employees	No. of workers covered as a % of total workers	Deducted and deposited with the Authority (Y/N/N.A.)	No. of employees covered as a % of Total Employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	-	-	-	-	-	-
Gratuity	-	-	-	-	-	-
ESIS	-	-	-	-	-	-
Others-please specify	-	-	-	-	-	-

3. Accessibility of workplaces:

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Presently, the Company do not have such employees, however Company will take steps towards make its manufacturing facilities and offices more accessible to differently abled employees and workers.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

ACL, ensures that the employees are treated fairly and with equality, regardless of their race, sex, or disability. All the employees have an equal chance to apply for any internal job postings or promotions, and training opportunities at the workplace.

5. Return to work and retention rates of permanent employees and workers that took parental leave

		Permanent Employees		Permanent Workers	
Gender	Return to work rate	Retention rate	Return to work rate	Retention rate	
Male	-	-	-	-	-
Female	-	-	-	-	-
Total	-	-	-	-	-

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

Gender	Yes/No (If yes, then give details of the mechanism in brief)
Permanent workers	A grievance redressal process is followed to ensure all permanent and other employees and workers grievances are addressed and closed.
Other than permanent workers	
Permanent employees	
Other than permanent employees	

7. Assessments for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

8. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

No significant risks or concerns were highlighted in the assessment.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of Employees & Workers.

1	Employees	Yes
2	Workers	Yes

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

We ensure that all statutory dues have been deducted and deposited by our value chain partners in accordance with applicable laws and regulations. The internal audit and tax team overlooks the entire process. We have mentioned this as part of our Supplier Code of Conduct and all suppliers need to abide by it. We have practice of Monthly reconciliation of GST Tax paid by value chain partners and if its not paid by value chain partner we make sure it paid and process accordingly as per statutory provision. We have also system of quarterly TDS-TCS Reconciliation for compliance of income tax statutory provision by value chain partners.

We ensure that such dues are collected and remitted to the government by our value chain partners.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Particulars	Total no. of affected employees / workers		No. of employees / workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-2024	FY 2022-2023	FY 2023-2024	FY 2022-2023
Employees	-	-	-	-
Workers	-	-	-	-

4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

NO.

1. Details on assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100%
Working Conditions	100%

2. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

- The principle focuses on the fact that there are other stakeholders apart from investors, clients, and employees, and the organization has a responsibility towards the public at large, as the operations impact the natural resources, natural habitats, water bodies, communities etc.
- Organization has to take into account the expectations of all the interested parties to their business, both external and internal, and specifically to the affected vulnerable groups and communities.
- They have to reduce the adverse effects to any stakeholder from their products or services in any part of the life cycle.

The core elements cover:

- A. Organisations should have system to disclose the impacts from their operations transparently to stakeholders.
- B. Organisation should identify their stakeholders, both external and internal, determine the expectations of these interested parties, and devise their strategies accordingly to address them.
- C. The benefits of the business should be passed on to the affected parties and the organisation is responsible to resolve any conflicts and grievances related to their operation with the affected parties with fair and just compensations and alternate arrangements.

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Any individual and group of people, etc, who are impacted due to business operations and projects of the Company are the stakeholders. Any of such individual and group of people that adds value for business and have greater impact on the business are the key stakeholders for the Company. The key stakeholders inter alia include employees, shareholders/investors, distributors, customers, channel partners, research analyst, vendors, suppliers, regulators and government agencies.

The process for identification of such key stakeholders is of Qualitative nature. It is conducted in consultation with and feedback from different departments along with Senior Management and Board.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder group	Whether identified as vulnerable and marginalized group (Yes/No)	Channels of communication (email; SMS; newspaper; pamphlets; advertisement; community meetings; notice board; website); other	Frequency of engagement (annually / half yearly / quarterly / other - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Farmers	No	Advertisement, Notice, Communications during procurement	Whenever Required	Procurement Quality assessment Grievance redressal Contract and Payment terms
Shareholders / Investors	No	Mail Advertisements in Newspapers, Press Releases, AGM through Virtual Meeting and Website	Quarterly, Half- yearly, Annually and as and when needed	Discussions about top line and bottom line of the Company performance Announcing the financials results to the investors, Dividend, Annual Reports, General Meetings, educating

Stakeholder group	Whether identified as vulnerable and marginalized group (Yes/No)	Channels of communication (email; SMS; newspaper; pamphlets; advertisement; community meetings; notice board; website); other	Frequency of engagement (annually / half yearly / quarterly / other - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees and Workers	No	Personal/group interactions, mails and trainings.	Regularly	Discussions about productivity, Training, Growth and career Development. and encouraging the shareholders to exercise their voting rights in shareholders' meetings, Dividend declarations etc
Local Community	No	Activities by institutions promoted or partnered by us e.g., NLRDP and SHARDA Trust. Also through Industrial Relations department.	As per planned activities	Building sustainable cohesive community relations and positively impacting the quality of life of the local community.
Media	No	Media interaction is carried out through announcements, events, visits, conferences, etc.	As per planned activities & requirements	We communicate key developments, milestone events, and our growth perspective. It also enables us to build larger outreach and better narrative for key initiatives.
Government agencies	No	Through Government Portals and other permitted means	As required for compliance and as per available opportunities.	Compliances of law and corporate governance.
Suppliers	No	Our procurement and sourcing team interacts with the suppliers on a periodic basis. Likewise, we also engage with them during training programmes and workshops.	As per planned activities & requirements	It enables us to understand mutual expectations and needs, especially with regard to quality, cost, timely delivery, growth plans and sharing of best practices.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.
 - a. **Audit Committee:** The committee is entrusted with the Business and Economic responsibility of the organization. The Audit Committee supervises the Company's financial reporting and disclosures ensuring timeliness and compliance with regulatory requirements.
 - b. **Nomination and Remuneration Committee:** The committee recommends suitable persons for the post of Directors, Key Managerial Personnel, and their remuneration. The Board of Directors considers their recommendation and seek the approval of the shareholders for the appointment of Directors. This committee also lays down performance evaluation criteria for Independent Directors based on expertise and value offered and attendance at committee meetings.
 - c. **Stakeholders Relationship Committee:** This committee oversees the timely and appropriate resolution of investor complaints. Members of this committee also formulate policies to service this stakeholder group.
 - d. **Risk Management Committee:** The committee is responsible for reviewing and evaluating all business risks identified by the Company's management, including those pertaining to the environment. Members of this committee oversee the formulation of Ramco Industries Risk Management Policy and provide strategic direction to minimize potential risks. They also oversee the establishment, implementation, and monitoring of the organization's risk management system.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

No

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

NA

PRINCIPLE 5: Businesses should respect and promote human rights

- The principle is based on the concept that the human rights are inherent to every human being, is non-negotiable, and not to be diluted in any manner for the sake of business.
- UN Guiding Principles on Business and Human Rights also consider the human rights as a responsibility of the business concerns and requires them to be responsible for any violation and take adequate steps to make sure that no human rights abuse happens because of their business operation.

There are five core elements to this Principle as below:

- The governing structure of the business should make sure that the human rights requirements in the Constitution of India and other laws prevailing in India along with the International Bill of Rights is communicated to its employees and collaborators, and if there is any potential for human rights impact, there should be relevant authority to handle them.
- The governing system of the organisation should have policies, structure and procedure to identify and mitigate any possible human rights violations from its operation.
- The organisation should adequately address mitigation of the human rights issues arising out of their operations and have effective corrective actions to avoid recurrence.
- Have promotional programs and drives across the value chain to educate the employees and raise awareness about the human rights violations and how it can happen from their operations.
- Effective grievance redressal mechanisms in place for all the affected groups and communities to raise their concerns to the organisation.

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

	Current Financial Year FY 2023 - 2024			Previous Financial Year FY 2022 - 2023		
	Total (A)	No. of employee/ Workers covered (B)	% (B/A)	Total (C)	No. of employees/ Workers covered (D)	% (D/C)
Employee						
Permanent	18	18	100.00	15	15	100.00
Other Than Permanent	0	0		0	0	100.00
Total Employees	18	18	100.00	15	15	100.00
Workers						
Permanent	4	4	100.00	9	9	100
Other Than Permanent	0	0	100.00	5	5	100
Total Workers	4	4	100.00	14	14	100.00

2. Details of minimum wages paid to employees and workers, in the following format:

All employees and contractors have been paid more than or equal to minimum wages in accordance with the laws of the land where the Company operates.

Category	Current Financial Year in man hours					Previous Financial Year in man hours				
	FY 2022 - 2023					FY 2021 - 2022				
	Total (A)	On Health and safety measures		On skill upgradation		Total (D)	On Health and safety measures		On skill upgradation	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Employees										
Permanent										
Ma	13	0	0	13	100%	12	0	0	12	100%
Fe	5	0	0	5	100%	3	0	0	3	100%
Other than Permanent										
Ma	0	0	0	0	0	0	0	0	0	0
Fe	0	0	0	0	0	0	0	0	0	0
Workers										
Permanent										
Ma	4	4	100	0	0	9	9	100	0	0
Fe	0	0	0	0	0	0	0	0	0	0
Other than Permanent										
Ma	0	0	0	0	0	5	5	100	0	0
	0	0	0	0	0	0	0	0	0	0

3. Details of remuneration/salary/wages, in the following format:

Particulars	Male		Female	
	Number	Median Remuneration / Salary / Wages of Respective Category (In Rs.)	Number	Median remuneration/ salary/wages of respective category (in Rs.)
Board of Directors	2	27.46: 1	0	0
Key Managerial Personnel	2	7.42: 1	0	0
Employees other than BoD and KMPs	9	23.02: 1	5	28.66: 1
Workers	4	85.39: 1	0	0

*Note: All median salaries mentioned above are on monthly basis.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Our Audit Committee has the responsibility of reviewing employee concerns that are reported through the Whistle Blower mechanism. Through the whistleblower mechanism, employees are encouraged to report any concerns related to human rights violations, such as harassment, victimization, bullying, and discrimination, for a formal investigation and satisfactory resolution of the grievance.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Our organization has established a Whistle Blower mechanism that empowers individuals to report any concerns related to human rights violations to management without fear of retaliation through a designated email or contact information. The mechanism also provides employees and Directors direct access to the Chairperson of the Audit Committee in exceptional cases.

6. Number of Complaints on the following made by employees and workers:

Particulars	Current Financial Year FY 2023 - 2024			Previous Financial Year FY 2022 - 2023		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	Nil	Nil	Nil	Nil
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child Labour	Nil	Nil	Nil	Nil	Nil	Nil
Forced Labour / Involuntary Labour	Nil	Nil	Nil	Nil	Nil	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other human rights related issues	Nil	Nil	Nil	Nil	Nil	Nil

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

We have specifically set up an Internal Complaints Committee which looks after the instances of harassment and discrimination at the work place. Till date zero Complaints were received from our workers.

Our Whistle Blower mechanism empowers the complainant to bring to the attention of the management, any concerns related to discrimination and harassment without fear of punishment or unfair treatment by reporting at designated e-mail or contact details.

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

We have specifically set up an Internal Complaints Committee which looks after the instances of harassment and discrimination at the work place. Till date zero Complaints were received from our workers.

Our Whistle Blower mechanism empowers the complainant to bring to the attention of the management, any concerns related to discrimination and harassment without fear of punishment or unfair treatment by reporting at designated e-mail or contact details.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes. Statutory and regulatory requirement clauses stipulate regarding human values, child labour, equal remuneration and social security.

10. Assessments for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Sexual Harassment	100% through statutory compliance
Discrimination at workplace	100% through statutory compliance
Child Labour	100% through statutory compliance
Forced Labour / Involuntary Labour	100% through statutory compliance
Wages	100% through statutory compliance
Other human rights related issues	100% through statutory compliance

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

Not applicable as no such modifications has been introduced in the current reporting year.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

NIL

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes. (As per legal requirements) All the premises of ACL are accessible to differently abled visitors by means ramps and lifts.

4. Details on assessment of value chain partners:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Sexual Harassment	100% through statutory compliance
Discrimination at workplace	100% through statutory compliance
Child Labour	100% through statutory compliance
Forced Labour / Involuntary Labour	100% through statutory compliance
Wages	100% through statutory compliance
Other human rights related issues	100% through statutory compliance

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

- The equity, dignity, and quality of life for the employees are the crux of this Principle and are related to the UN SDG 8 for Decent Work and Economic Growth.
- This covers all the people in the complete value chain, addressing all kinds of discrimination and encouraging diversity. The quality of life encompasses the whole family of the employee. There are ten core elements to the principle that covers both the organization and the entities in its value chain. Both entities must comply with the regulatory and statutory requirements, and further provide equal opportunity to all the employees during recruitment, promotions, appraisals, and exit from the organisation.
- The core idea is to Encourage collective bargaining, unions and associations, and have appropriate systems for grievance redressal, prevent child labour and slave labour in all forms, Support work life balance for all employees, provide a safe and hygienic place of work with provisions for gender specific requirements, provide required training and skill upgradation for the employees with access to learning opportunities.

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity:

Parameter	Current Financial Year FY 2023 - 2024	Current Financial Year FY 2022 - 2023
Total electricity consumption (A)	19,95,257	17,47,214
Total fuel consumption (B)	7,39,215	757,665
Energy consumption through other sources (C)	0	0
Total energy consumption (A+B+C3)	27,34,472	25,04,879
Energy intensity per rupee of turnover (Total energy consumption /turnover in rupees)	0.00025	0.00045
Energy intensity (optional) - the relevant metric may be selected by the entity		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - **No**

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any. - **No**
3. Provide details of the following disclosures related to water, in the following format:

Axita Cotton Ltd is Ginning Unit, and its not water incentive unit hence not applicable.

Parameter	Current Financial Year FY 2023 - 2024	Previous Financial Year FY 2022 - 2023
Water withdrawal by source (in kiloliters)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	-	-
Total volume of water consumption (in kilolitres)	-	-
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
Water intensity (optional)–the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **Not Applicable**

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Axita Cotton Limited is Ginning Textile Unit, which has no requirement of permission of Gujarat Pollution Control Board, hence pollution data is not applicable.

Parameter	Please specify unit	Current Financial Year FY 2023 - 2024	Previous Financial Year FY 2022 - 2023
NOx	ppm	-	-
SOx	ppm	-	-
Particulate matter (PM)	mg/Nm ³	-	-
Persistent organic pollutants (POP)		-	-
Volatile organic compounds (VOC)		-	-
Hazardous air pollutants (HAP)		-	-
Others – please specify		-	-

Note: Indicate if any independent assessment / evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – **Not Applicable**

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Axita Cotton Limited is Ginning Textile Unit, which has no requirement of permission of Gujarat Pollution Control Board, hence pollution data is not applicable.

Parameter	Please specify unit	Current Financial Year FY 2023 - 2024	Previous Financial Year FY 2022 - 2023
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	-	-
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	-	-
Total Scope 1 and Scope 2 emissions per rupee of Turnover (in crores)		-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – **Not Applicable**

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

No

8. Provide details related to waste management by the entity, in the following format:

Parameter	Current Financial Year FY 2023 - 2024	Previous Financial Year FY 2022 - 2023
Total Waste generated (in metric tonnes)		
A. Plastic waste (A)	-	-
B. E-waste (B)	-	-
C. Bio-medical waste (C)	-	-
D. Construction and demolition waste (D)	-	-
E. Battery waste (E)	-	-
F. Radioactive waste (F)	-	-
G. Other Hazardous waste. Please specify, if any. (G)	-	-
H. Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	-	-
Total (A+B + C + D + E + F + G + H)	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycle	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	-	-
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – **Not Applicable**

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes. - **Not Applicable**

10. If the entity has operations / offices in / around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sr. No	Location of operations / offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
	No		
All of Axita's operating facilities are located in premises which have the requisite building permits, including environmental approvals for carrying out the operations			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
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No such project requiring EIA has been undertaken in the current or previous reporting year.

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Sr. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
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Not Applicable

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	Current Financial Year FY 2023 - 2024	Previous Financial Year FY 2022 - 2023
From renewable sources		
A. Total electricity consumption (A)	2,85,300.00	3,84,387.00
B. Total fuel consumption (B)	0.00	0.00
C. Energy consumption through other sources (C)	0.00	0.00
Total energy consumed from renewable sources (A+B+C)	2,85,300.00	3,84,387.00
From non-renewable sources		
Category of waste		
D. Total electricity consumption (D)	0	0
E. Total fuel consumption (E)	0	0
F. Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources. (D+E+F)	0	0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - No

2. Provide the following details related to water discharged:

Parameter	Current Financial Year FY 2023 - 2024	Previous Financial Year FY 2022 - 2023
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	Not applicable	Not applicable
- No treatment		
- With treatment-please specify level of treatment		
(ii) To Groundwater	Not applicable	Not applicable
- No treatment		
- With treatment-please specify level of treatment		
(iii) To Seawater	Not applicable	Not applicable
- No treatment		
- With treatment-please specify level of treatment		
(iv) Sent to third- parties	Not applicable	Not applicable
- No treatment		
- With treatment-please specify level of treatment		
(v) Others	Not applicable	Not applicable
- No treatment		
- With treatment-please specify level of treatment		
Total water discharged (in kiloliters)	Not applicable	Not applicable

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:-Not Applicable

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	Current Financial Year FY 2023 - 2024	Previous Financial Year FY 2022 - 2023
Water withdrawal by source (in kilolitres)		
(i) Surface water	Not applicable	Not applicable
(ii) Groundwater	Not applicable	Not applicable
(iii) Third party water	Not applicable	Not applicable
(iv) Seawater / desalinated water	Not applicable	Not applicable
(v) Others (STP treated water)	Not applicable	Not applicable
Total volume of water withdrawal (in kilolitres)	Not applicable	Not applicable
Total volume of water consumption (in kilolitres)	Not applicable	Not applicable

Parameter	Current Financial Year FY 2023 - 2024	Previous Financial Year FY 2022 - 2023
Water intensity per thousand rupee of turnover (Water consumed / turnover)	Not applicable	Not applicable
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	Not applicable	Not applicable
- With treatment – please specify level of treatment	Not applicable	Not applicable
(ii) Into Groundwater		
- No treatment	Not applicable	Not applicable
- With treatment – please specify level of treatment	Not applicable	Not applicable
(iii) Into Seawater		
- No treatment	Not applicable	Not applicable
- With treatment – please specify level of treatment	Not applicable	Not applicable
(iv) Sent to third-parties		
- No treatment	Not applicable	Not applicable
- With treatment – please specify level of treatment	Not applicable	Not applicable
(v) Others		
- No treatment	Not applicable	Not applicable
- With treatment – please specify level of treatment	Not applicable	Not applicable
Total water discharged (in kilolitres)	Not applicable	Not applicable

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - **No**

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Please specify unit	Current Financial Year FY 2023 - 2024	Previous Financial Year FY 2022 - 2023
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	Not applicable	Not applicable
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO ₂ equivalent	Not applicable	Not applicable
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	Metric tonnes of CO ₂ equivalent	Not applicable	Not applicable

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – **No**

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No.	Initiative undertaken	Details of the initiative (Web- link, if any, may be provided along-with summary)	Outcome of the initiative
1	-	-	-

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

No. However, we plan to develop the same in the coming years.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Cotton seeds and cotton are our key raw material and our dependence on it is quite large owing to 90% of products being made from cotton. We have well understood the environmental impact that might occur if it is produced in an irresponsible manner which comprises of unsustainable use of agro chemicals, water and soil. Cotton produced under such practices contaminates the freshwater systems, degrades the soil quality, impact the health of biodiversity, farmers and nearby population.

Upon recognising this issue and the need to scale the uptake of sustainable cotton, we initiated our engagement with farmers to build their capacity for sustainable agricultural practices.

Our material cotton seed is agriculture product and to protect soil and environment we are spreading awareness about organic farming and for that we conduct seminar and training programs for organic farming and also provide guidance and related education to farmers.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

NIL

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

- The principle is based on the understanding that national and international legal frameworks have a very important effect on the businesses that operate within that area and decide their growth prospects in a significant manner.
- The principle does not forbid the organisation to work with government for policy formulations but reiterates that the organisation has a responsibility to be transparent.
- The core elements include:
 - A. The organisation should have a system of having complete public disclosure when in an advocacy role consistent with the NGRBC.
 - B. The industry associations and trade and commerce groups should be used to take up policy advocacy to the Government,
 - C. especially in matters that affect the policies that relate to the organisation.

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

We are affiliated with 15 industry chambers / associations, where we often take part in various dialogues across numerous channels of engagement.

- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sr. No.	Name of the trade and industry chambers /associations	Reach of trade and industry chambers /associations (State / National)
1.	Better Cotton Initiative	International
2.	Textile Exchange	International
3.	OEKO-TEX STANDARAD 100	International
4.	Global Recycled Standard	International
5.	Global Organic Textile Standard (GOTS)	International
6.	REGENAGRI	International
7.	General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China (AQSIQ)	International
8.	Confederation of Indian Industry	National
9.	The Cotton Textiles Export Promotion Council	State
10.	Gujarat Chamber of Commerce & Industry	State

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
-	-	-

Leadership Indicators

4. Details of public policy positions advocated by the entity:

NIL

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year

Response: **Not Applicable**

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Response: **Not Applicable**

3. Describe the mechanisms to receive and redress grievances of the community.

The Company proactively meets the community representatives. It has a designated team at manufacturing location. Each need is noted, analysed and a feasible solution is implemented.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Voluntary recalls	Current Financial Year FY 2023 - 2024	Previous Financial Year FY 2022 - 2023
Directly sourced from MSMEs / small producers	24,26,15,090.00	1,38,72,890.00
Sourced directly from within the district and neighboring districts	-	-

Note: This represents only cotton procured from small holders farmers engaged in Axita's sustainable cotton projects across Gujarat, Maharashtra and Madhya Pradesh. For other raw materials, this has not been calculated.

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Nil	NA

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Not Applicable as no CSR projects were undertaken in designated aspirational districts as identified by government bodies

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

The company does not have any preferential procurement policy at present.

(b) From which marginalized /vulnerable groups do you procure? - Not Applicable

(c) What percentage of total procurement (by value) does it constitute? - Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Sr. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefits shared (Yes/No)	Basis of calculating Benefits share
-	-	-	-	-

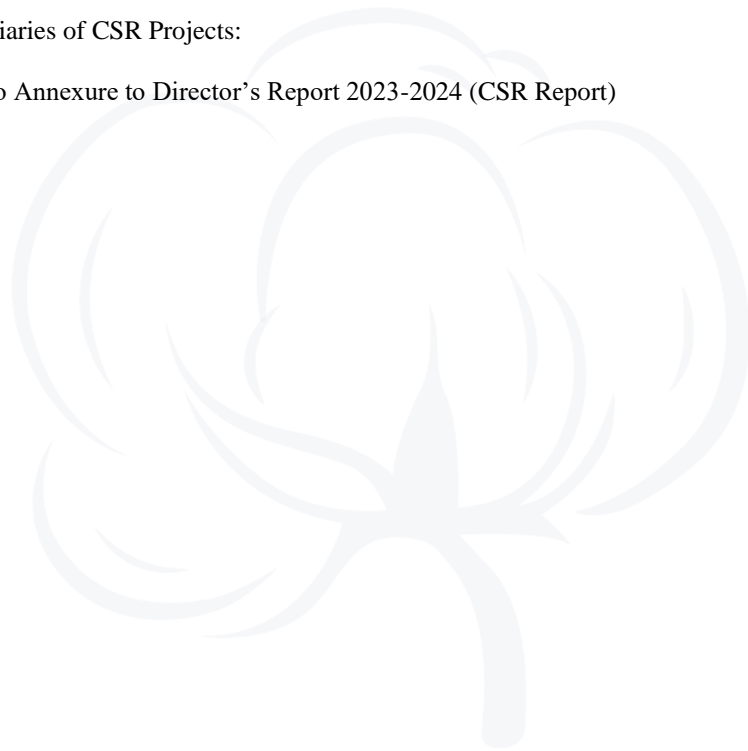
5. We have not engaged with any entity during the reporting period for deriving or sharing any benefits from the intellectual properties owned and acquired by us.

6. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved. **Not Applicable**

Sr. No.	Name of authority	Brief of the Case	Corrective Action Taken
-	-	-	-

7. Details of beneficiaries of CSR Projects:

For details refer to Annexure to Director’s Report 2023-2024 (CSR Report)



PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

- As the core elements of Principle 9 include the company should minimize and mitigate any adverse impact of its goods and services on consumers, the natural environment and society at large, the company may give title of the policy relevant for Consumer Value Development.
- This Principle is related to the concept that the primary purpose of the business enterprise is to create wealth by producing quality products, or delivering services to the targeted customer, and keeping them satisfied to mutually benefit both the parties.
- The principle comprehends that the customer has a freedom of choice of the products and services, and hence the organisations will put their efforts to provide quality at affordable and reasonable process, that are easy to use and dispose of.
- It also aligns with the UN SDG-12 for responsible consumption and production, when is expects the business organisations to educate, make information available to the customers about the impacts of excessive usage of the products to their well-being, and to the society or the planet.

Following are elements for this principle as below:

- a. Organisations should put in their efforts to reduce the negative impacts of their products and services on consumers, natural environment, and society at large.
- b. When conceptualizing, designing, and marketing their products, the organisation should not, in any manner, prevent the freedom of choice and fair competition.
- c. The organisation should transparently and accurately disclose all kinds of adverse impacts to the user, planet, society, on the biodiversity from their products. This may be done by labelling, marketing, or by providing information on their social media platforms.

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Not applicable, Because we are a B2B business. We don't directly engage with the end consumers, as most of our interactions are with organisations such as manufacturers of textile industries or with brokers.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage of total turnover
Environmental and social parameters relevant to the product	
Safe and responsible usage	Not Applicable
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following

Category	Current Financial Year FY 2022 - 2023			Previous Financial Year FY 2022 - 2023		
	Received during	Pending resolution at end of year	Remarks	Received during	Pending resolution at end of year	Remarks
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other	-	-	-	-	-	-

4. Details of instances of product recalls on account of safety issues:

Voluntary recalls	Voluntary recalls	Voluntary recalls
Voluntary recalls	N/A	N/A
Forced recalls	N/A	N/A

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes. The Risk management Policy is available on the Company's website at www.axitacotton.com

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

During the year, there were no instances of issues in the above mentioned areas. As we deal in B2B products only and most of time we deal through broker's only so such kindly of issues not incurred in past and also in present.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

The information on company's products can be accessed through company's website i.e., www.axitacotton.com.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Not applicable, since we are a B2B business. We don't directly engage with the end consumers, as most of our interactions are with organizations such as manufacturers of textile industries, all the producer and the manufactures have their dedicated team for same.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Not applicable-

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

The Company display only mandated product information on carton boxes.

5. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact	Nil	Nil
b. Percentage of data breaches involving personally identifiable information of customers	Nil	Nil

Note:

This document includes non-financial metrics that are subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques, including estimation, can result in materially different measurements. The precision of different measurement and estimation techniques may also vary. This Report was published in September 2024. Axita Cotton Limited reserves the right to update its measurement and estimation techniques and methodologies in the future.

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

This report covers the operations and financial performance of the Company for the year ended March 31, 2024 and forms part of the Annual Report.

GLOBAL ECONOMY:

Global economic growth is anticipated to reach 3.1 percent in 2024 and 3.2 percent in 2025. The forecast for 2024 exceeds the October 2023 World Economic Outlook (WEO) by 0.2 percentage points due to stronger-than-anticipated resilience observed in the United States and several prominent emerging market and developing economies, alongside fiscal measures implemented in China. Nevertheless, the projected growth rates for 2024-2025 fall short of the 3.8 percent historical average recorded during 2000-2019. This divergence is attributed to heightened central bank policy rates aimed at combating inflation, reduction in fiscal support amidst elevated debt levels that impose constraints on economic activity, and sluggish underlying productivity gains. Notably, inflation rates are declining more swiftly than earlier projections across most regions, driven by the resolution of supply-side disruptions and the implementation of restrictive monetary policies. Global headline inflation is expected to decrease to 5.8 percent in 2024 and further to 4.4 percent in 2025, with downward revisions made to the 2025 forecast.

INDIAN ECONOMIC OVERVIEW

India's economy has demonstrated remarkable resilience in the face of global headwinds and geopolitical tensions, driven by robust domestic consumption, a resurgence in rural demand, and sustained investment and manufacturing momentum. This broad-based growth across sectors underscores India's pivotal role in supporting the global economy and highlights its ability to navigate complex macroeconomic challenges. The country's economic performance is a testament to its strong fundamentals and its emergence as a key driver of global growth.

The concerted efforts of the Government and the Reserve Bank of India (RBI) to combat inflation, including the implementation of judicious monetary policy measures, strategic food buffer management, and targeted import easing, have yielded impressive results in inflation management. As a consequence, retail inflation in Financial Year 2023-24 has exhibited a significant downtrend, plummeting to its lowest point since the onset of the Covid19 pandemic. Moreover, core inflation has decreased to a mere 3.3% in March 2024, indicating a notable achievement in price stability. Looking ahead, forecasts of an above-normal monsoon in 2024 augur well for a bountiful harvest, further alleviating inflation concerns and bolstering economic prospects.

Amidst the prevailing global trade slowdown, India is poised to defy trends, with its trade deficit projected to decline in the forthcoming years. The Production Linked Incentive (PLI) scheme is expected to drive this growth, as it expands its scope and encompasses additional sectors. Fueled by robust exports and steadfast remittances, leading international agencies and the RBI forecast a significant moderation in the Current Account Deficit (CAD) to GDP ratio, dipping below 1% in Financial Year 2023-24. This resilient performance underscores India's economic strength and its ability to navigate complex global trade dynamics.

India maintains its position as the world's fastest-growing major economy, with an optimistic growth trajectory forecasted for the current fiscal year. Leading international organizations and the Reserve Bank of India (RBI) have reaffirmed their confidence in India's economic prospects, issuing favourable growth projections. This consensus endorsement underscores the country's robust economic fundamentals and its ability to sustain momentum in the face of global uncertainty, solidifying India's status as a beacon of growth and stability.

BUSINESS SCENARIO

The textile sector is a vital component of the Indian economy, contributing significantly to the country's GDP and employment. With a growth rate of 14.9%, the domestic apparel and textile industry is a substantial contributor to India's GDP, accounting for 2% of the country's GDP and 7% of the industry output in value terms. The sector's share in the overall textile basket is consistently increasing, driven by the growing demand for technical textiles, which registered a 28.4% year-on-year growth rate.

The government has demonstrated its commitment to supporting the textile sector through various schemes and programs, including the Production Linked Incentive (PLI) and Maga Investment Textiles Parks (MITRA). The removal of import duty on Extra Long Staple (ELS) cotton has also benefited the textile industry, which imports ELS cotton from countries like the USA and Egypt to produce high-valued textile and apparel products mainly for exports.

According to the Ministry of Commerce & Industry, India's cotton yarn, fabrics/made-ups, and handloom exports witnessed a significant growth of 6.71% year-on-year, reaching a total value of \$11.7 billion in the fiscal year 2023-24. The top export markets included the United States, Bangladesh, China, Sri Lanka, and the United Arab Emirates, with exports expanding into new markets like Anguilla, Serbia, and Georgia.

While the textile sector has shown robust growth, the apparel exports sector experienced more modest growth, increasing by only 1.70% in March 2024. The annual figures reveal a complex picture, with textiles exports growing by 2.62% and apparel exports declining by 10.25%, resulting in an overall degrowth of 3.24% in the combined textiles and apparel exports for the year.

The government's initiatives and the industry's efforts have contributed to the sector's growth, but challenges persist. Addressing these challenges and leveraging opportunities for sustainable growth and development will be crucial for the textile sector's future success.

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Textile Market size is estimated at USD 748 billion in 2024, and is expected to reach USD 889.24 billion by 2029, growing at a CAGR of 3.52% during the forecast period (2024-2029).

The COVID-19 pandemic has challenged the textile industry drastically in 2020. Asia, which is one of the largest markets for the textile industry in the world, has suffered from the prolonged lockdowns and restrictions in the majority of Asian countries along with the sudden drop in international demand for their products. The loss was particularly high in countries where the textile industry accounted for a larger share of the exports. According to the study by the International Labour Organization (ILO) the global textile trade collapsed during the first half of 2020. Also, exports to the major buying regions in the European Union, the United States, and Japan fell by around 70%. The industry also suffered several supply chain disruptions due to the shortages of cotton and other raw materials.

The textile industry is an ever-growing market, with key competitors being China, the European Union, the United States, and India. China is the world's leading producer and exporter of both raw textiles and garments. The United States is the leading producer and exporter of raw cotton, while also being the top importer of raw textiles and garments. The textile industry of the European Union comprises Germany, Spain, France, Italy, and Portugal at the forefront with a value of more than 1/5th of the global textile industry. India is the third-largest textile manufacturing industry and is responsible for more than 6% of the total textile production, globally. The rapid industrialization in the developed and developing countries and the evolving technology are helping the textile industry to have modern installations which are capable of high-efficient fabric production. These factors are helping the textile industry to record more revenues during the study period and are expected to help the industry further in the forecast period.

COMPANY OVERVIEW:

Our Company main business of Ginning and Pressing of Seed Cotton (“**Kapas**”) and Yarn. Our Company is producing cotton bales, cotton yarns and cotton seeds. Our Company also engaged in the business of Trading of Kapas, cotton bales, cotton yarns 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 the Financial Year 2023-2024, the Company continued to achieve greater heights despite several hurdles faced. The overall profitability of the Company during the year under review have grown as compared to the previous year. Our Company's exports have decreased in financial year 2023-2024 as compared to previous financial year 2022-2023 but Our Company's domestic sales have increased in financial year 2023-2024 as compared to previous financial year 2022-2023. Our Company's products demand was high in the domestic market during the financial year 2023-2024.

OPPORTUNITIES AND THREATS, RISKS AND CONCERNS (OTRC):

Management Discussion and Analysis mainly comprise the statements which may, inter alia, involve predictions based on perceptions and may, therefore, be prone to risks and uncertainties. It is the sum total of the Company's expectations, beliefs, estimates and projections which may be forward looking or depressing within the meaning of applicable laws and regulations. The actual results could differ materially from those expressed herein specially or impliedly.

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

Opportunities:

- Expertise in new products development.
- Policy Support: Several policy support initiatives taken by the government of India favourably
- Moreover, several countries of the world have realized that dependence on the one country for its textiles requirements is not a good policy. So, in the changed global scenario they have started looking for alternative production sources and has started working on China plus one strategy for the requirement of Textile Products.
- Various incentives offered by the government, have provided the much needed impetus to the Textile industry.
- Consumers are more attracted towards local good quality products which are more reliable.

Threats, Risks and Concerns:

No industry is free from normal business risk, threats and concerns.

- Uncertainty on monsoon.
- Higher Cost of Raw Materials
- Global Events like escalation of war in Ukraine
- Rising crude oil prices
- Logistic Risk: The scarcity and long delivery times of raw materials is still present due to complicated and highly expensive transports
- Price fluctuations
- Exchange fluctuations in case of Exports
- High inflation

OUTLOOK AND FUTURE PROSPECTS:

We are pleased to inform you that the year gone by has been excellent for the Textile Industry. The government is making all possible efforts towards gaining access to the new markets. Indian Textile Industry is one of the key industry of the country and the Government through its policies and initiatives continues to give further push to the industry so that it become global competitive and increase its Global share. We remain optimistic about the medium term and intend to continue investing in our growth engines.

The high cotton prices coupled with slackness in Global demand are affecting the fortunes of the Textile Industry. The Future is still not clear. Your management is looking at the future with optimism and expects that with the improvement in the global demand and softening of raw cotton prices in the coming periods, will give a relief to the Textile Industry.

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 considers 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, 2024 is summarized below:

PARTICULARS	(Rs. in Lakh except EPS)	
	F.Y. 2023-2024	F.Y. 2022-2023
Revenue form Operation	1,10,201.42	54,805.69
Other Income	237.50	168.24
Total Income (Total Revenue)	1,10,438.91	54,973.93
Total Expenditure (Excluding Depreciation)	1,07,502.84	52,532.69
Profit before Financial costs, Depreciation and amortization expenses and Taxation	2,936.07	2,441.23
Less: Finance Costs	80.30	49.64
Operating profit before Depreciation and amortization expenses and Taxation	2,855.77	2,391.59
Less: Depreciation and amortisation	125.57	105.63
Profit before Tax	2,730.20	2,285.96
Less: (1) Current Income Tax	698.48	604.71
Less: (2) Income Tax (Prior Period)	0.00	0.00
Less: (3) Deferred Tax	-1.84	-22.28
Profit after tax	2,033.56	1,703.53
Other Comprehensive Income		
(i) Item that will not be reclassified to profit or loss		
Remeasurement of defined benefit plans	32.65	7.18
Income tax relating to items that will not be reclassified to profit or loss	-8.22	-1.97
Other Comprehensive Income for the Year	24.43	5.21
Total Comprehensive Income for the Year	2,057.99	1,708.74
EPS (Basic)	0.79	0.87
EPS (Diluted)	0.79	0.87

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 Rs. **1,10,438.91** Lakhs for the F.Y. 2023-2024 as compared to Rs. **54,973.93** Lakhs during the previous F.Y. 2022-2023.

During the year under review, the Company achieved Earnings before Interest, Taxes, Depreciation and Amortization Expense of Rs. **2,730.20** Lakhs for the F.Y. 2023-2024 as compared to Rs. **2,285.98** Lakhs during the previous F.Y. 2022-2023.

During the year under review, the Company achieved Profit after Taxation and other comprehensive income of Rs. **2,057.99** Lakhs for the F.Y. 2023-2024 as compared to Rs. **1,708.74** Lakhs during the previous F.Y. 2022-2023.

Export Sales for the F.Y. 2023-2024 was Rs. 6682.49 Lakhs as compared to Rs. 8230.76 Lakhs for the F.Y. 2022-2023.

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.

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 by the Internal Auditor of the Company and Chief Financial Officer of the Company. 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 the Financial Year 2023-2024 vis-à-vis Financial Year 2022-2023 are as below:

Particulars	Numerator	Denominator	2023-24	2022-23	% of variance	Explanation for change in the ratio by more than 25%
Liquidity Ratio						
Current Ratio (times)	Current Assets	Current Liabilities	3.10	3.13	-1%	
Solvency Ratio						
Debt-Equity Ratio (times)	Current & Non-Current Borrowing + Lease Liabilities	Total Equity	0.39	0.12	241%	Raising funds through SBI CC increases our debt component, leading to a higher debt equity ratio on the balance sheet compared to the previous year. This reflects our strategic move to secure immediate capital for operational needs, potentially enhancing long-term growth prospects despite the short-term impact on financial ratios.
Debt Service Coverage Ratio (times)	Net Profit after taxes + Depreciation & Amortisation Expenses + interest + Taxes	Interest + Lease Payments + Principal Repayments of Loan	34.14	21.53	59%	Raising funds through SBI CC increases our interest component, leading to a higher debt Service coverage ratio on the balance sheet compared to the previous year. This reflects our strategic move to secure immediate capital for operational needs, potentially enhancing long-term growth prospects despite the short-term impact on financial ratios.

Particulars	Numerator	Denominator	2023-24	2022-23	% of variance	Explanation for change in the ratio by more than 25%
Profitability ratio						
Net Profit Ratio (%)	Profit After Tax	Total Revenue from Operations	1.85%	3.11%	-41%	The decline in the net profit ratio can be attributed to the unexpected increase in the cost of goods sold (COGS), particularly due to the unanticipated rise in prices of essential raw materials such as kapas. Additionally, the unexpected price hike in cotton bales, a significant part of our finished goods inventory, has further contributed to this increase in COGS. This sudden escalation in input costs has significantly squeezed our profit margins, resulting in a lower net profit ratio. Despite our efforts to mitigate these challenges, the unforeseen market conditions have impacted our profitability metrics.
Return on Equity Ratio (%)	Profit After Tax - preference dividend (if any)	Average Shareholder's Equity	34.78%	38.44%	-10%	
Return on Capital employed (%)	Earning before interest and taxes	Net Worth + Total Debt + Deferred Tax Liability - Deferred Tax Assets	30.94%	39.88%	-22%	
Return on Investment (%)	Income generated from investments	Weighted average invested funds				Not Applicable
Utilization Ratio						
Trade Receivables turnover ratio (times)	Revenue from operations	Average Trade Receivables	26.76	9.35	186%	The higher debtors turnover ratio compared to the previous year indicates that we've been collecting payments from our customers at a faster rate. This suggests improved efficiency in our credit management processes, resulting in quicker conversion of sales into cash and better management of our accounts receivable.
Inventory turnover ratio (times)	Cost of goods sold	Average Inventory	81.04	86.75	-7%	

Particulars	Numerator	Denominator	2023-24	2022-23	% of variance	Explanation for change in the ratio by more than 25%
Trade payables turnover ratio (times)	Purchase of stock in trade + Purchase of Raw material	Average Trade Payables	123.05	12.61	876%	The increase in credit turnover ratios highlights our proactive approach in enhancing financial efficiency through streamlined operations, strengthened customer relationships, and effective cash flow management. By optimizing credit policies, negotiating favorable terms with suppliers, and ensuring timely payments, we've fostered trust among stakeholders and positioned ourselves for sustained growth and operational resilience.
Net capital turnover ratio (times)	Revenue from Operations	Average Working Capital	20.54	13.73	50%	The high net capital turnover ratio compared to the previous year can be attributed to the significant increase in sales volume. This rise in sales indicates improved demand for our products/services, leading to more efficient utilization of invested capital to generate revenue. As a result, our assets are being utilized more effectively to drive sales, contributing to a higher turnover ratio and reflecting improved operational efficiency and financial performance.

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.

CAUTIONARY STATEMENT:

The Management Discussion and Analysis sections contain the Company's objectives, projections, estimates and expectations may constitute certain statements, which are forward-looking within the meaning of applicable laws and regulations. The statements in this management discussion and analysis report could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operation include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in the governmental regulations, tax regimes, forex markets, economic developments within India and the countries with which the Company conducts business and other incidental factors.

Registered office:

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

Date: September 05, 2024
Place: Kadi, Mahesana

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

Nitinbhai Govindbhai Patel
Chairman Cum Managing Director
DIN: 06626646

Kushal Nitinbhai Patel
Managing Director
DIN: 06626639

Annual Report – Annexure I CSR

ANNEXURE - I TO DIRECTORS' REPORT:

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

[As prescribed under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) as amended from time to time]

1. A BRIEF OUTLINE OF THE COMPANY'S CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY:

INTRODUCTION

The purpose of Corporate Social Responsibility (CSR) Policy of Axita Cotton Limited ("AXITA", "ACL") is to devise an appropriate strategy and focus for its CSR initiatives and lay down the broad principles on the basis of which it will fulfil its CSR objectives.

APPLICABILITY

The Company's CSR Policy has been prepared in accordance with Section 135 of the Companies Act, 2013 (referred to as the Act in this policy) on CSR and in accordance with the CSR Rules (hereby referred to as the Rules) notified by the Ministry of Corporate Affairs, Government of India, in 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) as amended from time to time.

ROLES AND RESPONSIBILITIES OF THE CSR COMMITTEE

The roles and responsibilities of the CSR Committee are as under:

- i. To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Companies Act, 2013 and rules thereof.
- ii. To recommend the amount of expenditure to be incurred on the CSR activities.
- iii. To monitor the implementation of framework of CSR Policy of the Company from time to time.
- iv. To formulate and recommend to the Board, an annual action plan which includes:
 - (a) the list of CSR projects or programmed that are approved to be undertaken in areas or subject specified in Schedule VII of the Companies Act, 2013;
 - (b) the manner of execution of such projects or programmes as specified in sub-rule (1) of Rule 4 of the CSR Rules;
 - (c) the modalities of utilization of funds and implementation schedules for the projects or programmes;
 - (d) monitoring and reporting mechanism form the projects or programmes; and
 - (e) details of need and impact assessment, if any, for the projects undertaken by the Company
- v. To carry out any other function as may be delegated or assigned by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

POLICY REVIEW

This Policy is framed based on the provisions of the Act and Rules thereunder.

In case of any subsequent changes in the provisions of the Act or any other regulations which makes any of the provisions in the Policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with law.

This Policy shall be reviewed by the CSR Committee as and when any changes are to be incorporated in the Policy due to change in regulations or as may be felt appropriate by the Committee. Any changes or modification on the Policy as recommended by the Committee would be given for approval of the Board of Directors.

2. COMPOSITION OF THE CSR COMMITTEE:

Sr. No.	Name of Member	Designation	Category of Director	No. of Committee Meeting held	No. of Committee Meeting Eligible to attend	No. of Committee Meeting Attended
1.	Mr. Nitinbhai Govindbhai Patel (w.e.f. April 28, 2023) ¹	Chairperson	Managing Director	3	3	3
2.	Mr. Kushal Nitinbhai Patel (w.e.f. April 28, 2023)	Member	Non Executive Director	3	3	2
3.	Mr. Kunjal Jayantkumar Soni s (w.e.f. November 03, 2023)	Member	Independent Director	3	1	1
4.	Mr. Vinod Kanubhai Rana (upto November 03, 2023)	Member	Independent Director	3	2	2
5.	Mr. Utsav Himanshu Trivedi ² (w.e.f. November 03, 2023)	Member	Independent Director	3	1	1

4. Mr. Nitinbhai Govindbhai Patel is a Chairman cum Managing Director and become Chairperson in place of Mr. Kushal Nitinbhai Patel vide reconstitution of committee on November 03, 2023.

5. Mr. Kushal Nitinbhai Patel was a Managing Director and his designation was changed on October 1, 2024 to Non Executive Director and he become member of this committee and Mr. Nitinbhai Govindbhai Patel was become Chairperson vide reconstitution of committee on November 03, 2023.

6. Mr. Utsav Himanshu Trivedi is an Independent Non Executive Director and become Member of the committee in place of in place of Ms. Vinod Kanubhai Ran vide reconstitution of committee on November 03, 2023.

3.

The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

www.axitacotton.com

4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): **Not Applicable**

5. Detail of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the (Companies Corporate Social Responsibility Policy) rule 2014, and amount required for set off for the financial year, if any:

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be setoff for the financial year, if any (in Rs.)
1	FY 2021-2022	Not Applicable	1,05,425.61
2	FY 2022-2023	1,05,425.61	5,100.75
3	FY 2023-2024	5,100.75	22,98,132.90

6. Average net profit of the Company as per section 135(5): Rs. 15,93,24,893.

7. –

		(Amount in Rs.)
1.	Two percent of average net profit of the Company as per section 135(5)	31,86,497.85-
2.	Surplus arising out of the CSR projects or programme or activities of the previous financial years	5,100.75/-
3.	Amount required to be set off for the financial year, if any	0.00/-
4.	Total CSR obligation for the financial year (1+2-3)	31,81,397.10/-

8. a. CSR amount spent or unspent for the financial year:

Total Amount Spent for the financial year (in Rs.)	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
54,79,530	Nil	Nil	Nil	Nil	Nil

b. Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Sr No.	Name of Project	Item from The Activities in Schedule VII to the Act	Local Area (Yes/No)	Location of Project	Project Duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount Transferred to unspent CSR Account For the Project Per Section 135(6) (in Rs.)	Mode of Implementation as Direct (Yes / No)	Mode of Implementation Through implementing Agency	Name of CSR Registration Number
NIL											

c. Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	Name of Project	Item from The List of Activities In schedule VII to the Act	Local Area (Yes / No)	Location of the project	Amount Spent for the Project (in Rs.)	Mode of Implementation Direct (Yes/No)	Mode of implementation Through Implementing agency Name CSR Reg. Number
1.	Contribution for providing Educational Institution and drug-free nation	Promotion of Health and Education	Yes	Gujarat Rajkot	5,00,000	No	Shree Patel Seva Samaj - K. D. Parvadiya Multispeciality Hospital - Atkot CSR0001 1463
2.	by educating the young breed of India about the evil effect of drugs & reinforcing the		Yes	Gujarat Rajkot	7,39,530	No	Shree Ranchhoddasjib apu Charitable Hospital, Rajkot CSR0001 5519
3.			Yes	Gujarat Ahmedabad	2,00,000	No	Vanprasth Seva Samaj CSR0002 2655

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of Project	Item from The List of Activities In schedule VII to the Act	Local Area (Yes / No)	State	District	Amount Spent for the Project (in Rs.)	Mode of Implementation Direct (Yes/ No)	Mode of implementation Through Implementing agency	
								Name	CSR Reg. Number
4.	message for inspiring, motivating and supporting drug addicts to stay away from the perils of drug abuse		Yes	Gujarat	Ahmedabad	5,00,000	No	Kadi Public Charitable Trust	Taluka CSR0001 5465
5.			Yes	Gujarat	Vadodara	35,40,000	No	VYO-Vallabh Youth Organisation	CSR0000 3529
Total						54,79,530			

d. Amount spent in Administrative Overheads: Nil

e. Amount spent on Impact Assessment, if applicable: Not Applicable

f. Total amount spent for the financial year (8b+8c+8d+8e): 54,79,530/-

g. Excess amount for set off, if any:

Sr. No.	Particular	Amount in Rs.
i	Two percent of average net profit of the Company as per section 135(5)	31,86,497.85
ii	Total amount spent for the Financial Year	54,79,530.00
iii	Excess amount spent for the financial year [(ii)-(i)]	22,93,032.15
iv	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	5,100.75
v	Amount available for set off in succeeding financial years [(iii)-(iv)]	22,98,132.90

9. (a) **DETAILS OF UNSPENT CSR AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:**

There is no unspent CSR amount from the preceding three financial years.

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) (Amount in Rs.)	Amount spent in the reporting Financial Year (Amount in Rs.)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years Laes (Amount in Rs.)
				Name of the Fund	Amount in Rs.	Date of Transfer	
1	2021-2022	Nil	Nil	Nil	Nil	Nil	Nil
2	2022-2023	Nil	Nil	Nil	Nil	Nil	Nil
3	2023-2024	Nil	Nil	Nil	Nil	Nil	Nil
Total		Nil	Nil	Nil	Nil	Nil	Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Not Applicable. There are no ongoing projects of preceding financial years.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No	Project ID	Name of The Project	Project Duration	Total amount allocated for the project (in Rs.)	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting financial year (in Rs.)	Cumulative amount spent at the end of the reporting Financial Year (in Rs.)	Status of the project Completed / Ongoing

Not Applicable

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): Not Applicable

- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable.

Registered office:

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

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

Date: September 05, 2024

Place: Kadi, Mahesana

**Nitinbhai Govindbhai Patel
Chairman Cum Managing Director
DIN: 06626646**

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 2024, the Statement of Profit and Loss, the Cash Flow Statement and a summary of Material 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, 2024 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 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement 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 AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 and board of directors are 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 and board of directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. The board of directors is also responsible for overseeing the company's financial reporting process.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

- i. 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.

- ii. 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.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv. 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.
- v. 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, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act we give in the "Annexure B", 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 B 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 Ind AS specified under Section 133 of the Act;
 - 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, 2024 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 A” 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.
 - iv. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts,
 - i) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities 'Intermediaries', with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company 'Ultimate Beneficiaries' or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - ii) No funds have been received by the company from any person(s) or entity(ies), including foreign entities 'Funding Parties', with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party 'Ultimate Beneficiaries' or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- iii) Based on audit procedures carried out by us, that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

- h) The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.

- i) Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

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

Malav Shah
Partner
M.NO. 117101
UDIN: 24117101BKBHHS4766

Date: 23/04/2024
Place: Ahmedabad

“ANNEXURE A”

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”)

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:

We have audited the internal financial controls over financial reporting of Axita Cotton Limited (“the Company”) as of March 31, 2024 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 judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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, 2024, 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: - W100683

Malav Shah
Partner
M.NO. 117101
UDIN: 24117101BKBHHS4766

Date: 23/04/2024
Place: Ahmedabad

“ANNEXURE B”

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:

- i. (a) (A) The Company has maintained proper records showing full Particulars, including quantitative details and situations, of Property, plant and Equipment.
 (B) The Company has maintained proper records showing Particulars of Intangible Assets.

(b) Property, plant and Equipments of the Company have been physically verified by the Management in a phased periodic manner, which is in our opinion is reasonable, having regards to size of the Company and nature of its assets. No material discrepancies were noticed on such verification.

(c) In our opinion and according to the information and explanations given to us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

In respect of immovable properties of land and building that have been taken on lease and disclosed as property, plant and equipment in the financial statements, the lease agreements are in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

- ii. (a) The inventory has been physical verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory were noticed on such physical verification.

(b) The Company has been sanctioned working capital limits of thirty-five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during the year. The monthly returns or statements filed by company with the banks are in agreement with the audited books of account of the company.

- iii. According to information and explanation given to us, the Company granted loans or advances in the nature of loans, secured or unsecured to the other parties. Accordingly, paragraph 3 (iii) of the Order is applicable.

(a) The aggregate amount of Loan and Advances provided to Employees during the Year were Rs 9,16,954 and balance outstanding at the end balance sheet date with respect to such loan and advances were Rs 8,74,917.

(b) The terms and Condition of grant of all loans and advances in the nature of loans and guarantees are not prejudicial to the company’s interest;

- (c) Reporting under clause (iii)(c), (d) and (e) of the Order is not applicable.
- (d) Company has granted loans and advances in the nature of loans either repayable on demand or without specifying any terms.
- iv. In our opinion and according to information and explanation given to us, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013 applicable. Accordingly, paragraph 3 (iv) of the order is not applicable.
- v. 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.
- vi. We have reviewed the books of account maintained by the company pursuant to rules made by the central government for the maintenance of cost records under sub section 1 of section 148 of the Act in respect of company's product and are of opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate and complete.

- vii. (a) The Company does not have liability in respect of Sales tax, Service tax, Duty of excise and Value added tax during the year, since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts Deducted/ accrued in the books of account in respect of undisputed Statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on Account of disputes, except for the following:

Name of the Statute	Nature of the Dues	Amount (Rs. in Lakhs)	Period	Forum where dispute is Pending
Income-tax Act, 1961	Interest u/s 234B	0.84 Lakhs	FY 2021-22	Pending with Assessing Officer

- viii. In our opinion and according to the information and explanations given to us, there are no transactions not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, paragraph 3 (viii) of the Order is not applicable.
- ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.

- (c) In our opinion and according to the information and explanations given to us, the term loans obtained during the year were applied for the purpose for which they were availed.
- (d) In our opinion and according to the information and explanations given to us, funds raised on short term basis have not been utilised for long term purposes.
- (e) The Company does not have any subsidiaries/ associates/ joint ventures and accordingly, paragraphs 3 (ix) (e) and 3 (ix) (f) of the Order are not applicable.
- (f) In our opinion and according to the information and explanations given to us, the company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) In our opinion and according to the information and explanations given to us, the company has not raised any money by way of initial public offer (including debt instruments) during the year. Accordingly, para 3 (x) (a) of order is not applicable.
- (b) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, paragraph 3(x) (b) of order is not applicable.
- xi. (a) To the best of our knowledge and according to the information and Explanations given to us, no fraud by the Company or no material fraud on the Company by any person has been noticed or reported during the year. Accordingly, paragraph 3(xi) (a) of the order is not applicable.
- (b) According to the information and explanations given to us, no Report under sub-section (12) of Section 143 of the Act has been filed by auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, paragraph 3(xi) (b) of the order is not applicable.
- (c) To the best of our knowledge and according to the information and explanations given to us, no whistle-blower complaints, have been received by the Company during the year.
- xii. The Company is not a Nidhi Company and accordingly, Paragraphs 3 (xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) Based on information and explanations provided to us and our audit Procedure in our opinion, the company has internal audit system Commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

- (d) According to the information and Explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- xvii. The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and Payment of financial liabilities, (Asset Liability Maturity (ALM) pattern) other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.
- xxi. In our opinion and according to the information and explanations given to us, the Company does not have investments in subsidiaries/ associates or joint venture companies. Accordingly, paragraph 3 (xxi) of the Order is not applicable.

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

Malav Shah
Partner
M.NO. 117101
UDIN: 24117101BKBHHS4766

Date: 23/04/2024
Place: Ahmedabad

BALANCE SHEET AS AT MARCH 31, 2024

Particulars	Note No.	(Rs. in Lakhs)	
		As at March 31, 2024	As at March 31, 2023
I. ASSETS			
(1) Non Current Assets			
(a) Property, Plant & Equipment	3 (a)	885.80	980.12
(b) Intangible Assets	3 (b)	3.56	1.98
(c) Financial Assets			
(i) Other Financial Assets	4	90.65	85.86
(d) Deferred Tax Assets (Net)	5	25.56	23.72
Total Non Current Assets		1,005.57	1,091.68
(2) Current Assets			
(a) Inventories	6	1,916.17	696.17
(b) Financial Assets			
(i) Trade Receivables	7	3,822.25	4,415.01
(ii) Cash & Cash Equivalents	8	576.97	813.40
(iii) Loans	9	8.75	-
(iv) Other Financial Assets	10	16.36	15.54
(c) Other Current Assets	11	2,491.49	1,048.59
Total Current Assets		8,831.99	6,988.71
Total Assets		9,837.56	8,080.39
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	12	2,608.78	1,965.60
(b) Other Equity	13	3,847.58	3,271.35
Total Equity		6,456.36	5,236.95
(2) Liabilities			
Non Current Liabilities			
(a) Financial Liabilities			
(ii) Lease Liabilities	14	514.96	560.30
(b) Provisions	15	12.92	47.38
(c) Deferred Tax Liabilities (Net)	5		
Total Non Current Liabilities		527.88	607.68
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	1,972.02	-
(ii) Lease Liabilities	17	45.34	42.08
(iii) Trade Payables	18		
- Dues of micro enterprises and small enterprises	18(a)	47.32	0.62
- Dues of creditors other than micro enterprises and small enterprises	18(b)	281.81	1,410.50
(iv) Other Financial Liabilities	19	1.23	0.77
(b) Provisions	20	85.32	155.97
(c) Current Tax Liabilities (Net)		291.32	37.77
(d) Other Current Liabilities	21	128.97	588.05
Total Current Liabilities		2,853.33	2,235.76
Total Liabilities		3,381.21	2,843.44
Total Equity and Liabilities		9,837.56	8,080.39

Corporate Information & Material Accounting Policies

1 & 2

The accompanying notes are integral part of the Financial Statements.

As per our report of even date attached.

For Mistry & Shah LLP
 Chartered Accountants
 FRN: W-100683

For and on behalf of Board of
 Axita Cotton Limited

Nitinbhai Patel
 Chairman cum Managing Director
 DIN: 06626646

Kushal Patel
 Director
 DIN: 06626639

Malav Shah
 Partner
 M. No. 117101

Harsh Shah
 Chief Finance Officer

Shyamsunder Panchal
 Company Secretary

Place: Ahmedabad
 Date: 23 April, 2024

Place: Kadi, Mahesana
 Date: 23 April, 2024

UDIN: 24117101BKBHHS4766

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2024

(Rs. in Lakhs except EPS)

Particulars	Note No.	Year Ended March 31,2024	Year Ended March 31,2023
<u>Income</u>			
I Revenue from Operations	22	1,10,201.42	54,805.69
II Other Income	23	237.49	168.23
III Total Income (I+II)		1,10,438.91	54,973.92
<u>Expenses</u>			
Cost of Material Consumed	24	2,357.53	137.88
Purchase of Stock- In- Trade	25	1,04,644.15	50,650.26
Change in Inventories of Finished goods, Work-in-Progress and Stock-In-Trade	26	(1,151.38)	(218.95)
Employee Benefits Expense	27	222.09	319.00
Finance Costs	28	80.30	49.64
Depreciation and Amortization Expenses	3	126.69	105.63
Other Expenses	29	1,429.33	1,644.50
Total Expense (IV)		1,07,708.71	52,687.96
V Profit/(loss) before Exceptional Items and Tax (III-IV)		2,730.20	2,285.96
VI Exceptional items		-	-
VII Profit/(loss) Before Tax (V-VI)		2,730.20	2,285.96
<u>Tax Expenses</u>			
1. Current tax	5	698.48	604.71
2. Deferred tax	5	(1.84)	(22.28)
Total Tax Expense (VIII)		696.64	582.43
IX Profit for the Year (VII-VIII)		2,033.56	1,703.53
<u>Other Comprehensive Income</u>			
(i) Item that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		32.65	7.18
Income tax relating to items that will not be reclassified to profit or loss	5	(8.22)	(1.97)
Other Comprehensive Income for the Year		24.43	5.21
Total Comprehensive Income for the Year (IX+X)		2,057.99	1,708.74
<u>Earnings Per Share (Face Value of Rs. 1/- each)</u>			
XI - Basic & Diluted	30	0.78	0.87
Corporate Information & Material Accounting Policies			
The accompanying notes are integral part of the Financial Statements.			
As per our report of even date attached.			

For Mistry & Shah LLP
Chartered Accountants
FRN: W-100683

Malav Shah
Partner
M. No. 117101

Place: Ahmedabad
Date: 23 April, 2024

UDIN: 24117101BKBHHS4766

For and on behalf of Board of
Axita Cotton Limited

Nitinbhai Patel
Chairman cum Managing Director
DIN: 06626646

Harsh Shah
Chief Finance Officer

Place: Kadi, Mahesana
Date: 23 April, 2024

Kushal Patel
Director
DIN: 06626639

Shyamsunder Panchal
Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON MARCH 31, 2024
(a) Equity Share Capital

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
Equity shares of Rs. 1/- each fully paid up		
Balance at the beginning of the reporting period	1,965.60	196.56
Changes due to prior period errors	-	-
Restated balance at the beginning of the reporting period	1,965.60	196.56
Changes in equity share capital during the year		
Less: Buy Back during the year	9.00	-
Add : Bonus Shares issued during the year	652.18	-
Add: Stock Split during the year	-	1,769.04
Balance at the end of the reporting period	2,608.78	1,965.60

(b) Other Equity

Particulars	Reserves & Surplus		Total Other Equity
	Capital redemption reserve	Retained earnings	
Balance as at April 1, 2022	-	1,660.89	1,660.89
Profit for the year	-	1,703.53	1,703.53
Dividend	-	(98.28)	(98.28)
Other comprehensive income, net of tax	-	5.21	5.21
Total comprehensive income for the year	-	1,610.46	3,271.35
Balance as at March 31, 2023	-	3,271.35	3,271.35
Balance as at April 1, 2023	-	3,271.35	3,271.35
Profit for the year	-	2,033.56	2,033.56
Amount transferred to capital redemption reserve upon buy back of equity shares	9.00	(9.00)	-
Buy back of shares	-	(495.00)	(495.00)
Buyback distribution tax	-	(113.49)	(113.49)
Transaction cost towards buyback of equity shares	-	(25.43)	(25.43)
Other comprehensive income, net of tax	-	24.43	24.43
Dividend Paid	-	(195.66)	(195.66)
Bonus Issue and Related expense	(9.00)	(643.18)	(652.18)
Total comprehensive income for the year	-	576.23	576.23
Balance as at March 31, 2024	-	3,847.58	3,847.58

Nature and purpose of reserves:

- Capital redemption reserve (CRR)** -As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.
- Retained earnings** - It represents surplus / accumulated earnings of the Company available for distribution to the shareholders. It includes accumulated gain / (loss) amounting to Rs. 24.43 Lakhs (PY: Rs. 5.21 Lakhs) (net of tax) pertaining to remeasurement gain / (loss) on defined employee benefit plan as classified in other comprehensive income from period to period.

The accompanying notes are integral part of the Financial Statements.

As per our report of even date attached

For Mistry & Shah LLP
Chartered Accountants
FRN: W-100683

Malav Shah
Partner
M. No. 117101

Place: Ahmedabad
Date: 23 April, 2024

UDIN: 24117101BKBHHS4766

For and on behalf of Board of
Axita Cotton Limited

Nitinbhai Patel
Chairman cum Managing Director
DIN: 06626646

Harsh Shah
Chief Finance Officer

Place: Kadi, Mahesana
Date: 23 April, 2024

Kushal Patel
Director
DIN: 06626639

Shyamsunder
Panchal
Company Secretary

STATEMENT OF CASHFLOW FOR THE YEAR ENDED ON MARCH 31, 2024

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Cash Flow from Operating Activities		
Profit before Taxes	2,730.20	2,285.96
Amount Transferred to Reserve		
Adjustments for:		
Depreciation & amortization	125.57	105.63
Interest Income	(120.99)	(45.51)
Provision for Expected Credit Loss	(3.06)	15.97
Net gain / (loss) on fair valuation of derivative contracts		4.55
Finance Cost	38.38	
Lease Interest	41.92	33.57
Gain on Sale of Property, Plant & Equipments	(0.98)	-
Operating Profit before Working Capital Changes	2,811.04	2,400.17
Changes in working capital:		
(Increase)/Decrease in Inventory	(1,220.00)	(219.80)
(Increase)/Decrease in Trade Receivable	595.82	2,871.91
(Increase)/Decrease in Other Financial Assets	(0.82)	(0.49)
Decrease/(Increase) in Other Current assets	(1,442.90)	1,281.16
Increase/(Decrease) in Trade payable	(1,081.99)	(5,234.74)
Increase/(Decrease) in Other Financial Liabilities	0.46	(170.02)
(Decrease)/Increase in Other Current liabilities	(459.08)	482.56
(Decrease)/Increase in Current Provisions	(70.65)	-
Increase/(Decrease) in Net Employee Benefit Liabilities	0.04	55.45
Cash generated from Operations	(868.08)	1,466.20
Income Taxes Paid	452.19	740.64
Net Cash Flow from Operating Activities(A)	(1,320.27)	725.56
Cash Flow from Investing Activities		
Interest Received	120.99	44.90
Acquisition of Property, Plant and Equipment and Change in Capital Work in Progress	(34.65)	(76.07)
Sale of Property, Plant & Equipment and Intangible Assets	2.00	-
(increase)/Decrease in Other Non Current Financial assets	(4.79)	(74.34)
(Increase)/Decrease in Current Financial Assets- Loan	(8.75)	-
Net Cash Flow from Investing Activities(B)	74.80	(105.51)
Cash Flow from Financing Activities		
Current Financial Borrowing	1,972.02	
Payment of Lease Liabilities	(84.00)	(63.00)
Buyback of Shares	(9.00)	
Security Premium Paid in Buyback	(495.00)	
Tax Paid on Buyback	(113.49)	
Dividend Paid	(195.66)	(98.28)
Finance Cost	(38.38)	(0.23)
Buyback Expense	(27.41)	
Net Cash Flow from Financing Activities(C)	1,009.08	(161.51)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+ B+ C)	(236.40)	458.54
Cash and Cash Equivalents at the beginning of the period	813.36	354.82
Cash and Cash Equivalents at the end of the period	576.96	813.36
Notes to Statement of Cash Flows		
Cash and cash equivalent includes:		
Cash on Hand	20.72	54.34
Fixed deposits with banks with original maturity of less than three months	-	494.50
Balances with banks / financial institutions	556.25	264.52
Total Cash and Cash Equivalents	576.97	813.36

For Mistry & Shah LLP
Chartered Accountants
FRN: W-100683

For and on behalf of Board of
Axita Cotton Limited

Nitinbhai Patel
Chairman cum Managing Director
DIN: 06626646

Kushal Patel
Director
DIN: 06626639

Malav Shah
Partner
M. No. 117101

Harsh Shah
Chief Finance Officer
Place: Kadi, Mahesana
Date: 23 April, 2024

Shyamsunder Panchal
Company Secretary

Place: Ahmedabad
Date: 23 April, 2024
UDIN: 24117101BKBHHS4766

COMPANY OVERVIEW AND MATERIAL ACCOUNTING POLICIES

NOTE 1 – CORPORATE INFORMATION

Axita Cotton Limited ('The Company') is engaged in the business of manufacturing, trading, processing and finishing of cotton bales and yarn. The registered office of the Company is situated at Servey No. 324 357 358 Kadi Thol Road, Borisana, Kadi, Mahesana- 382715, Gujarat.

The Financial Statements are presented in Indian Rupee (INR), which is the functional and presentation currency of the Company. The Financial Statements were approved and authorized for issue in accordance with a resolution passed in meeting of Board of the Directors held on 23rd April 2024.

NOTE 2 – MATERIAL ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these Financial Statements. Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(a) BASIS OF COMPLIANCE

The Financial Statements have been prepared in accordance and comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter from time to time.

(b) BASIS OF PREPARATION OF FINANCIAL STATEMENT

The Financial Statements have been prepared on historical cost basis, except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in accounting policies below. All the values are rounded off to the nearest Lacs unless otherwise indicated.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (i.e. 12 months) and other criteria set out in the Schedule III to the Companies Act, 2013.

(c) CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS, AND JUDGMENTS

The preparation of the Financial Statements requires management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the Financial Statements and the reported amounts of income and expense for the periods presented.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions.

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

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements.

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

- Lease term: whether the Group is reasonably certain to exercise extension options.
- Revenue recognition: timing of revenue recognition based on when the performance obligations are satisfied under contracts with customers
- Useful lives of property, plant and equipment, right of use assets and intangible assets
- Measurement of defined benefit obligations: key actuarial assumptions;
- Recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised;
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources; and
- Measurement of ECL allowance for trade and other receivables, loans and contract assets: key assumptions in determining the weighted-average loss rate.

(d) PROPERTY, PLANT AND EQUIPMENT / INTANGIBLE ASSETS

An item of property, plant and equipment ('PPE') is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. These recognition principles are applied to the costs incurred initially to acquire item of PPE, to the pre-operative and trial run costs incurred (net of sales), if any and also to the costs incurred subsequently to add to, replace part of, or service it.

Property, Plant and Equipment are stated at cost of acquisition/construction net of recoverable taxes and less accumulated depreciation/amortization and impairment loss, if any. Cost includes cost of acquisition, construction, installation, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net of recoverable taxes. The Company capitalizes to project assets all the cost directly attributable and ascertainable, to completing the project.

All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. The carrying amount of any component accounted for as a separate asset is de-recognized when replaced.

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses.

Any item of property, plant and equipment / intangible assets is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is charged to revenue in the Statement of Profit and Loss when the asset is derecognized.

CAPITAL WORK IN PROGRESS / INTANGIBLE ASSETS UNDER DEVELOPMENT

Projects under commissioning and other CWIP/ intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

Subsequent expenditures relating to property, plant and equipment are capitalised only when it is probable that future economic benefit associated with these will flow to the Company and the cost of the item can be measured reliably. Advances given to acquire property, plant and equipment are recorded as non-current assets and subsequently transferred to CWIP on acquisition of related assets.

DEPRECIATION AND AMORTIZATION, ESTIMATED USEFUL LIVES AND RESIDUAL VALUES

Depreciation is calculated to systematically allocate the cost of property, plant and equipment and intangible assets net of the estimated residual values over the estimated useful life. Freehold land is not depreciated. Depreciation on property, plant and equipment is provided using Written Down Value method over the useful life of assets, which is as stated in Schedule II of Companies Act, 2013 or based on the certificate of technical engineers as accepted by the Management of Company. Intangible assets are amortized over their respective individual estimated useful life on a Straight-Line Method commencing from the date the asset is available to the Company for its use. The management estimates the useful life as follows: -

Class of Assets*	Useful Life of assets in Years
Plant & Machinery	15 years
Building	30 years
Office Equipment	5 years
Computers	3 years
Furniture and fixtures	10 years
Electrical Fittings	15 years
Vehicle	8 years
Software	10 years
Leasehold Improvements	Amortised over the Lease period

* For these classes of assets, based on internal assessment and independent technical evaluation carried out by external valuers, the Management believes that the useful lives as given above best represent the period over which the Management expects to use these assets.

The management believes that above useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The useful lives are reviewed by the management at each financial year end and revised, if appropriate. In case of a revision, the unamortized depreciable amount (remaining net value of assets) is charged over the revised remaining useful lives. Based on management estimate, residual value of 5% is considered for respective items of property, plant & equipment assets.

The residual values, useful lives and methods of depreciation of property, plant and equipment (PPE) / intangible assets are reviewed at the end of each financial year and adjusted prospectively if appropriate. Depreciation on items of property, plant and equipment acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.

The right-of-use asset (recognized under Ind AS 116 Leases) is depreciated using the straight-line method from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

(e) IMPAIRMENT OF NON-FINANCIAL ASSETS

For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit (“CGU”). The carrying values of assets / CGU at each Balance sheet date are reviewed to determine whether there is any indication that an asset may be impaired. If any indication of such impairment exists, the recoverable amount of such assets / CGU is estimated and in case the carrying amount of these assets exceeds their recoverable amount, an impairment loss is recognised in the Statement of Profit and Loss. The recoverable amount is the higher of the net selling price and their value in use. Value in use is arrived at by discounting the future Cash Flows to their present value based on an appropriate discount factor. Assessment is also done at each Balance sheet date as to whether there is indication that an impairment loss recognised for an asset in prior accounting periods no longer exists or may have decreased, consequent to which such reversal of impairment loss is recognised in the Statement of Profit and Loss.

(f) FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**FINANCIAL ASSET
INITIAL RECOGNITION AND MEASUREMENT**

A financial asset is recognised in the Balance Sheet when the Company becomes party to the contractual provisions of the instrument. At initial recognition, the Company measures a financial asset at its fair value plus or minus, in the case of a financial asset not measured at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset except trade receivables (not containing significant financing component) are measured at transaction price.

SUBSEQUENT MEASUREMENT

For purpose of subsequent measurement, financial assets are classified as under:

- Financial assets measured at amortized cost;
- Financial assets measured at fair value through profit or loss (FVTPL); and
- Financial assets measured at fair value through other comprehensive income (FVTOCI).

The Company classifies its financial assets in the above-mentioned categories based on:

- The Company's business model for managing the financial assets, and
- The contractual cash flows characteristics of the financial asset.

A financial asset is measured at amortized cost if both of the following conditions are met:

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

Financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in the Statement of Profit and Loss when the asset is derecognised or impaired.

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- The financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets and
- The assets' contractual cash flows represent SPPI.

A financial asset is measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income. In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

EQUITY INVESTMENTS

The Company subsequently measures all equity investments at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

For debt instrument, movements in the carrying amount are recorded through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains or losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the Statement of Profit and Loss. Interest income from these financial assets is included in other income using the EIR method.

DE-RECOGNITION

A financial asset is derecognised only when the Company:

- has transferred the rights to receive Cash Flows from the financial asset; or
- retains the contractual rights to receive the Cash Flows of the financial asset but assumes a contractual obligation to pay the Cash Flows to one or more recipients.

Where the Company transfers an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. Where the Company has transferred substantially all risks and rewards of ownership, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the Company has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

IMPAIRMENT OF FINANCIAL ASSETS

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

- Financial assets measured at amortized cost
- Financial assets measured at fair value through other comprehensive income

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Life time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. Under the simplified approach, the Company is not required to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. ECL is presented as an allowance, i.e., as an integral part of the measurement of the financial assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss for other than above financial assets, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis. The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

FINANCIAL LIABILITIES

INITIAL RECOGNITION AND MEASUREMENT

Financial liabilities are classified, at initial recognition, as financial liabilities measured at fair value through profit or loss and financial liabilities measured at amortized cost as appropriate. All financial liabilities are recognized initially at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, lease liabilities, loan and borrowings including derivative liabilities etc.

SUBSEQUENT MEASUREMENT

- Financial liabilities measured at amortized cost
- Financial liabilities subsequently measured at fair value through profit or loss

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

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

The Company has not designated any financial liability as at fair value through profit and loss. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. The EIR amortization is included as finance costs in the Statement of Profit and Loss. Changes to the carrying amount of a financial liability as a result of renegotiation or modification of terms that do not result in derecognition of the financial liability, is recognised in the Statement of Profit and Loss.

DE-RECOGNITION

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

OFFSETTING FINANCIAL INSTRUMENTS

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

FAIR VALUE MEASUREMENT

The Company measures certain financial instruments at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining the fair value of its financial

instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value.

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

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

(g) 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.

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

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished goods. Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases when a decline in the price of materials indicates that the cost of the finished products shall exceed the net realisable value.

The comparison of cost and net realisable value is made on an item-by-Item basis.

(h) EMPLOYEE BENEFITS

Employee benefits consist of provident fund, gratuity fund, compensated absences, other short term employee benefits.

POST-EMPLOYMENT BENEFIT PLANS**Defined Contribution Plan:**

Contribution towards provident fund for eligible employees are accrued in accordance with applicable statutes and deposited with the regulatory provident fund authorities (Government administered provident fund scheme). The Company does not carry any other obligation apart from the monthly contribution. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plan:

The Company provides for gratuity, a defined benefit plan covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The cost of providing benefits is actuarially determined using the projected unit credit method, with actuarial valuations being carried out at each Balance sheet date.

The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as reduced by the fair value of scheme assets. The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds of equivalent term and currency to the liability.

The interest income / (expense) are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest income / (expense) on the net defined benefit liability is recognised in the Statement of Profit and Loss.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling (if any), are recognised immediately in the Balance Sheet with a corresponding charge or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of Profit and Loss as past service cost.

Long Term Employee Benefits:

The liability in respect of accrued leave benefits which are expected to be availed or en-cashed beyond 12 months from the end of the year, is treated as long term employee benefits. The Company's liability is actuarially determined by qualified actuary at Balance Sheet date by using the Projected Unit Credit method. Actuarial losses/ gains are recognized in the Statement of Profit and Loss in the year in which they arise.

Short Term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered by employees is recognized during the period when the employee renders the services. Short term employee benefits include salary and wages, bonus, incentive and ex-gratia and also include accrued leave benefits, which are expected to be availed or en-cashed within 12 months from the end of the year.

(i) BORROWING

Borrowings are initially recognized at fair value, net of transaction costs incurred. Interest bearing loans are subsequently measured at amortized cost by using the effective interest method (EIR method). Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of borrowing using the effective interest method (EIR). The EIR Amortization is included as Finance Costs in the Statement of Profit and Loss.

Borrowings are derecognized from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other income or other expenses.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(j) BORROWING COST

Borrowing costs are interest and ancillary costs incurred in connection with the arrangement of borrowings. General and specific borrowing costs attributable to acquisition and construction of qualifying assets is added to the cost of the assets upto the date the asset is ready for its intended use. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred. Investment income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

(k) FOREIGN CURRENCY TRANSACTIONS

Items included in the Financial Statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The Financial Statements are presented in Indian rupee (INR), which is the functional and presentation currency of the Company.

Foreign currency transactions are translated into the functional currency using the exchange rates at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year-end exchange rates are generally recognized in profit or loss. All foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other income or other expenses. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

(l) REVENUE FROM OPERATIONS

Revenue from Contract with Customers

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods. Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which is usually on dispatch / delivery of goods, based on contracts with the customers. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the

government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract. Other operating income is accounted on accrual basis as and when the right to receive arises.

Other Income:

Interest income is recognised using effective interest rate (EIR) method. Dividend income is recognized, when the right to receive the dividend is established by the reporting date. Insurance claims are accounted for on the basis of claims admitted and to the extent that there is no uncertainty in receiving the claims.

(m) TAXATION

Income tax expenses comprises current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Law) and deferred tax charge or credit (reflecting the tax effects of temporary differences between accounting income and taxable income for the period). Income tax expenses are recognized in Statement of Profit and Loss except tax expenses related to items recognized directly in reserves (including other comprehensive income) which are recognized with the underlying items.

Income Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period i.e. as per the provisions of the Income Tax Act, 1961, as amended from time to time. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation including amount expected to be paid/recovered for uncertain tax positions. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Advance taxes and provisions for current income taxes are presented in the Balance Sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction for relevant tax paying units and where the Company is able to and intends to settle the asset and liability on a net basis. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred Taxes

Deferred tax is provided in full on temporary difference arising between the tax bases of the assets and liabilities and their carrying amounts in Financial Statements at the reporting date. Deferred tax are recognised in respect of deductible temporary differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods., the carry forward of unused tax losses and the carry forward of unused tax credits.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Any tax credit available is recognized as deferred tax to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilized. The said asset is created by way of credit to the Statement of Profit and Loss and shown under the head deferred tax asset.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

(n) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. The estimates of outcome and financial effect are determined by the judgment of the management, supplemented by experience of similar transactions and, in some cases, reports from independent experts.

Contingent liability is disclosed in the case of:

- A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- A present obligation arising from the past events, when no reliable estimate is possible;
- A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

Contingent liabilities are not provided for and if material, are disclosed by way of notes to Financial Statements. A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent assets are not recognized in Financial Statements. They are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs. A contingent asset is disclosed by way of notes to Financial Statements, where an inflow of economic benefits is probable. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

(o) GOVERNMENT GRANTS

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.

(p) LEASES

The Company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether (i) the contract involves the use of identified asset; (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Company has right to direct the use of the asset.

Identification of a lease requires significant judgment. The Company uses significant judgment in assessing the lease term (including anticipated renewals / termination options) and the applicable discount rate.

Company as a lessee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently amortized using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, and the Company's incremental borrowing rate. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.

The lease liability is measured at amortized cost using the effective interest method. Modifications to a lease agreement beyond the original terms and conditions are generally accounted for as a re-measurement of the lease liability with a corresponding adjustment to the ROU asset. Any gain or loss on modification is recognized in the Statement of Profit and Loss. However, the modifications that increase the scope of the lease by adding the right to use one or more underlying assets at a price commensurate with the stand-alone selling price are accounted for as a separate new lease. In case of lease modifications, discounting rates used for measurement of lease liability and ROU assets is also suitably adjusted. Lease liability and ROU lease asset have been separately presented in the Balance Sheet and lease payments have been classified as cash flows from financing activities.

The Company has elected not to recognize right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase or the assets with low value leases. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

(q) CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash and deposits with banks and financial institutions. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

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

Statement of Cash Flows

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

(r) DIVIDENDS

The Company recognizes a liability for dividends to equity holders of the Company when the dividend is authorized and the dividend is no longer at the discretion of the Company. As per the corporate laws in India, a dividend is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

(s) SEGMENT REPORTING

The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Company's chief operating decision maker in deciding how to allocate resources and in assessing performance. The accounting policies adopted for segment reporting are in conformity with the accounting policies of the Company.

(t) EVENTS OCCURRING AFTER THE REPORTING DATE

Adjusting events (that provides evidence of condition that existed at the Balance Sheet date) occurring after the Balance Sheet date are recognized in the Financial Statements. Material non adjusting events (that are inductive of conditions that arose subsequent to the Balance Sheet date) occurring after the Balance Sheet date that represents material change and commitment affecting the financial position are disclosed in the Board of Directors' Report. Further, the shareholders of the Company have the power to amend the financial statements after the same has been authorized for issue by Board of Directors as per the provisions of the Companies Act, 2013.

(u) EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit (or loss) attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
NOTE 3

(Rs. in Lakhs)

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION / AMORTISATION				NET BLOCK		
	Balance as at April 1, 2023	Additions During the Year	Disposals / Adjustments	Balance as at March 31, 2024	Balance as at April 1, 2023	Additions During the Year	Disposals / Adjustments	Balance as at March 31, 2024	Balance as at March 31, 2024	Balance as at March 31, 2023
(a) <u>Property, Plant & Equipment</u>										
Computer & Printer	18.72	22.29	-	41.01	14.70	6.28	-	20.98	20.03	4.02
Factory & Building	151.55	-	-	151.55	56.61	9.64	-	66.25	85.30	94.94
Right of Use (Lease)	650.31	-	-	650.31	54.03	72.43	-	126.46	523.85	596.28
Freehold Land	86.21	-	-	86.21	-	-	-	-	86.21	86.21
Plant & Machinery	303.89	0.08	-	303.98	200.44	18.73	-	219.17	84.81	103.45
Motor Vehicles	55.04	6.71	10.02	51.73	39.93	6.99	9.31	37.60	14.12	15.11
Furniture	75.82	0.08	-	75.90	23.51	7.00	-	30.52	45.38	52.31
Office Equipments	38.67	2.99	-	41.66	10.88	4.68	-	15.57	26.09	27.78
Total	1,380.21	32.15	10.02	1,402.33	400.10	125.76	9.31	516.55	885.80	980.12

(i) The above includes the right of use assets recognized under Ind AS 116 Leases.

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION / AMORTISATION				NET BLOCK		
	Balance as at April 1, 2022	Additions During the Year	Disposals / Adjustments	Balance as at March 31, 2023	Balance as at April 1, 2022	Additions During the Year	Disposals / Adjustments	Balance as at March 31, 2023	Balance as at March 31, 2023	Balance as at March 31, 2022
(b) <u>Intangible Assets</u>										
Software	5.02	2.50	-	7.52	3.04	0.93	-	3.97	3.56	1.98
Total	5.02	2.50	-	7.52	3.04	0.93	-	3.97	3.56	1.98

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION / AMORTISATION				NET BLOCK		
	Balance as at April 1, 2022	Additions During the Year	Disposals / Adjustments	Balance as at March 31, 2023	Balance as at April 1, 2022	Additions During the Year	Disposals / Adjustments	Balance as at March 31, 2023	Balance as at March 31, 2023	Balance as at March 31, 2022
(a) <u>Property, Plant & Equipment</u>										
Computer & Printer	17.45	1.28	-	18.72	10.92	3.78	-	14.70	4.02	6.53
Factory & Building	113.79	37.76	-	151.55	47.96	8.65	-	56.61	94.94	65.83
Right of Use (Lease)	-	650.31	-	650.31	-	54.03	-	54.03	596.28	-
Freehold Land	86.21	-	-	86.21	-	-	-	-	86.21	86.21
Plant & Machinery	298.71	5.18	-	303.89	178.29	22.16	-	200.44	103.45	120.42
Motor Vehicles	55.04	-	-	55.04	33.18	6.74	-	39.93	15.11	21.86
Furniture	30.67	45.15	-	75.82	17.60	5.91	-	23.51	52.31	13.06
Office Equipments	10.94	27.73	-	38.67	6.97	3.92	-	10.88	27.78	3.97
Total	612.80	767.41	-	1,380.21	294.92	105.17	-	400.10	980.12	317.87
(b) <u>Intangible Assets</u>										
Software	4.29	0.73	-	5.02	2.59	0.46	-	3.04	1.98	1.71
Total	4.29	0.73	-	5.02	2.59	0.46	-	3.04	1.98	1.71

Note 4
OTHER FINANCIAL ASSETS: NON-CURRENT

(Rs. in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Deposits-Non current	90.65	85.86
Total	90.65	85.86

Note 5
DEFERRED TAX ASSETS / (LIABILITIES) (NET)

(Rs. in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Property, plant and equipment and intangible assets	2.91	1.82
Lease Liabilities	11.22	3.86
Employee Benefits - Gratuity	5.74	12.14
Expected Credit Loss	5.82	5.96
Rent Deposits	-0.12	-0.06
Deferred Tax Assets / (Liabilities) (Net)	25.56	23.72

(a) Deferred tax balances and movement for the year ended March 31, 2024

Particulars	Balance as on April 1, 2023	Recognised in profit or loss	Recognised in OCI	Balance as on March 31,2024
Deferred Tax Assets / (Liabilities)				
Property, plant and equipment and intangible assets	1.82	1.09	-	2.91
Lease Liabilities	3.86	7.36	-	11.22
Employee Benefits - Gratuity	12.14	1.81	(8.22)	5.74
Expected Credit Loss	5.96	(0.14)	-	5.82
Rent Deposits	(0.06)	(0.06)	-	(0.12)
Deferred Tax Assets / (Liabilities) (Net)	23.72	10.06	(8.22)	25.56

(b) Deferred tax balances and movement for the year ended March 31, 2023

Particulars	Balance as on April 1, 2022	Recognised in profit or loss	Recognised in OCI	Balance as on March 31, 2023
Deferred Tax Assets / (Liabilities)				
Property, plant and equipment and intangible assets	1.48	0.34	-	1.82
Lease Liabilities	-	3.86	-	3.86
Employee Benefits - Gratuity	-	14.12	(1.97)	12.14
Expected Credit Loss	1.94	4.02	-	5.96
Rent Deposits	-	(0.06)	-	(0.06)
Deferred Tax Assets / (Liabilities) (Net)	3.42	22.28	(1.97)	23.72

(c) Tax expenses Amounts recognised in the Statement of Profit and Loss:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax		
Current tax	698.48	604.71
Total - A	698.48	604.71
Deferred Tax		
Deferred tax expenses / (income) - net		
In respect of current year, origination and reversal of temporary differences	(1.84)	22.28
Total - B	(1.84)	22.28
Tax expenses for the year (A + B)	696.64	626.99

(d) Tax expenses recognised in Other Comprehensive Income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Remeasurement of post-employment benefit obligations	(8.22)	(1.97)

(e) Reconciliation of tax expenses and the accounting profit multiplied by India's tax rate:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Accounting profit before income tax expenses	2,730.20	2,285.96
Tax expenses at statutory tax rate of 25.168% (Previous Year 25.168%)	687.14	575.33
Tax effects of amounts which are not deductible (taxable) in calculating the taxable income:		
Items having no tax consequences (including Chapter VI Deductions)	9.51	7.10
Tax expenses at effective income tax rate	696.64	582.43

**Note 6
INVENTORIES**

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Raw Material	93.70	25.08
Finished Goods	1,822.47	671.09
Total	1,916.17	696.17

* For Valuation- Refer Material accounting policies

**Note 7
CURRENT FINANCIAL ASSETS: TRADE RECEIVABLES**

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Considered good - unsecured	3,842.88	4,438.70
Less: Provisions for Expected Credit Losses	(20.63)	(23.69)
Total	3,822.25	4,415.01

**Note 7(a)
Ageing Schedule for Trade receivables**

March 31, 2024	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables- Considered good	-	3,819.87	0.83	1.58	-	-	3,822.29
Disputed Trade Receivables- considered good	-	2.57	1.53	16.03	0.5	-	20.63
Total	-	3,822.44	2.37	17.61	0.50	-	3,842.88
Less: Allowance for bad and doubtful debts	-	-	-	-	-	-	(20.63)
Total Trade Receivables	-	3,822.44	2.37	17.61	0.50	-	3,822.25

March 31, 2023	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables- Considered good	-	4,239.31	16.30	159.40	-	-	4,415.01
Disputed Trade Receivables- considered good		13.73	3.00	1.04	5.92	-	23.69
Total	-	4,253.04	19.30	160.44	5.92	-	4,438.70
Less: Allowance for bad and doubtful debts		-	-	-	-	-	(23.69)
Total Trade Receivables	-	4,253.04	19.30	160.44	5.92	-	4,415.01

(d) Tax expenses recognised in Other Comprehensive Income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Remeasurement of post-employment benefit obligations	(8.22)	(1.97)

(e) Reconciliation of tax expenses and the accounting profit multiplied by India's tax rate:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Accounting profit before income tax expenses	2,730.20	2,285.96
Tax expenses at statutory tax rate of 25.168% (Previous Year 25.168%)	687.14	575.33
Tax effects of amounts which are not deductible (taxable) in calculating the taxable income:		
Items having no tax consequences (including Chapter VI Deductions)	9.51	7.10
Tax expenses at effective income tax rate	696.64	582.43

Note 8
CURRENT FINANCIAL ASSETS: CASH AND CASH EQUIVALENTS

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Balance with banks	555.01	264.52
Cash on hand	20.72	54.34
Earmarked Balance with bank	1.24	0.04
Fixed deposits with banks with original maturity of less than three months	-	494.50
Total	576.97	813.40

Note 9
CURRENT FINANCIAL ASSETS: LOANS

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good)		
Loans and Advances to Employees	8.75	-
Total	8.75	-

Note 10**OTHER FINANCIAL ASSETS: CURRENT**

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Deposits	16.30	14.47
Other	0.06	1.07
Total	16.36	15.54

Note 11**OTHER CURRENT ASSETS**

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Balances with Government Authorities	256.58	179.94
Advance to Vendors	2,196.53	862.82
Prepaid Expenses	38.38	5.83
Total	2,491.49	1,048.59

Note 12**EQUITY SHARE CAPITAL**

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Authorised Share Capital		
50,00,00,000 (as at March 31, 2024 : 50,00,00,000) (as at March 31, 2023 : 30,00,00,000) Equity shares ofRs. 1/- each	5,000.00	3,000.00
	5,000.00	3,000.00
Issued, Subscribed and Fully Paid-Up Share Capital		
26,08,78,008 (as at March 31, 2024 : 26,08,78,008) (as at March 31, 2023 : 19,65,60,000) Equity shares ofRs. 1/- each	2,608.78	1,965.60
	2,608.78	1,965.60

(i) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period:

Outstanding at the beginning of the year	19,65,60,000	1,96,56,000
Less: Buy Back during the year	9,00,000	-
Add : Bonus Shares issued during the year	6,52,18,008	-
Add: Stock Split during the year	-	17,69,04,000
Outstanding at the end of the year	26,08,78,008	19,65,60,000

(ii) Terms/Rights attached to Equity Shares:

The Company has only one class of shares viz. equity shares having a par value of Rs. 1/- 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. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive residual assets of the Company. The distribution will be in proportion to the number of equity shares held by the share holders. During the year ended 31 March, 2024, the amount of Interim dividend per share recognised as distribution to equity shareholders is Rs. 0.10 per share.

(iii) Details of Shareholders holding more than 5% equity shares

Name of shareholders		As at March 31, 2024	As at March 31, 2023
AG Dynamic Funds Limited	Nos.	-	1,11,18,060
	% Holding	0.00%	5.66%
Kushal Nitinbhai Patel	Nos.	9,05,46,572	5,70,61,087
	% Holding	34.71%	29.03%
Nitinbhai Govindbhai Patel	Nos.	6,01,62,965	7,00,51,487
	% Holding	23.06%	35.64%

(iv) Details of shares held by Promoters / Promoters Group:

Name of Shareholders		As at March 31, 2024	As at March 31, 2023
Kushal Nitinbhai Patel	Nos.	9,05,46,572	5,70,61,087
	% Holding	34.71%	29.03%
	% Change	5.68%	-0.01
Nitinbhai Govindbhai Patel	Nos.	6,01,62,965	7,00,51,487
	% Holding	23.06%	35.64%
	% Change	-12.58%	-0.92%
Amitkumar Govindbhai Patel	Nos.	40,08,000	30,06,000
	% Holding	1.54%	1.53%
	% Change	0.01%	0.00%
Gitaben Nitinbhai Patel	Nos.	86,98,681	65,24,011
	% Holding	3.33%	3.32%
	% Change	0.02%	-0.13%
Gitaben Amitbhai Patel	Nos.	60,000	45,000
	% Holding	0.02%	0.02%
	% Change	0.00%	0.00%
Pooja Kushal Patel	Nos.	2,72,360	2,04,270
	% Holding	0.10%	0.10%
	% Change	0.00%	-0.20%
Krunalbhai Girishkumar Patel	Nos.	4,000	3,000
	% Holding	0.00%	0.00%
	% Change	0.00%	0.00%
Hemant Chandrakantbhai Patel	Nos.	13	10
	% Holding	0.00%	0.00%
	% Change	0.00%	0.00%
Lilavati Chandrakant Patel	Nos.	13	10
	% Holding	0.00%	0.00%
	% Change	0.00%	0.00%

(v) Bonus shares, Buy back of shares & Other information:

The Company bought back 9,00,000 equity shares for an aggregate amount of Rs.504 Lakhs being 0.46% of the total paid up equity share capital at Rs.56 per equity share. The equity shares bought back were extinguished on 21st June 2023. The Company has utilised its Retained earnings (504 Lakhs) for the buyback of its equity shares. Total transaction cost of Rs. 25.43 Lakhs incurred towards buyback and tax of Rs.113.49 Lakhs was offset from retained earnings. In accordance with Section 69 of the Companies Act 2013, the Company has created Capital Redemption Reserve of Rs. 9 Lakhs equal to the nominal value of the shares bought back as an appropriation from the retained earnings.

The Company has allotted 6,52,18,008 fully paid-up shares on 22nd December 2023 pursuant to bonus issue approved by the shareholders in the ratio of 1:3 (one bonus equity share for every three existing equity shares). The bonus shares were issued by capitalization of portion of capital redemption reserve and portion of retained earnings.

Note 13
OTHER EQUITY

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Capital redemption reserve	-	-
Retained earnings	3,847.58	3,271.35
Total	3,847.58	3,271.35
Capital redemption reserve		
Opening balance - Capital redemption reserve	-	-
Add: Amount transferred to capital redemption reserve from retained earnings	9.00	-
Less: Utilised during the year	9.00	-
Closing balance - Capital redemption reserve	-	-
Retained Earnings		
Opening Balance - Retained Earnings	3,271.35	1,660.89
Add:		
Profit during the period	2,033.56	1,703.53
Amount transferred to capital redemption reserve upon buy back of equity shares	(9.00)	-
Buy back of shares	(495.00)	-
Buyback distribution tax	(113.49)	-
Transaction cost towards buyback of equity shares	(25.43)	-
Bonus Issue and Related expense	(643.18)	-
Dividend	(195.66)	(98.28)
Other comprehensive income, net of tax	-	-
Remeasurement of post-employment benefit obligations	24.43	5.21
Closing balance - Retained Earnings	3,847.58	3,271.35

Note 14
NON CURRENT FINANCIAL LIABILITIES: LEASE LIABILITIES

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Lease Liabilities	514.96	560.30
Total	514.96	560.30

Note 15
NON-CURRENT LIABILITIES: PROVISIONS

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits	12.92	47.38
Total	12.92	47.38

Note 16
CURRENT FINANCIAL LIABILITIES: BORROWINGS

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Secured loans from Banks**	-	-
Loans Repayable on Demand	1,972.02	-
Total	1,972.02	-

Terms of repayment, security and interest are as follows:

- ** Secured Loans comprise cash credit from State Bank of India is secured by hypothecation of current assets of the Company including stock of raw material, work in process, finished goods, stores & spares, book debts, all other current asset and entire plant and machineries of the Company.
- ** Secured Loans comprise cash credit from State Bank of India is secured by way of collateral security in the form of industrial non agriculture land together with construction of factory standing thereon bearing (i) Survey No. 357, Paiki western side admeasuring about 3901 sq. mt., together with the construction of factory thereon, of Mouje; Borisana, TA. Kadi, Dist. Mehsana. (ii) Survey No. 358, Paiki western side admeasuring about 3428 sq. mt., together with the construction of factory thereon, of Mouje; Borisana, TA. Kadi, Dist. Mehsana. (iii) Survey No. 417, Paiki western side admeasuring about 2632 sq. mt., together with the construction of factory thereon, of Mouje; Borisana, TA. Kadi, Dist. Mehsana.
- ** Secured Loans comprise cash credit from State Bank of India is secured by way of Personal Gurantee of Nitinbhai Govindbhai Patel and Mr. Kushal Nitinbhai Patel.
- ** The monthly stock statements submitted with bank is in agreement with books of accounts.

Note 17
CURRENT FINANCIAL LIABILITIES: LEASE LIABILITIES

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Lease Liabilities	45.34	42.08
Total	45.34	42.08

Note 18
CURRENT FINANCIAL LIABILITIES: TRADE PAYABLES

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises	47.32	0.62
Total outstanding dues of creditors other than micro enterprises and small enterprises	281.81	1,410.50
Total	329.13	1,411.12

Note 18(a)
Trade Payables -Total outstanding dues of Micro & Small Enterprises

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
(a) Principal & Interest amount remaining unpaid and due as at year end		
Principal Amount	47.32	0.62
Interest	-	-
(b) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
(c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) Interest accrued and remaining unpaid as at year end	-	-
(e) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-
Total	47.32	0.62

Note 18 (b)
Ageing Schedule for MSME and other Trade payables

March 31, 2024	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	44.65	2.67	-	-	47.32
(ii) Others	-	-	126.68	148.26	-	6.87	281.81
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-	-
Total	-	-	171.33	150.93	-	6.87	329.13

March 31, 2023	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	0.62	-	-	-	0.62
(ii) Others	-	-	1,222.75	180.88	-	6.87	1,410.50
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-	-
Total	-	-	1,223.37	180.88	-	6.87	1,411.12

Note 19
CURRENT FINANCIAL LIABILITIES: OTHERS

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Dividend payable	1.23	0.03
Other payables (including deposits)	-	0.74
Total	1.23	0.77

Note 20
CURRENT LIABILITIES: PROVISIONS

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Provision for expense	75.41	155.09
Provision for employee benefits	9.91	0.89
Total	85.32	155.97

Note 21
OTHER CURRENT LIABILITIES

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Advance from customers	114.75	570.00
Statutory liabilities	14.22	18.05
Total	128.97	588.05

Note 22
REVENUE FROM OPERATIONS

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from Contracts with Customers		
A. Sales of products		
Bales		
Domestic- Bales	94,534.42	39,100.48
Export- Bales	6,649.64	8,053.98
Yarn		
Domestic- Yarn	8,189.17	6,967.43
Export- Yarn	203.63	176.78
Others		
Domestic - Kapasiya	526.16	22.82
Sale of products (Net)	1,10,103.02	54,321.49
B. Other operating revenue (i)		
Brokerage Income	2.50	180.88
Settlement Income	5.21	139.33
BCI Charges	-	1.66
Duty Drawback income	33.36	43.56
RODTEP Income	57.05	105.29
Interest Equalization income	0.28	13.47
Total other operating revenue	98.40	484.19
Total Revenue from Operations	1,10,201.42	54,805.69
(i) Details of government grants recorded in the books of accounts:		
Duty Drawback income	33.36	43.56
RODTEP Income	57.05	105.29

Note 23
OTHER INCOME

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Income on Financial assets measured at amortised cost		
Interest on FDRs	120.40	44.90
Interest on Other	10.04	0.61
Net foreign exchange gain	68.21	67.83
Net gain / (loss) on fair valuation of derivative contracts	-	27.11
Forward Contract Cancellation Gain	-	1.72
Other non-operating income	38.84	26.06
Total	237.49	168.23

Note 24
COST OF MATERIAL CONSUMED

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Raw Material		
Opening Stock	25.08	24.23
Add:		
Purchases	2,426.15	138.73
Less:		
Closing Stock	93.70	25.08
Total	2,357.53	137.88

Note 25
PURCHASES OF STOCK-IN-TRADE

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Bales	95,204.79	43,773.64
Yarn	7,720.49	6,828.88
Settlement Exp	1,718.87	47.74
Total	1,04,644.15	50,650.26

Note 26
CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS AND STOCK-IN-TRADE

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Stock		
Finished Good - Opening	671.09	452.14
	671.09	452.14
Less: Closing Stock		
Finished Good - Closing	(1,822.47)	(671.09)
	(1,822.47)	(671.09)
(Increase) / Decrease in Inventories	(1,151.38)	(218.95)

Note 27
EMPLOYEE BENEFITS EXPENSE

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and wages	213.94	256.93
Contribution to provident and other funds	0.42	0.51
Gratuity Expenses	7.21	55.45
Staff welfare, recruitment and training expenses	0.52	6.11
Total	222.09	319.00

Note 28
FINANCE COSTS

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on borrowings		
- From Bank (Secured Loan)	0.93	-
- From Others (Unsecured Loan)	-	16.32
Interest on lease liabilities	41.92	33.34
Other borrowing costs	31.92	-
Bill Discounting Charges	5.53	-
Total	80.30	49.64

Note 29
OTHER EXPENSES

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Manufacturing Expenses		
Power Charges	20.22	17.80
Labour Charges	-	0.01

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Indirect Manufacturing Expenses		
Brokerage Exp.	853.45	705.67
Custom & Clearing Charges	87.00	412.63
Transportation Expense	152.20	244.03
Certification Charges	23.58	8.10
Stores, Spares and Consumables	-	2.16
Ginning and Pressing Expense	-	2.98
Fuel Charges	-	7.58
Repairs & Maintenance	3.25	3.50
Administrative and Selling and Marketing Expenses		
Bank Charges	0.90	1.93
Consultancy and Professional charges	49.08	40.11
Testing Expense	13.22	9.77
Inspection Charges	-	10.50
Registration and Membership Expenses	6.63	5.44
Insurance Expenses	15.71	7.92
Travelling, Conveyance & Petrol Expenses	9.38	10.81
ROC Charges	0.17	0.16
Auditor Remuneration	6.00	3.50
Rent, Rates & Taxes	18.71	14.94
Donation	31.86	17.86
Printing, Stationary, Postage & Telephone Expenses	2.23	4.11
SME Expense	11.84	10.12
Provisions for ECL	(3.06)	15.97
Advertisement Expense	16.37	13.00
Other Expenses	110.60	73.89
Total	1,429.33	1,644.50
Note (i): Payment to Auditors (including taxes)		
(a) For Statutory Audit	6.00	3.50
(b) For Tax related services	-	2.00
Total	6.00	5.50
Note (ii): Corporate social responsibility expenses		
Gross amount required to be spent by the Company during the year	31.86	16.95
Previous Year Excess Amount spent	-	1.00
Amount approved by the Board to be spent during the year	54.80	15.95
Amount spent during the year on:		
(a) Construction/acquisition of any asset	-	-
(b) On purposes other than (a) above	54.80	16.95
Total amount spent during the year	54.80	16.95
Current Year Excess Amount spent	22.93	-
Total of Previous Year's shortfall	Not applicable	Not applicable
Reason for shortfall	Not applicable	Not applicable
Nature of Activities	For Health & Education activities	For Health & Education activities

Note 30
EARNINGS/(LOSS) PER SHARE (EPS)

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit/(Loss) after tax attributable to equity shareholders (Rs. in Lakhs)	2,033.56	1,703.53
Weighted average No. of ordinary equity share for Basic/Diluted EPS	26,08,78,008	19,65,60,000
Basic/ Diluted EPS (Rs.)	0.78	0.87

Note 31**OTHER STATUTORY INFORMATION**

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami Property.
- (ii) Basis the information available with the Company as on the reporting date and as on the date on which financial statements are approved and authorised for issue, the Company does not have any transactions with the companies struck off. Further, the Company has not been declared as a wilful defaulter by any Bank / Financial Institution / any other lender.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company have not traded or invested in Crypto currency or Virtual currency during the financial year.
- (v) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).
- (vi) The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (viii) Immovable Properties owned by the company on its name, and further for immovable properties taken on lease, lease agreements are executed with Lessor.
- (ix) Borrowings are secured based on working capital of the Company and hence, the Company is required to submit monthly financial document such as working capital etc. Further, the borrowings have been utilised for the purpose for which the same is obtained. The Monthly Returns or the Current Assets Statements filed by the company with the Bank are in the agreement with the books of accounts.
- (x) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (xi) The Company did not have any scheme of arrangement / amalgamation executed in past wherein the accounting is not in compliance with the applicable accounting principles.
- (xii) The Code on Social Security, 2020 (‘Code’) relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come in to effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.
- (xiii) The Company has given loan to employees with the terms being repayable on demand or without repayment terms.
- (xiv) Contingent liabilities, Capital commitments and Contingent assets as on the reporting dates are Nil.
- (xv) Previous years’ figures have been regrouped and rearranged wherever necessary to comply with requirement of Ind AS.

Note 32**SEGMENT REPORTING**

The Company is engaged in the business of producing cotton bales and cotton seeds and trading of Kapas, cotton bales and cotton seeds. The board of directors of the Company allocate resources and assess the performance of the Company, and hence board of directors are considered as the Chief Operating Decision Maker (CODM). The CODM monitors the operating results of the business as a one, hence no separate segment need to be disclosed. None of the Company's assets are located out of India. The Company's revenue is derived from below mentioned geographies:

(Rs. in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Revenue from Contract with Customers		
- India	1,03,249.75	46,090.73
- Others	6,853.27	8,230.76

Information about major customers:

The revenues of 103249.75 lakhs arising from the India includes 21509.45 lakhs representing revenue of more than 10% of the total revenue of the Company is from One customer.

Note 33
LEASES

The Company has buildings on lease with lease term of 9 Years. Lease contract can be renewed with mutual consent and they also contains the termination options. Such options are appropriately considered in determination of the lease term based on the management's judgement. In certain contacts, the Company is restricted from assigning and subletting the leased assets. For leases where the lease term is less than 12 months with no purchase option or the underlying leased assets are of low value, the Company has elected to apply exemption for such leases and accordingly, right of use assets and lease liabilities for these contracts are not recognised.

Refer Note 3 (a) for details relating to right of use assets.

The following is the movement in lease liabilities during the year:

(Rs. in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	602.38	-
Add: Addition during the period	-	632.04
Add: Interest Expenses	41.92	33.34
Less: Payments	(84.00)	(63.00)
Closing Balance	560.30	602.38
Non-Current	514.96	560.30
Current	45.34	42.08

Amounts recognised in profit or loss

Particulars	2023-24	2022-23
Expenses relating to short-term leases & low value assets	15.43	8.47

Amounts recognised in statement of cash flows

Particulars	2023-24	2022-23
Total cash outflow for leases	99.43	71.47

Maturity Analysis of lease liabilities (undiscounted cashflows):

Particulars	As at March 31, 2024	As at March 31, 2023
Less than 12 Months	84.00	84.00
1-2 Years	93.45	84.00
2-5 Years	300.67	286.65
More than 5 Years	249.95	357.42
Total	728.07	812.07

Note 34**REVENUE FROM CONTRACTS WITH CUSTOMERS****(a) Disaggregation of revenue from contracts with customers**

Refer Note 32 for details on disaggregation of revenue from contracts with customers.

(b) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Trade Receivables	3,822.25	4,415.01
Contract liabilities - Amount due to Customers	114.75	570.00
(c) Movements in contract balances		
Revenue recognised that was included in the contract liability balance at the beginning of the period	570.00	-
(d) Unsatisfied performance obligations		
The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) are as follows:		
Within one year	114.75	570.00
More than one year	-	-
Total	114.75	570.00

Note 35**DISCLOSURE OF EMPLOYEE BENEFITS**

The Company has applied the principles of Ind AS 19 - Employee Benefits for accounting of gratuity. Provision has been made for gratuity as per the actuarial valuation. The principal assumptions used in actuarial valuation and necessary disclosures are as below:

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
I. Components of Employer Expense recognised in Statement of Profit & Loss		
a) Current Service Cost	3.78	52.21
b) Net Interest Cost	3.43	3.24
Total Expense recognised in Statement of Profit and Loss	7.21	55.45
II. Net Asset / (Liability) recognised in Balance Sheet		
a) Present value of Defined Benefit Obligation	22.82	48.26
b) Fair Value of Plan Assets	-	-
Net Asset / (Liability) recognised in Balance Sheet	22.82	48.26
Current	9.91	0.89
Non-Current	12.92	47.38
III. Changes in Defined Benefit Obligations (DBO) during the year		
a) Opening Present Value of Obligation	48.26	-
b) Current Service Cost	3.78	52.21
c) Interest Cost	3.43	3.24
d) Actuarial (Gain) / Loss	(32.65)	(7.18)
e) Benefit Paid	-	-
Present Value of Obligation at the year end	22.83	48.3

IV. Actuarial Assumptions

a) Type of fund	Non funded	Non funded
b) Discount Rate (per annum)	7.10%	7.30%
c) Mortality	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.
d) Withdrawal Rate (P.A.)	5% at younger ages and reducing to 1% at older ages according to graduated scale	5% at younger ages and reducing to 1% at older ages according to graduated scale
e) Retirement Age	60	60
f) Annual Increase in Salary Cost	7.00%	7.00%

V. Actuarial (gain) / loss recognised
Actuarial (gain) / loss recognised on obligations:

Due to Change in financial assumptions	0.28	(3.22)
Due to change in demographic assumption	-	-
Due to experience adjustments	(32.92)	(3.96)
Net Actuarial (gain) / loss recognised during the year	(32.65)	(7.18)

Sensitivity

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

For the year ended March 31, 2024

Particulars	Gratuity	
	Increase	Decrease
Discount rate (- / +1%)	21.54	24.38
Salary growth rate (- / +1%)	24.37	21.53
Withdrawal rate (- / +1%)	22.83	22.81

For the year ended March 31, 2023

Particulars	Gratuity	
	Increase	Decrease
Discount rate (- / +1%)	43.86	53.67
Salary growth rate (- / +1%)	53.63	43.82
Withdrawal rate (- / +1%)	48.41	48.09

A description of methods used for sensitivity analysis and its Limitations:

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged. Sensitivity analysis fails to focus on the interrelationships between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change, if any.

Note 35
RELATED PARTY DISCLOSURES

The disclosure in pursuance to Indian Accounting Standard-24 on "Related Party Disclosures" is as under:

(a)	Name of Related Parties & Relationship	
No.	Name	Description of Relationship
1	Kushal Patel	Director
2	Nitin Patel	Director
3	Geetaben Patel	Director
4	Pooja Patel	Relative of Director
5	Amitbhai Govindbhai Patel	Relative of Director
6	Axita Exports Private Limited	Common Directors

(a) Name of Related Parties & Relationship

No.	Name	Description of Relationship
7	Aditya Oil Industries Limited	Director is Relative of KMP
8	Ng Organics Private Limited	Common Directors
9	Yuranus infrastructure limited	Common Directors
10	Axita Industries Private Limited	Common Directors
11	Aarish Outdoors Private Limited	Common Directors
12	Brooks Restaurant and Banquets Private Limited	Common Directors
13	KPR Sports and media Private limited	Common Directors
14	Axita Foundation	Common Directors
15	Vaxtex Cotfab Limited	Common Directors
16	Scarnose International Limited	Common Directors
17	Hindprakash Industries Limited	Common Directors
18	Shubhlaxmi Jewel Art Limited	Common Directors
19	Vivanta Industries Limited	Common Directors
20	Vivanza Biosciences Limited	Common Directors
21	Deboer Metal Industries Private Limited	KMP is Director in Company
22	Ms. Radhya Kushal Patel	Relative of Director
23	Mrs. Pritiben Jitendrakumar Patel	Relative of Director
24	Mrs. Hinaben B Patel	Relative of Director
25	Mr. Amitbhai Govindbhai Patel	Relative of Director
26	Mr. Kalpeshbhai Shah	Relative of KMP
27	Mrs. Pooja Harsh Shah	Relative of KMP
28	Mr. Jagdish Kirankumar Panchal	Relative of KMP
29	Mr. Ramchandra Kirankumar Panchal	Relative of KMP
30	Kunjai jayantkumar soni	Non executive independent director
31	Vinod Kanubhai Rana	Non executive independent director
32	Apeksha Sanjaykumar Vyas	Non executive independent director
33	Utsav Himanshu Trivedi	Non executive independent director
34	Pinaben Patel	Non executive independent director
35	Dixit Shah	Non executive independent director
36	Harsh Kalpeshbhai Shah	CFO
37	Shyamsundar Panchal	CS
38	Deepak Chaubisa	CS

(b) Transactions during the year with related parties mentioned in (a) above, in ordinary course of business & balances outstanding as at the year end:

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. All outstanding balances are unsecured.

No.	Name of Related Party & Nature of Transactions	For the year ended March 31, 2024	For the year ended March 31, 2023
(a)	Remuneration		
	Kushal Patel	28.01	60.00
	Nitin Patel	52.51	60.00
	Gitaben Patel	30.00	27.50
	Pooja Patel	17.50	30.00
(b)	Sale Of Cotton Bales		
	Axita Exports Private Limited	-	3.67
	Aditya Oil Industries Limited	701.65	1.39
	Ng Organics Private Limited	-	0.50
	Abheek Organic Farm & Exports (Partnership Firm)	-	1,120.06
(c)	Purchase Of Cotton Bales		
	Aditya Oil Industries Limited	7.73	2,249.63
	Abheek Organic Farm & Exports (Partnership Firm)	-	683.92
	AG Textile Industries (Partnership Firm)	-	1,031.17
	Axita Exports Private Limited	-	3.67
(d)	Professional fees		

No.	Name of Related Party & Nature of Transactions	For the year ended March 31, 2024	For the year ended March 31, 2023
	Kushal Patel	21.24	-
	Pooja Patel	10.00	-
(e)	Sitting fees		
	Kunjali jayantkumar soni	0.95	0.65
	Vinod Kanubhai Rana	0.90	0.73
	Apeksha Sanjaykumar Vyas	0.83	0.50
	Utsav Himanshu Trivedi	0.48	-
	Pinaben Patel	-	0.15
	Dixit Shah	0.03	0.18
(f)	Salary		
	Harsh Kalpeshbhai Shah	14.86	12.87
	Deepak Chaubisa	-	8.16
	Shyamsundar Panchal	7.19	-
(c)	Outstanding balance arising from sales/purchase of goods /services with related parties		

No.	Nature of Transaction	As at March 31, 2024	As at March 31, 2023
1	Loans	-	-
2	Trade payable	-	-

Note 36
FINANCIAL INSTRUMENTS – FAIR VALUE MEASUREMENT AND RISK MANAGEMENT
A. Accounting classification and fair values

(Rs. in Lakhs)

March 31, 2024	Carrying Amount			Total	Fair value			Total
	FVTPL	FVTOCI	Amortised Cost #		Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Financial Assets								
Other financial assets								
- Non-Current	-	-	90.65	90.65	-	-	-	-
- Current	-	-	16.36	16.36	-	-	-	-
Trade receivables	-	-	3,822.25	3,822.25	-	-	-	-
Cash and cash equivalents	-	-	576.97	576.97	-	-	-	-
Loans	-	-	8.75	8.75	-	-	-	-
Total	-	-	4,514.98	4,514.98	-	-	-	-
Financial Liabilities								
Lease Liabilities								
- Non-Current	-	-	514.96	514.96	-	-	-	-
- Current	-	-	45.34	45.34	-	-	-	-
Other Financial Liabilities								
- Current	-	-	1.23	1.23	-	-	-	-
Trade payables	-	-	329.13	329.13	-	-	-	-
Total	-	-	890.66	890.66	-	-	-	-

March 31, 2023	Carrying Amount			Total	Fair value			Total
	FVTPL	FVTOCI	Amortised Cost #		Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Financial Assets								
Other financial assets								
- Non-Current	-	-	85.86	85.86	-	-	-	-
- Current	-	-	15.54	15.54	-	-	-	-
Trade receivables	-	-	4,415.01	4,415.01	-	-	-	-
Cash and cash equivalents	-	-	813.40	813.40	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Total	-	-	5,329.81	5,329.81	-	-	-	-
Financial Liabilities								
Lease Liabilities								
- Non-Current	-	-	560.30	560.30	-	-	-	-
- Current	-	-	42.08	42.08	-	-	-	-
Other Financial Liabilities								
- Current	-	-	0.77	0.77	-	-	-	-
Trade payables	-	-	1,411.12	1,411.12	-	-	-	-
Total	-	-	1,411.89	1,411.89	-	-	-	-

Fair value of financial assets and liabilities which are measured at amortized cost is not materially different from the carrying value (i.e. amortized cost). Accordingly, the fair value has not been disclosed separately.

Fair Value Hierarchy of Financial Assets and Liabilities:

Level 1: Quoted prices (unadjusted) in active market for identical assets and liabilities

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

Valuation technique used to determine fair values

Derivative instruments are valued based on observable inputs i.e. yield curves, FX rates and volatilities etc.

C. Financial risk management

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, foreign currency risk and interest rate risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. It is the Company's policy that no trading in derivative for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below:

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable and other receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Ratings of customers are periodically monitored. The expected credit loss allowance is based on the ageing of the days receivables which are past due and the rates derived based on past history of defaults in the provision matrix.

Other financial assets - investments, cash, derivative assets, loans and security deposits and other bank balances

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counterparties, and does not have any significant concentration of exposures to specific industry sectors. Further, the Company maintains its Cash and cash equivalents and Bank deposits with banks / financial institutions having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis.

The table below provides details regarding the contractual maturities of significant financial Assets as at reporting dates:

(Rs. in Lakhs)

March 31, 2024	Carrying amount	Contractual cash flows				
		Total	Less than 12 months	1-2 years	2-5 years	More than 5 years
Trade receivables	3,822.25	3,822.25	3,822.25	-	-	-
Other non current financial Assets	90.65	90.65	-	78.22	-	12.43
Other current financial Assets	16.36	16.36	16.36	-	-	-
Loans	8.75	8.75	-	8.75	-	-
Total	3,938.01	3,938.01	3,838.61	86.97	-	12.43

March 31, 2023	Carrying amount	Contractual cash flows				
		Total	Less than 12 months	1-2 years	2-5 years	More than 5 years
Trade receivables	4,415.01	4,415.01	4,415.01	-	-	-
Other non current financial Assets	85.86	85.86	-	-	74.30	11.56
Other current financial Assets	15.54	15.54	15.54	-	-	-
Total	4,516.41	4,516.41	4,430.55	-	74.30	11.56

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Company has unutilized credit limits with banks.

Exposure to liquidity risk

The table below provides details regarding the contractual maturities of significant financial liabilities as at reporting dates:

(Rs. in Lakhs)

March 31, 2024	Carrying amount	Contractual cash flows				
		Total	Less than 12 months	1-2 years	2-5 years	More than 5 years
Trade payables	329.13	329.13	329.13	-	-	-
Lease Liabilities	560.30	728.07	84.00	93.45	300.67	249.95
Other current financial liabilities	1.23	1.23	1.23	-	-	-
Total	890.66	1,058.43	414.36	93.45	300.67	249.95

March 31, 2023	Carrying amount	Contractual cash flows				
		Total	Less than 12 months	1-2 years	2-5 years	More than 5 years
Trade payables	1,411.12	1,411.12	1,411.12	-	-	-
Lease Liabilities	602.38	812.07	84.00	84.00	286.65	357.42
Other current financial liabilities	0.77	0.77	0.77	-	-	-
Total	2,014.27	2,223.96	1,495.89	84.00	286.65	357.42

Foreign Currency Risk

The Company's exchange risk arises from its foreign operations, foreign currency revenues and expenses (primarily in U.S. Dollars). A significant portion of the Company's revenues are in these foreign currencies, while a significant portion of its costs are in Indian Rupees. As a result, if the value of the Indian Rupee appreciates relative to these foreign currencies, the Company's revenues measured in Rupees may decrease. The exchange rate between the Indian Rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. Consequently, the Company uses derivative financial instruments, such as foreign exchange forward contracts, to mitigate the risk of changes in foreign currency exchange rates in respect of its forecasted cash flows and trade receivables. The following table presents foreign currency risk from non-derivative financial instruments as on reporting dates:

Particulars (in USD)	March 31, 2024	March 31, 2023
Trade Receivables	\$9.88	\$ 20.09
Total	\$9.88	\$20.09

Following are outstanding forward contracts as on the reporting date:

Particulars (in USD)	March 31, 2024	March 31, 2023
Forward Contracts - To sell USD	\$0.00	\$0.00

The Company is mainly exposed to changes in USD. The below table demonstrates the sensitivity to a 5% increase or decrease in the USD against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 5% represents management's assessment of reasonably possible change in foreign exchange rate.

Change in USD Rate	Effect on profit after tax		Effect on total equity	
	2023-24	2022-23	2023-24	2022-23
+5%	41.15	82.59	41.15	82.59
-5%	-41.15	-82.59	-41.15	-82.59

Note 37
FINANCIAL RATIO

Particulars	Numerator	Denominator	2023-24	2022-23	% of variance	Explanation for change in the ratio by more than 25%
Liquidity Ratio						
Current Ratio (times)	Current Assets	Current Liabilities	3.10	3.13	-1%	
Solvency Ratio						
Debt-Equity Ratio(times)	Current & Non-Current Borrowing + Lease Liabilities	Total Equity	0.39	0.12	241%	Raising funds through SBI CC increases our debt component, leading to a higher debt equity ratio on the balance sheet compared to the previous year. This reflects our strategic move to secure immediate capital for operational needs, potentially enhancing long-term growth prospects despite the short-term impact on financial ratios.
Debt Service Coverage Ratio(times)	Net Profit after taxes + Depreciation & Amortisation Expenses + interest + Taxes	Interest + Lease Payments + Principal Repayments of Loan	34.14	21.53	59%	Raising funds through SBI CC increases our interest component, leading to a higher debt Service coverage ratio on the balance sheet compared to the previous year. This reflects our strategic move to secure immediate capital for operational needs, potentially enhancing long-term growth prospects despite the short-term impact on financial ratios.
Profitability ratio						
Net Profit Ratio (%)	Profit After Tax	Total Revenue from Operations	1.85%	3.11%	-41%	The decline in the net profit ratio can be attributed to the unexpected increase in the cost of goods sold (COGS), particularly due to the unanticipated rise in prices of essential raw materials such as kapas. Additionally, the unexpected price hike in cotton bales, a significant part of our finished goods inventory, has further contributed to this increase in COGS. This sudden escalation in input costs has significantly squeezed our profit margins, resulting in a lower net profit ratio. Despite our efforts to mitigate these challenges, the unforeseen market conditions have impacted our profitability metrics.
Return on Equity Ratio (%)	Profit After Tax - preference dividend (if any)	Average Shareholder's Equity	34.78%	38.44%	-10%	
Return on Capital employed (%)	Earning before interest and taxes	Net Worth + Total Debt + Deferred Tax Liability - Deferred Tax Assets	30.94%	39.88%	-22%	
Return on Investment (%)	Income generated from investments	Weighted average invested funds				Not Applicable

Utilization Ratio

Trade Receivables turnover ratio (times)	Revenue from operations	Average Trade Receivables	26.76	9.35	186%	The higher debtors turnover ratio compared to the previous year indicates that we've been collecting payments from our customers at a faster rate. This suggests improved efficiency in our credit management processes, resulting in quicker conversion of sales into cash and better management of our accounts receivable.
Inventory turnover ratio (times)	Cost of goods sold	Average Inventory	81.04	86.75	-7%	
Trade payables turnover ratio (times)	Purchase of stock in trade + Purchase of Raw material	Average Trade Payables	123.05	12.61	876%	The increase in credit turnover ratios highlights our proactive approach in enhancing financial efficiency through streamlined operations, strengthened customer relationships, and effective cash flow management. By optimizing credit policies, negotiating favorable terms with suppliers, and ensuring timely payments, we've fostered trust among stakeholders and positioned ourselves for sustained growth and operational resilience.
Net capital turnover ratio (times)	Revenue from Operations	Average Working Capital	20.54	13.73	50%	The high net capital turnover ratio compared to the previous year can be attributed to the significant increase in sales volume. This rise in sales indicates improved demand for our products/services, leading to more efficient utilization of invested capital to generate revenue. As a result, our assets are being utilized more effectively to drive sales, contributing to a higher turnover ratio and reflecting improved operational efficiency and financial performance.

The accompanying notes are integral part of the Financial Statements.

As per our report of even date attached.

For Mistry & Shah LLP
Chartered Accountants
FRN: W-100683

For and on behalf of Board of
Axita Cotton Limited

Nitinbhai Patel
Chairman cum Managing Director
DIN: 06626646

Kushal Patel
Director
DIN: 06626639

Malav Shah
Partner
M. No. 117101

Harsh Shah
Chief Finance Officer

Shyamsunder Panchal
Company Secretary

Place: Ahmedabad
Date: 23 April, 2024

Place: Kadi, Mahesana
Date: 23 April, 2024

UDIN: 24117101BKBHHS4766

NOTICE OF THE 11th (Eleventh) ANNUAL GENERAL MEETING (AGM)

Notice is hereby given that the **11th (Eleventh)** Annual General Meeting (AGM) of the Members of **Axita Cotton Limited** will be held on **Saturday, September 30, 2024** at **02:00 P.M.** through Video Conferencing (VC) / Other Audio Visual Means (OAVM), to transact the following businesses:

The venue of the meeting shall be deemed to be the Registered Office of the Company at Servey No. 324 357 358 Kadi Thol Road Borisana, Mahesana, Kadi -382715

ORDINARY BUSINESSES:

1. ADOPTION OF FINANCIAL STATEMENTS:

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2024 and the Reports of the Board of Directors and the Reports of the Auditors thereon by passing the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** the Audited Financial Statements of the Company for the Financial Year ended on March 31, 2024 and the Reports of the Board of Directors and the Reports of the Auditors thereon be and are hereby received, considered and adopted.”

2. DECLARATION OF FINAL DIVIDEND:

To declare Final Dividend on equity shares for the financial year ended on March 31, 2024 and in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** a Final dividend of Rs. 0.10/- per Equity Shares of Rs. 1 each fully paid-up of the Company as recommended by the Board of Directors, be and is hereby declared out of the profits of the Company for the Financial Year ended on March 31, 2024.”

3. APPOINTMENT OF MR. KUSHAL NITINBHAI PATEL (DIN: 06626639) AS DIRECTOR LIABLE TO RETIRE BY ROTATION:

To appoint a Director in place of Mr. Kushal Nitinbhai Patel (DIN: 06626639), who retires by rotation and being eligible, offers himself for re-appointment.

To the extent that Mr. Kushal Nitinbhai Patel (DIN: 06626639) is required to retire by rotation he would need to be re-appointed as such. Therefore, shareholders are requested to consider and if thought fit to pass the following resolution with or without modification(s) 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 re-appointment of Mr. Kushal Nitinbhai Patel (DIN: 06626639) as such to the extent that he is required to retire by rotation.”

4. TO RE-APPOINT M/S. MISTRY & SHAH LLP, CHARTERED ACCOUNTANTS (FIRM REGISTRATION NO. W100683) AS STATUTORY AUDITORS OF THE COMPANY:

To re appoint M/s. Mistry & Shah LLP, Chartered Accountants (Firm Registration No. W100683) as Statutory Auditors of the Company to hold office from the conclusion of the 11th Annual General Meeting to the conclusion of the 16th Annual General Meeting and to authorize Board of Directors to fix their remuneration

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

“**RESOLVED THAT**, in accordance with the provisions of Sections 139 and 142 of the Companies Act, 2013, M/s. Mistry & Shah LLP, Chartered Accountants (Firm Registration No. W100683), be and are hereby re-appointed as the Auditors of the Company from the conclusion of this Meeting to hold such office for a period of four years till the conclusion of the 16th Annual General Meeting at a remuneration as decided by for the financial year 2028-2029, payable in one or more instalments, plus goods and services tax as applicable and reimbursement of out-of-pocket expenses incurred.”

SPECIAL BUSINESSES:

5. TO RATIFY THE REMUNERATION OF THE COST AUDITORS OF THE COMPANY FOR THE FINANCIAL YEAR 2024-2025:

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

“**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the members be and is hereby accorded to ratify the remuneration of Rs. 35,000 (Rupees Thirty five thousand) plus applicable taxes thereon, besides reimbursement of out of pocket expenses on actuals incurred in connection therewith, payable to Ms. Reena K. Patadiya (ACMA and M.Com.) a Proprietor of Proprietorship firm M/s. Reena Patadiya & Co. (PAN BJFPP1420A and Firm Registration No. 004346), appointed by the Board of Directors as Cost Auditors of the Company, based on recommendations of Audit Committee, to conduct the audit of the applicable cost records of the Company for the Financial Year 2024-2025.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, desirable, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto.”

6. APPROVAL OF THE MATERIAL RELATED PARTY TRANSACTIONS WITH KPR SPORTS & MEDIA 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 Regulation 2(1)(zb), 2(1)(zc), 23 and other applicable regulations if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, (“**SEBI Listing Regulations**”), Section 2(76) and other applicable provisions of the Companies Act, 2013 (“**Act**”) read with Rules made thereunder, other applicable laws/statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force) and in accordance with the provisions of the Memorandum and Article of Association of the Company and the Company’s Policy on Related Party Transactions, and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and on the basis of approval and recommendation of the Audit Committee and as approved by the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded to the Company for entering into the Material Related Party Transaction(s)/ Contract(s)/ Arrangement(s)/ Agreement(s)/ loan transaction(s)/ Sale or purchase of goods or material/availing or rendering of service(s)/ to extend or avail corporate guarantee in lieu of loan taken and any other business transaction as and when required by and inter-se (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise), with **KPR Sports & Media Private Limited**, a subsidiary Company and a related party within the meaning of Section 2(76) of the Companies Act 2013, as mentioned in detail in Explanatory Statement annexed herewith notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company or along with its subsidiary(ies), may exceed the prescribed thresholds as per provisions of the SEBI Listing Regulations as applicable from time to time, provided, however, that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out on an arm’s length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as ‘Board’ which term shall be deemed to include the Audit Committee of the Company thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred to, without being required to seek further consent or approval of the Members and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any Directors of the Company 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 without required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have been given approval thereto expressly by the authority of this resolution.”

7. 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 Regulation 2(1)(zb), 2(1)(zc), 23 and other applicable regulations if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, (“**SEBI Listing Regulations**”), Section 2(76) and other applicable provisions of the Companies Act, 2013 (“**Act**”) read with Rules made thereunder, other applicable laws/statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force) and in accordance with the provisions of the Memorandum and Article of Association of the Company and the Company’s Policy on Related Party Transactions, and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and on the basis of approval and recommendation of the Audit Committee and as approved by the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded to the Company for entering into the Material Related Party Transaction(s)/ Contract(s)/ Arrangement(s)/ Agreement(s)/ loan transaction(s)/ Sale or purchase of goods or material/availing or rendering of service(s)/ to extend or avail corporate guarantee in lieu of loan taken and any other business transaction as and when required by and inter-se (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise), with **NG Organics Private Limited**, a related party within the meaning of Section 2(76) of the Companies Act 2013, as mentioned in detail in Explanatory Statement annexed herewith notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company or along with its subsidiary(ies), may exceed the prescribed thresholds as per provisions of the SEBI Listing Regulations as applicable from time to time, provided, however, that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out on an arm’s length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as “**Board**”) which term shall be deemed to include the Audit Committee of the Company thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred to, without being required to seek further consent or approval of the Members and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any Directors of the Company 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 without required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have been given approval thereto expressly by the authority of this resolution.”

8. APPROVAL OF THE MATERIAL RELATED PARTY TRANSACTIONS WITH AKPR INFRASTRUCTURE 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 Regulation 2(1)(zb), 2(1)(zc), 23 and other applicable regulations if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, (“**SEBI Listing Regulations**”), Section 2(76) and other applicable provisions of the Companies Act, 2013 (“**Act**”) read with Rules made thereunder, other applicable laws/statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force) and in accordance with the provisions of the Memorandum and Article of Association of the Company and the Company’s Policy on Related Party Transactions, and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and on the basis of approval and recommendation of the Audit Committee and as approved by the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded to the Company for entering into the Material Related Party Transaction(s)/ Contract(s)/ Arrangement(s)/ Agreement(s)/ loan transaction(s)/ Sale or purchase of goods or material/availing or rendering of service(s)/ to extend or avail corporate guarantee in lieu of loan taken and any other business transaction as and when required by and inter-se (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise), with **AKPR Infrastructure Private Limited**, a related party within the meaning of Section 2(76) of the Companies Act 2013, as mentioned in detail in Explanatory Statement annexed herewith notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company or along with its subsidiary(ies), may exceed the prescribed thresholds as per provisions of the SEBI Listing Regulations as applicable from time to time, provided, however, that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out on an arm’s length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as “**Board**” which term shall be deemed to include the Audit Committee of the Company thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred to, without being required to seek further consent or approval of the Members and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any Directors of the Company 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 without required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have been given approval thereto expressly by the authority of this resolution.”

9. APPROVAL OF THE MATERIAL RELATED PARTY TRANSACTIONS WITH AXITA GREEN HYDROGEN 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 Regulation 2(1)(zb), 2(1)(zc), 23 and other applicable regulations if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, (“**SEBI Listing Regulations**”), Section 2(76) and other applicable provisions of the Companies Act, 2013 (“**Act**”) read with Rules made thereunder, other applicable laws/statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force) and in accordance with the provisions of the Memorandum and Article of Association of the Company and the Company’s Policy on Related Party Transactions, and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and on the basis of approval and recommendation of the Audit Committee and as approved by the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded to the Company for entering into the Material Related Party Transaction(s)/ Contract(s)/ Arrangement(s)/ Agreement(s)/ loan transaction(s)/ Sale or purchase of goods or material/availing or rendering of service(s)/ to extend or avail corporate guarantee in lieu of loan taken and any other business transaction as and when required by and inter-se (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise), with **Axita Green Hydrogen Private Limited**, a related party within the meaning of Section 2(76) of the Companies Act 2013, as mentioned in detail in Explanatory Statement annexed herewith notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company or along with its subsidiary(ies), may exceed the prescribed thresholds as per provisions of the SEBI Listing Regulations as applicable from time to time, provided, however, that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out on an arm’s length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as “**Board**” which term shall be deemed to include the Audit Committee of the Company thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred to, without being required to seek further consent or approval of the Members and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any Directors of the Company 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 without required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have been given approval thereto expressly by the authority of this resolution.”

10. APPROVAL OF THE MATERIAL RELATED PARTY TRANSACTIONS WITH WHITEWING SOFTWARE 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 Regulation 2(1)(zb), 2(1)(zc), 23 and other applicable regulations if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, (“**SEBI Listing Regulations**”), Section 2(76) and other applicable provisions of the Companies Act, 2013 (“**Act**”) read with Rules made thereunder, other applicable laws/statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time

being in force) and in accordance with the provisions of the Memorandum and Article of Association of the Company and the Company's Policy on Related Party Transactions, and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and on the basis of approval and recommendation of the Audit Committee and as approved by the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded to the Company for entering into the Material Related Party Transaction(s)/ Contract(s)/ Arrangement(s)/ Agreement(s)/ loan transaction(s)/ Sale or purchase of goods or material/availing or rendering of service(s)/ to extend or avail corporate guarantee in lieu of loan taken and any other business transaction as and when required by and inter-se (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise), with **Whitewing Software Private Limited**, a related party within the meaning of Section 2(76) of the Companies Act 2013, as mentioned in detail in Explanatory Statement annexed herewith notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company or along with its subsidiary(ies), may exceed the prescribed thresholds as per provisions of the SEBI Listing Regulations as applicable from time to time, provided, however, that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out on an arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as "**Board**") which term shall be deemed to include the Audit Committee of the Company thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred to, without being required to seek further consent or approval of the Members and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any Directors of the Company 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 without required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have been given approval thereto expressly by the authority of this resolution."

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

Date: September 05, 2024
Place: Kadi, Mahesana

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

Nitinbhai Govindbhai Patel
Chairman and Managing Director
DIN: 06626646

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND / OR REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

ITEM NO. 4:

TO RE-APPOINT M/S. MISTRY & SHAH LLP, CHARTERED ACCOUNTANTS (FIRM REGISTRATION NO. W100683) AS STATUTORY AUDITORS OF THE COMPANY: ORDINARY RESOLUTION

During the financial year 2019-2020, M/s Mistry & Shah, Chartered Accountants, Ahmedabad a partnership firm (FRN: 122702W) was appointed as the Statutory Auditors of the Company to fill the casual vacancy due to the resignation of M/s. Manish Dave & Co., Chartered Accountants, Ahmedabad.

Their appointment was duly approved by the shareholders at the Extra Ordinary General Meeting held on Friday, April 12, 2019.

As M/s Mistry & Shah, Chartered Accountants, Ahmedabad a partnership firm (FRN: 122702W) appointment was to fill the casual vacancy their tenure of appointment comes to an end with the Sixth (6th) Annual General Meeting. They being eligible in terms of the provisions of Section 139, 141, 142, 143 of the Companies Act, 2013, read with the Companies (Audit and Auditors) rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have given their consent and the eligibility letter, dated August 16, 2019, to be the Statutory Auditors of the Company along with a confirmation that, their appointment, if made, would be within the limits prescribed under the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to the provisions of Sections 139, 141, 142, 143 & other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder, the Board of Directors of the Company, based on the recommendations of the Audit Committee, the Members at the Sixth (6th) Annual General Meeting (“AGM”) of the Company held on September 27, 2019, had approved appointment of M/s Mistry & Shah, Chartered Accountants, Ahmedabad a partnership firm (FRN: 122702W), as the Statutory Auditors of the Company to hold office for the five (5) consecutive years from the conclusion of the Sixth (6th) AGM till the conclusion of the Eleventh (11th) AGM of the Company to be held in the year 2024. Later to the year 2019, M/s Mistry & Shah, Chartered Accountants, Ahmedabad a partnership firm (FRN: 122702W) was converted to Limited Liability Partnership Firm (“LLP”) vide certificate of Incorporation on April 29, 2020 and name was amended to M/s Mistry & Shah. LLP, Chartered Accountants (Firm Registration No. 122702W / W100683).

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company (“Board”) has, based on the recommendation of the Audit Committee, in its meeting held on September 05, 2024 proposed the reappointment of M/s Mistry & Shah. LLP, Chartered Accountants (Firm Registration No. 122702W/W100683), as the Statutory Auditors of the Company, for the second (2nd) consecutive term of Four (4) years from the conclusion of this of the Eleventh (11th) AGM till the conclusion of Sixteenth (16th) AGM of the Company to be held in the year 2029, at a remuneration as may be mutually agreed between the Board and the Statutory Auditors.

M/s Mistry & Shah LLP, Chartered Accountants (Firm Registration No. 122702W/W100683) have consented to their appointment as the Statutory Auditors and have confirmed that the appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as the Statutory Auditors in terms of the provisions of Section 139 and 141 of the Act and the Rules framed thereunder. The Board, in consultation with the Audit Committee shall approve revisions in the remuneration of the Statutory Auditors for the remaining part of the tenure. Besides the audit services, the Company would also obtain certifications from the Statutory Auditors under various statutory regulations and certifications required by clients, banks, statutory authorities, audit related services and other permissible non-audit services as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board in consultation with the Audit Committee.

Additional information about the Statutory Auditors pursuant to Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided below: -

a Name of the Statutory Auditor & Firm Registration Number (FRN)	M/s Mistry & Shah. LLP (LLPIN: AAS-3892), Chartered Accountants, (Firm Registration No. 122702W / W100683)
b Reason for change viz. Appointment or Resignation or Re-appointment or Death or otherwise and Basis of recommendation for Re-Appointment	The Board of Directors and the Audit Committee, at their respective meetings held on <i>September 05, 2024</i> , have considered various parameters like capability to serve a widespread business landscape as that of the Company, audit experience across the industries, market standing of the firm, clientele served, technical knowledge, governance standards, etc., and found M/s Mistry & Shah. LLP, Chartered Accountants (Firm Registration No. 122702W / W100683), suitable for this re-appointment and accordingly, recommended the same.
c Date of Appointment / Reappointment / Cessation (as applicable) & Term of Appointment / Reappointment;	Re-appointment as Statutory Auditors of the Company. The term of the current Statutory Auditors M/s Mistry & Shah. LLP (LLPIN: AAS-3892), Chartered Accountants, (Firm Registration No. 122702W / W100683) is expiring at the conclusion of the ensuing 11 th Annual General Meeting. Therefore, it is proposed to re-appointment as Statutory Auditors of the Company, if approved, the term will be of Four (4) years from the conclusion of the 11 th Annual General Meeting till the conclusion of the 16 th Annual General Meeting of the Company.
d Brief Profile (in case of Appointment);	M/s Mistry & Shah. LLP (LLPIN: AAS-3892), Chartered Accountants, (Firm Registration No. 122702W / W100683) has over 20 years standing with multi industry and multi-disciplinary experience. The firm operates through an office in Ahmedabad (Gujarat) and a branch in Mansa (Gujarat). They have clients across industries in India as well as overseas. Website: www.mistryandshah.com
e Proposed fees payable to the Statutory Auditor(s):	Rs. 6,00,000 (plus taxes) which includes annual certification charges but excludes out-of-pocket expenses & tax audit fees. Fees will be generally billed in a manner consistent with the progress of audit / engagements.
f In case of a new auditor, any material changes in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change:	Not Applicable
g Disclosure of relationships between Directors (in case of appointment of a director).	Not Applicable

The Board of Directors of the Company at its Meeting held on **Thursday, September 05, 2024** recommends the resolution set out *item no. 4* of the Notice for your approval as an *Ordinary Resolutions*.

None of the Directors and Key Managerial Personnel of the Company or their relatives may deemed to be concerned or interested, financially or otherwise, in the resolution set out in the Notice except to the extent of their shareholding in the Company, if any.

ITEM NO. 5:
TO RATIFY THE REMUNERATION OF THE COST AUDITORS OF THE COMPANY FOR THE FINANCIAL YEAR 2024-2025:

Pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the members be and is hereby accorded to ratify the remuneration of Rs. 35,000 (Rupees Thirty five thousand) plus applicable taxes thereon, besides reimbursement of out of pocket expenses on actuals incurred in connection therewith, payable to Ms. Reena K. Patadiya (ACMA and M.Com.) a Proprietor of Proprietorship firm M/s. Reena Patadiya & Co. (PAN BJFPP1420A and Firm Registration No. 004346), appointed by the Board of Directors as Cost Auditors of the Company, based on recommendations of Audit Committee, to conduct the audit of the applicable cost records of the Company for the Financial Year 2024-2025.

The Proprietorship firm, have confirmed that they hold a valid certificate of practice under Section 6(1) of the Cost and Works Accountants Act, 1959.

Additional information about the Statutory Auditors pursuant to Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided below: -

a Name of the Cost Auditor & Firm Registration Number (FRN)	M/s. Reena Patadiya & Co., Cost Accountants, (Firm Registration No. 004346)
b Reason for change viz. Appointment or Resignation or Re-appointment or Death or other wise	The Board of Directors and the Audit Committee, at their respective meetings held on <i>September 05, 2024</i> , have considered various parameters like capability to serve a widespread business landscape as that of the Company, audit experience across the industries, market standing of the firm, clientele served, technical knowledge, governance standards, etc., and found M/s. Reena Patadiya & Co., Cost Accountants, (Firm Registration No. 004346), suitable for this re-appointment and accordingly, recommended the same.
c Date of Appointment / Reappointment / Cessation (as applicable) & term of Appointment / Reappointment;	Appointment as a Cost Auditors of the Company. The term of the current Statutory Auditors M/s. Reena Patadiya & Co., Cost Accountants, (Firm Registration No. 004346), if approved, the term will be of for Financial Year 2024-2025.
d Brief Profile (in case of Appointment);	The Proprietorship firm was established in the year 2012 by the Proprietorship Ms. Reena Kantilal Patadiya, and the Firm is engaged in providing various compliance & consulting services since 2012. It provide services in the field of Cost Audit & Cost Compliance, Cost Implementation , Internal Controls Structure Set-Up, Direct and Indirect Taxes, Internal and Statutory Audit, Corporate and Allied Laws Consultancy, Management consultancy Services.
e Proposed fees payable to the Statutory Auditor(s):	Rs. 35,000/- (plus taxes) which includes annual certification charges but excludes out-of-pocket expenses & tax audit fees. Fees will be generally billed in a manner consistent with the progress of audit / engagements.
f In case of a new auditor, any material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change:	Not Applicable
g Disclosure of relationships between Directors (in case of appointment of a director).	Not Applicable

The Board of Directors of the Company at its Meeting held on **Thursday, September 05, 2024** recommends the resolution set out *item no. 5* of the Notice for your approval as an *Ordinary Resolutions*.

None of the Directors and Key Managerial Personnel of the Company or their relatives may deemed to be concerned or interested, financially or otherwise, in the resolution set out in the Notice except to the extent of their shareholding in the Company, if any.

ITEM NO. 6 to 10:

APPROVAL OF THE MATERIAL RELATED PARTY TRANSACTIONS: ORDINARY RESOLUTIONS

The provisions of the SEBI Listing Regulations, as amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective April 1, 2022, mandates prior approval of members by means of an ordinary resolution for all material related party transactions and subsequent material modifications as defined by the Audit Committee, even if such transactions are in the ordinary course of business of the concerned Company and at an arm's length basis. Effective from April 1, 2022, a transaction with a related party shall be considered as material if the transaction(s) to be entered into, either individually or taken together with previous transactions during a financial year, whether directly and/or through its subsidiary(ies), exceed(s) Rs. 1,000 crore, or 10% of the annual consolidated turnover as per the last audited financial statements of the listed entity, whichever is lower.

In the financial year 2024-2025, the Company, propose to enter into certain related party transaction(s) as mentioned below, on mutually agreed terms and conditions, and the aggregate of such transaction(s), are expected to cross the applicable materiality thresholds as mentioned above. Accordingly, as per the SEBI Listing Regulations, prior approval of the Members is being sought for all such arrangements / transactions proposed to be undertaken by the Company, either directly or along with its subsidiary(ies). All the said transactions shall be in the ordinary course of business of the Company and on an arm's length basis.

The Audit Committee has, on the basis of relevant details provided by the management, as required by the law, reviewed and approved the said transaction(s), subject to approval of the Members, while noting that such transactions shall be on arms' length basis and in the ordinary course of business of the Company.

Information required under Regulation 23 of SEBI Listing Regulations read with SEBI Circular dated November 22, 2021 is provided herein below:

ANNEXURE TO THE EXPLANATORY STATEMENT:

Resolution No: 6 & 7

Sl.	Particulars	Details of contracts / arrangements / transactions	
1.	Name of Related Parties	KPR Sports & Media Private Limited	NG Organics Private Limited
2.	Name of the Director or KMP who is related	None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested financially or otherwise in the <i>Item No. 6</i> of the Notice, except Mr. Kushal Nitinbhai Patel, Mr. Nitinbhai Govindbhai Patel are deemed to be concerned or interested in the transaction entered between this Company with <i>KPR Sports & Media Private Limited</i> (" <i>KPR</i> ") being common directorship.	None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested financially or otherwise in the <i>Item No. 7</i> of the Notice, except Mr. Kushal Nitinbhai Patel, Mr. Nitinbhai Govindbhai Patel are deemed to be concerned or interested in the transaction entered between this Company with <i>NG Organics Private Limited</i> being common directorship.

Sl.	Particulars	Details of contracts / arrangements / transactions	
3.	Nature of relationship with the Company including nature of its concern or interest (financial or otherwise)	<p>KPR Sports & Media Private Limited is an entity over which controlling Axita Cotton Limited or KMP(s) has control or significant influence.</p> <p>KPR Sports & Media Private Limited is a subsidiary of Axita Cotton Limited. Hence, KPR Sports & Media Private Limited and Axita Cotton Limited are related parties.</p>	<p>Mr. Kushal Nitinbhai Patel is Promoter & Managing Director of Axita Cotton Limited and Promoter & Director NG Organics Private Limited Mr. Kushal Nitinbhai Patel holds 60162965 number of Equity Shares in Axita Cotton Limited and holds 525000 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 and Promoter & Director of NG Organics Private Limited. Mr. Nitinbhai Govindbhai Patel holds 90546572 number (Majority Stake) of Equity Shares in Axita Cotton Limited and holds 525000 number of Equity Shares in NG Organics Private Limited.</p>
4.	Monetary Value	<p>The Company estimates that monetary value of transactions subject to a maximum of <i>Rs. 10 Crore p.a.</i> through contracts / arrangements for the period of 3 Financial Years i.e. FY 2024-25 to FY 2026-27</p> <p>The interest on the outstanding cumulative loan / debt securities will be charged in compliance with the provisions of the Companies Act, 2013.</p>	<p>The Company estimates that monetary value of transactions subject to a maximum of <i>Rs. 50 Crore p.a.</i> through contracts / arrangements for the period of 3 Financial Years i.e. FY 2024-25 to FY 2026-27</p> <p>The interest on the outstanding cumulative loan / debt securities will be charged in compliance with the provisions of the Companies Act, 2013.</p>
5.	Nature materials terms and particulars of the Contracts/ arrangements	The Company proposes to enter into such Transaction(s)/Contract(s)/Arrangement(s)/ Agreement(s)/ loan transaction(s)/ Sale or purchase of goods or material/availing or rendering of service(s)/ to extend or avail corporate guarantee in lieu of loan taken and any other business transaction as and when required by and inter-se.	
6.	Any advance paid or received for the contracts/arrangements	As per industry norms, customs and usages.	
7.	Tenure of contracts / arrangement	The above arrangements are continuing business transactions. Approval of the Board is being sought for transactions during the Three (3) Financial years (i.e. from 2024-25 till Financial Year 2026-27)	
8.	The percentage of the Axita Cotton Limited's annual turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	0.00% of 1104.39 Cr. the total annual turnover of Company for the financial year 2023-2024.	0.00% of 1104.39 Cr. the total annual turnover of Company for the financial year 2023-2024.
9.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given	Not Applicable	

Sl.	Particulars	Details of contracts / arrangements / transactions
	<p>by the listed entity or its subsidiary:</p> <p>i) details of the source of funds in connection with the proposed transaction;</p> <p>ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: nature of indebtedness, cost of funds and tenure;</p> <p>iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and</p> <p>iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.</p>	
10.	Justification as to why the RPTs are in the interest of the listed entity	<p>The proposed RPTs:</p> <ol style="list-style-type: none"> will ensure uninterrupted supply of quality Goods/material from the Company which will cater to the specific requirements of customers based on their evaluation of the raw material; are in the business interest of the Company due to cost-effectiveness, close proximity of raw material, quality and just in time sourcing needs; <p>The proposed transactions will aid the growth of the Company's business.</p>
11.	A copy of the valuation or other external party report, if any such report has been relied upon;	Not applicable as the transactions do not contemplate any valuation.
12.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transactions will be made available through the registered e-mail address of the shareholders;	Not applicable
13.	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis	Not applicable
14.	Any other information relevant or important for the members to take a decision on the proposed resolution	The terms and conditions, including pricing are determined based on industry peer comparison. Factors such as timeliness and quality, delivery lead time, quantity, etc. are also considered before deciding on the procurement. Compliance with arm's length principles is ensured based on the applicable transfer pricing regulations.

Resolution No: 8 & 9

Sl.	Particulars	Details of contracts / arrangements / transactions	
1.	Name of Related Parties	AKPR Infrastructure Private Limited	Axita Green Hydrogen Private Limited
2.	Name of the Director or KMP who is related	None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested financially or otherwise in the <i>Item No. 8</i> of the Notice, except Mr. Kushal Nitinbhai Patel, Mr. Nitinbhai Govindbhai Patel are deemed to be concerned or interested in the transaction entered between this Company with AKPR Infrastructure Private Limited (" AKPR ") being common directorship.	None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested financially or otherwise in the <i>Item No. 9</i> of the Notice, except Mr. Kushal Nitinbhai Patel, Mr. Nitinbhai Govindbhai Patel are deemed to be concerned or interested in the transaction entered between this Company with Axita Green Hydrogen Private Limited being common directorship.
3.	Nature of relationship [including nature of its interest (financial or otherwise)]	Mr. Kushal Nitinbhai Patel is Promoter & Managing Director of Axita Cotton Limited and Promoter & Director AKPR Infrastructure Private Limited . Mr. Kushal Nitinbhai Patel holds 60162965 number of Equity Shares in Axita Cotton Limited and holds 5000 number of Equity Shares in AKPR Infrastructure Private Limited . Mr. Nitinbhai Govindbhai Patel is Promoter & Chairman cum Managing Director of Axita Cotton Limited and Promoter & Director of AKPR Infrastructure Private Limited . Mr. Nitinbhai Govindbhai Patel holds 90546572 number (Majority Stake) of Equity Shares in Axita Cotton Limited and holds 5000 number of Equity Shares in AKPR Infrastructure Private Limited	Mr. Kushal Nitinbhai Patel is Promoter & Managing Director of Axita Cotton Limited and Promoter & Director Axita Green Hydrogen Private Limited . Mr. Kushal Nitinbhai Patel holds 60162965 number of Equity Shares in Axita Cotton Limited and holds 5000 number of Equity Shares in Axita Green Hydrogen Private Limited Mr. Nitinbhai Govindbhai Patel is Promoter & Chairman Cum Managing Director of Axita Cotton Limited and Promoter & Director of Axita Green Hydrogen Private Limited . Mr. Nitinbhai Govindbhai Patel holds 90546572 number (Majority Stake) of Equity Shares in Axita Cotton Limited and holds 5000 number of Equity Shares in Axita Green Hydrogen Private Limited .
4.	Monetary Value	The Company estimates that monetary value of transactions subject to a maximum of <i>Rs. 10 Crore p.a.</i> through contracts / arrangements for the period of 3 Financial Years i.e. FY 2024-25 to FY 2026-27 The interest on the outstanding cumulative loan / debt securities will be charged in compliance with the provisions of the Companies Act, 2013.	The Company estimates that monetary value of transactions subject to a maximum of <i>Rs. 10 Crore p.a.</i> through contracts / arrangements for the period of 3 Financial Years i.e. FY 2024-25 to FY 2026-27 The interest on the outstanding cumulative loan / debt securities will be charged in compliance with the provisions of the Companies Act, 2013.
5.	Nature materials terms and particulars of the Contracts/ arrangements	The Company proposes to enter into such Transaction(s)/Contract(s)/Arrangement(s)/ Agreement(s)/ loan transaction(s)/ Sale or purchase of goods or material/availing or rendering of service(s)/ to extend or avail corporate guarantee in lieu of loan taken and any other business transaction as and when required by and inter-se.	

Sl.	Particulars	Details of contracts / arrangements / transactions	
6.	Any advance paid or received for the contracts/arrangements	As per industry norms, customs and usages.	
7.	Tenure of contracts / arrangement	The above arrangements are continuing business transactions. Approval of the Board is being sought for transactions during the Three (3) Financial years (i.e. from 2024-25 till Financial Year 2026-27)	
8.	The percentage of the Axita Cotton Limited's annual turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	0.00% of 1104.39 Cr. the total annual turnover of Company for the financial year 2023-2024.	0.00% of 1104.39 Cr. the total annual turnover of Company for the financial year 2023-2024.
9.	<p>If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:</p> <p>i) details of the source of funds in connection with the proposed transaction;</p> <p>ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: nature of indebtedness, cost of funds and tenure;</p> <p>iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and</p> <p>iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.</p>	Not Applicable	
10.	Justification as to why the RPTs are in the interest of the listed entity	<p>The proposed RPTs:</p> <ol style="list-style-type: none"> will ensure uninterrupted supply of quality Goods/material from the Company which will cater to the specific requirements of customers based on their evaluation of the raw material; are in the business interest of the Company due to cost-effectiveness, close proximity of raw material, quality and just in time sourcing needs; <p>The proposed transactions will aid the growth of the Company's business.</p>	
11.	A copy of the valuation or other external party report, if any such report has been relied upon;	Not applicable as the transactions do not contemplate any valuation.	
12.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transactions will be made available through the registered	Not applicable	

Sl.	Particulars	Details of contracts / arrangements / transactions
	e-mail address of the shareholders;	
13.	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis	Not applicable
14.	Any other information relevant or important for the members to take a decision on the proposed resolution	The terms and conditions, including pricing are determined based on industry peer comparison. Factors such as timeliness and quality, delivery lead time, quantity, etc. are also considered before deciding on the procurement. Compliance with arm's length principles is ensured based on the applicable transfer pricing regulations.

Resolution No: 10

Sl.	Particulars	Details of contracts / arrangements / transactions
1.	Name of Related Parties	Whitewing Software Private Limited
2.	Name of the Director or KMP who is related	None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested financially or otherwise in the <i>Item No. 10</i> of the Notice, except Mr. Kushal Nitinbhai Patel, Mr. Nitinbhai Govindbhai Patel are deemed to be concerned or interested in the transaction entered between this Company with Whitewing Software Private Limited (" Whitewing ") being common Promoter.
3.	Nature of relationship [including nature of its interest (financial or otherwise)]	Mr. Kushal Nitinbhai Patel is Promoter & Managing Director of Axita Cotton Limited and Promoter of Whitewing Software Private Limited . Mr. Kushal Nitinbhai Patel holds 60162965 number of Equity Shares in Axita Cotton Limited and holds 5000 number of Equity Shares in Whitewing Software Private Limited . Mr. Nitinbhai Govindbhai Patel is Promoter & Chairman cum Managing Director of Axita Cotton Limited and Promoter of Whitewing Software Private Limited . Mr. Nitinbhai Govindbhai Patel holds 90546572 number (Majority Stake) of Equity Shares in Axita Cotton Limited and holds 5000 number of Equity Shares in Whitewing Software Private Limited
4.	Monetary Value	The Company estimates that monetary value of transactions subject to a maximum of <i>Rs. 10 Crore p.a.</i> through contracts / arrangements for the period of 3 Financial Years i.e. FY 2024-25 to FY 2026-27 The interest on the outstanding cumulative loan / debt securities will be charged in compliance with the provisions of the Companies Act, 2013.
5.	Nature materials terms and particulars of the Contracts/arrangements	The Company proposes to enter into such Transaction(s)/Contract(s)/Arrangement(s)/ Agreement(s)/ loan transaction(s)/ Sale or purchase of goods or material/availing or rendering of service(s)/ to extend or avail corporate guarantee in lieu of loan taken and any other business transaction as and when required by and inter-se.
6.	Any advance paid or received for the contracts/arrangements	As per industry norms, customs and usages.
7.	Tenure of contracts / arrangement	The above arrangements are continuing business transactions. Approval of the Board is being sought for transactions during the Three (3) Financial years (i.e. from 2024-25 till Financial Year 2026-27)
8.	The percentage of the Axita Cotton Limited's annual turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	0.00% of 1104.39 Cr. the total annual turnover of Company for the financial year 2023-2024.

Sl.	Particulars	Details of contracts / arrangements / transactions
9.	<p>If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:</p> <p>i) details of the source of funds in connection with the proposed transaction;</p> <p>ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: nature of indebtedness, cost of funds and tenure;</p> <p>iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and</p> <p>iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.</p>	Not Applicable
10.	Justification as to why the RPTs are in the interest of the listed entity	<p>The proposed RPTs:</p> <ol style="list-style-type: none"> will ensure uninterrupted supply of quality Goods/material from the Company which will cater to the specific requirements of customers based on their evaluation of the raw material; are in the business interest of the Company due to cost-effectiveness, close proximity of raw material, quality and just in time sourcing needs; <p>The proposed transactions will aid the growth of the Company's business.</p>
11.	A copy of the valuation or other external party report, if any such report has been relied upon;	Not applicable as the transactions do not contemplate any valuation.
12.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transactions will be made available through the registered e-mail address of the shareholders;	Not applicable
13.	Percentage of the counterparty's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis	Not applicable
14.	Any other information relevant or important for the members to take a decision on the proposed resolution	The terms and conditions, including pricing are determined based on industry peer comparison. Factors such as timeliness and quality, delivery lead time, quantity, etc. are also considered before deciding on the procurement. Compliance with arm's length principles is ensured based on the applicable transfer pricing regulations.

The Board of Directors of the Company at its Meeting held on **Thursday, September 05, 2024** has approved the above proposal and recommends the passing of the proposed Ordinary Resolutions under **item no. 6 to 10** in the Notice, by Members of the Company.

None of the Directors and Key Managerial Personnel of the Company or their relatives may be deemed to be concerned or interested, financially or otherwise, in the resolution set out in the Notice except to the extent of their shareholding in the Company, if any.

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

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

Date: September 05, 2024
Place: Kadi, Mahesana

Nitinbhai Govindbhai Patel
Chairman and Managing Director
DIN: 06626646



ANNEXURE TO THE EXPLANATORY STATEMENT:

Name of Director	Kushal Nitinbhai Patel			
Directors Identification Number (DIN)	06626639			
Date of Birth	November 27, 1988			
Age	35 Years			
Qualification	holds Degree of Bachelor of Pharmacy from Gujarat University.			
Nature of his expertise in specific functional areas	Experience of More than 14 years in the family business with respect to production, planning, and sales			
Date of first Appointment on the Board of the Company	July 16, 2013			
Date of Appointment / Re-appointment (at current term)	To be reappointed, subject to approval of shareholders			
Shareholding in Axita Cotton Limited	9,05,46,572 Shares as on as on March 31, 2024			
Listed entities from which the person has resigned in the past three years	Nil			
Terms and conditions of re-appointment	In terms of Section 152 of the Companies Act, 2013. Mr. Kushal Nitinbhai Patel as a Managing Director and is liable to retire by rotation			
Remuneration last drawn	Rs. 49.25 Lakh			
Number of Meetings of the Board attended during the year	6			
List of Directorship held in Listed Companies (including this Company)	Axita Cotton Limited, Yuranus Infrastructure Limited			
Membership / Chairmanship in Committees of Listed Companies as on date (As per Regulation 17A and 26(1) of Listing Regulations)	Name of Company	Chairman	Member	
		AC	SRC	AC SRC
	Axita Cotton Limited	-	-	1 1
	Yuranus Infrastructure Limited	-	-	1 1
Relationships between Directors inter-se	With Directors & KMP of the Company: Son of our Promoter, Chairman cum Managing Director Mr. Nitinbhai Govindbhai Patel			
Information as required pursuant to Per Exchange Circular No. LIST/COMP/14/2018-19 Dated June 20, 2018 w.r.t. Enforcement of SEBI Orders Regarding Appointment of Directors by Listed Companies	He is not debarred from holding the Office of Director by virtue of any order of Securities and Exchange Board of India (SEBI) or any other such authority.			

NOTES

1. The Government of India, Ministry of Corporate Affairs has allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) and dispensed the personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and Circular No. 21/2021 dated December 14, 2021 and 02/2022 dated May 05, 2022, 10/2022 dated December 28, 2022 and latest being 09/2023 dated September 25, 2023 (“MCA Circulars”) and Circular no. SEBI/HO/ CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/ HO/CRD/PoD-2/P/CIR/2023/4 dated January 05, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2023/167 dated October 07, 2023 issued by the Securities Exchange Board of India (“SEBI Circular”) prescribing the procedures and manner of conducting the Annual General Meeting through VC/OVAM. In terms of the said circulars, the 11th Annual General Meeting (“AGM”) of the Members will be held through VC/OAVM on **Monday, September 30, 2024 at 02:00 P.M. IST.**
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. 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 11th AGM AND HENCE THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE.**
3. Information regarding appointment/ reappointment of Directors and Explanatory Statement in respect of special businesses to be transacted pursuant to Section 102 of the Companies Act, 2013 (“the Act”) and/or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) is annexed hereto.
4. Since the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.
5. Instructions and other information for members for attending the AGM through VC / OAVM are given in this Notice under Note No. 32.
6. 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.
7. **There being no physical shareholders in the Company**, the Register of Members and share transfer books of the Company will not be closed. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on Cut-off date i.e. **Monday, September 23, 2024** shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of this Annual General Meeting (AGM). Any recipient of the Notice, who has no voting rights as on Cut-off date, shall treat this Notice as intimation only.
8. 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.
9. For the unclaimed dividend for the financial year 2023-2024, Members are requested to claim the said dividend, details of which are available on the Company’s corporate website at www.axitacotton.com. Pursuant to Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the dividend which remains unclaimed for seven (7) consecutive years will be due for transfer to the Investor Education and Protection Fund of the Central Government.
10. In conformity with the regulatory requirements, the Notice of this 11th AGM and the Report and Accounts 2023 are being sent only through electronic mode to those Members who have registered their e-mail addresses with the Company or with the Depositories. Members desirous of obtaining physical copies of the said Notice and the Report and Accounts 2023 are required to send a request to the Company, mentioning their name and DP ID & Client ID / folio number, through e-mail at cs@axitacotton.com or by post to ACL.

11. Members seeking any information with regard to the accounts or any matter to be placed at the **11th 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 **Monday, September 23, 2024** 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 **11th AGM**.
12. 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.
13. In case of joint holders attending the 11th AGM together, only holder whose name appearing first will be entitled to vote.
14. 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
In case the Shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "**RTA**"/ **Depositories**, log in details for e-voting are being sent on the registered email address.
In case the shareholder has not registered his/her/their email address with the **Company/its RTA/Depositories**, the following instructions to be followed:
 - 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 above Point (a) or (b) as the case may be.
 - d) 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.
 - e) 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 "**RTA**" 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, to enable servicing of Notices / Documents electronically to their e-mail address.
15. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Link Intime India Private Limited, (Company's Registrar and Transfer Agents) in case the shares are held by them in physical form.
16. 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.
17. 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.

NOTE: OUR 100% EQUITY SHARES ARE DEMAT MODE.

18. 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.
19. 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.

UPDATION OF MANDATE FOR RECEIVING DIVIDEND DIRECTLY IN BANK ACCOUNT THROUGH ELECTRONIC CLEARING SYSTEM OR ANY OTHER MEANS IN A TIMELY MANNER:

Members are requested to send the following details/documents 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.**

- Form No. ISR-1 duly filled and signed by the holders stating their name, folio number, complete address with pincode, and the following details relating to the bank account in which the dividend is to be received. The said form is available on the Company’s website at www.axitacotton.com and on the website of the RTA at <https://liiplweb.linkintime.co.in/KYC-downloads.html>
 - i) Name of Bank and Bank Branch;
 - ii) Bank Account Number;
 - iii) 11-digit IFSC Code; and
 - iv) 9-digit MICR Code.
- Original copy of cheque bearing the name of the Member or first holder, in case shares are held jointly. In case, name of the holder is not available on the cheque, kindly submit the following documents:
 - i) Cancelled cheque in original
 - ii) Bank attested legible copy of the first page of the Bank Passbook/Bank Statement bearing the names of the account holders, address, same bank account number and type as on the cheque leaf and full address of the bank branch;
 - iii) Self-attested copy of the PAN Card; and
 - iv) Self-attested copy of any document (such as AADHAR Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.

Further, Members are requested to refer to process detailed on <https://liiplweb.linkintime.co.in/KYC-downloads.html> and proceed accordingly.

- **Nomination facility:** As per the provisions of Section 72 of the Act, the facility for making nomination is available to the Members in respect of the shares held by them. Members who have not yet registered their nominations are requested to register the same by submitting Form No. SH-13. If a Member desires to opt-out or cancel the earlier nomination and record a fresh nomination, the Member may submit the same in Form ISR-3 or Form SH-14, as the case may be.
- The said forms can be downloaded from the Company’s website at www.axitacotton.com and on the website of the RTA at <https://liiplweb.linkintime.co.in/KYC-downloads.html>. Members are requested to submit the said form to their DPs in case the shares are held in electronic form and to the RTA at rnt.helpdesk@linkintime.co.in in case the shares are held in physical form, quoting their folio no(s).
- **Norms for furnishing of PAN, KYC, Bank details and Nomination:** Pursuant to SEBI Circular no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, issued in supersession of earlier circulars issued by SEBI bearing nos. SEBI/HO/MIRSD/MIRS_RTAMB/P/CIR/2021/655 and

SEBI/HO/MIRSD/MIRS_RTAMB/P/CIR/2021/687 dated November 3, 2021 and December 14, 2021, respectively, SEBI has mandated all listed companies to record PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers of holders of physical securities. **The folios wherein any one of the cited documents/details is not available on or after October 1, 2023, such folios shall be frozen by the RTA.**

- **However, the security holders of such frozen folios shall be eligible:**
 - i) To lodge any grievance or avail any service, only after furnishing the complete documents/details as mentioned above;
 - ii) To receive any payment including dividend, interest or redemption amount (which would be only through electronic mode) only after they comply with the above stated requirements.
- The forms for updation of PAN, KYC, Bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13 and the said SEBI Circular are available on <https://liiplweb.linkintime.co.in/KYC-downloads.html>. **In view of the above, we urge Members holding shares in physical form to submit the required forms along with the supporting documents at the earliest.** The Company has completed the process of sending letters to the Members holding shares in physical form in relation to the above referred SEBI Circular. Members who hold shares in dematerialised form and wish to update their PAN, KYC, Bank details and Nomination, are requested to contact their respective DPs.

Further, Members holding shares in physical form are requested to ensure that their PAN is linked to Aadhaar to avoid freezing of their folios. Such frozen folios shall be referred by RTA/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, after December 31, 2025.

20. PROCESS FOR REGISTERING E-MAIL ADDRESS:

- i) **One-time registration of e-mail address with RTA for receiving the AGM Notice, Annual Report & Annual Accounts 2023-2024 and to cast votes electronically:**
 - The Company has made special arrangements with RTA and NSDL for registration of e-mail address of those Members (holding shares in electronic) who wish to receive the AGM Notice, Annual Report & Annual Accounts for FY 2023-2024 and cast votes electronically.
 - Eligible Members whose e-mail addresses are not registered with the Company/DPs are required to provide the same to RTA on or before 5.00 p.m. (IST) on **September 23, 2024**.
 - **Process to be followed for one-time registration of e-mail address (for shares held in physical form or in electronic form) is as follows:**
 - (a.) Visit the link: on <https://web.linkintime.co.in/kyc-downloads.html> / Email at rnt.helpdesk@linkintime.co.in
 - (b.) Select the name of the Company from drop-down: Axita Cotton Limited.
 - (c.) Enter details in respective fields such as DP ID and Client ID (if shares held in electronic form)/Folio no. and Certificate no. (if shares held in physical form), Shareholder name, PAN, mobile number and e-mail ID.
 - (d.) System will send OTP on mobile no. and e-mail ID.
 - (e.) Enter OTP received on mobile no. and e-mail ID and submit.
 - (f.) The system will then confirm the e-mail address for the limited purpose of service of AGM Notice along with Annual Report 2023-2024 and e-Voting credentials.
 - After successful submission of the e-mail address, NSDL will e-mail a copy of this AGM Notice and Annual Report & Annual Accounts FY2023-2024 along with the e-Voting user ID and password to the Members. In case of any queries, Members may write to cs@axitacotton.com or evoting@nsdl.co.in.

- 21. 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 and National Stock Exchange of India

Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

22. The Annual Report along with the Notice of AGM will be available on Company's website on www.axitacotton.com.
23. Members of the Company holding shares in dematerialised form as on Benpos date i.e. **Friday, August 30, 2024** will receive 11th Annual Report for the financial year 2023-2024 through electronic mode.
24. As per the MCA General Circular No. 20/2020 dated 5th May, 2020 & General Circular No. 02/2020 dated 13th January, 2021 and General Circular No. 02/2022 dated May 05, 2022 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 & Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, 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.
25. 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 Marg, Vikhroli (West), Mumbai-400 083, Maharashtra.**
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. **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -**

The remote e-voting period begins on Friday, September 27, 2024 at 09:00 A.M. and ends Sunday, September 29, 2024 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. Monday, September 23, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Monday, September 23, 2024.

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

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

Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the " Beneficial Owner " icon under " Login " which is available under ' IDeAS ' section, this will

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

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

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

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

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

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the “**Initial password**” or have forgotten your password:
 - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “**Terms and Conditions**” by selecting on the check box.
8. Now, you will have to click on “**Login**” button.
9. After you click on the “**Login**” button, Home page of e-Voting will open.

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

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

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to scsandcollp@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “**Upload Board Resolution / Authority Letter**” displayed under “**e-Voting**” tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 022 - 4886 7000 and 022 - 2499 7000 or send a request 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 shareholder 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 11TH AGM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the **11th AGM** is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the **11th 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 **11th AGM**.
3. Members who have voted through Remote e-Voting will be eligible to attend the **11th AGM**. However, they will not be eligible to vote at the **11th 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 **11th 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 **11th 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 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.

Notes

[Redacted content]

Cautionary Statement:

This Annual Report contains forward-looking statements and a vision for future periods based on current expectations, financial performance, and business trajectory of Axita Cotton Limited. The statements herein relate to future actions, prospective products, financial results, and business operations. Words such as 'aim,' 'anticipate,' 'project,' 'expect,' 'intend,' 'will,' 'plan,' 'believe,' and other similar terms are used to express forward-looking information.

It is important to note that forward-looking statements are subject to inherent risks and uncertainties that could significantly influence the Company's future results. These include, but are not limited to, economic, market, and industry conditions, changes in regulatory environments, and other unforeseen events that may impact the Company's performance.

Stakeholders and investors are urged to exercise caution and recognize that forward-looking statements may not be indicative of actual future performance. Therefore, undue reliance should not be placed on these statements. The Company assumes no obligation to update or revise these forward-looking statements based on new information, future events, or any other factors unless required by law.

Furthermore, all stakeholders are advised to carefully review the entirety of this report, along with any additional disclosures made by the Company. We encourage stakeholders to consider the potential risks and uncertainties inherent in the forward-looking statements, as the Company aims to provide a comprehensive and balanced view of its future prospects.



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