Axita Cotton Limited

Mfg. & Exporter of Cotton

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

ISO 9001:2015 CERTIFIED

Date: September 06, 2023

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: Annual Report - 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 10th Annual Report of the Company for the financial year 2022-2023.

The Annual Report for the financial year 2022-2023 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

PATEL NITINKUMAR
Digitally signed by PATEL NITINKUMAR
Date: 2023.09.06 19:55:20 +05'30'

AXITA COTTON LIMITED INDIA

Nitinbhai Govindbhai Patel
Chairman cum Managing Director
DIN: 06626646

Place: Ahmedabad
Date: 06-09-2023

AXITA COTTON

10 YEARS OF EXCELLENCE



ANNUAL REPORT

2022 - 2023

About Us 01
Vision 02
Mission 03
Timeline Milestone 04
Awards & Recognition 06
CSR Activities 12
Investing in Growth and Effeciency 16
Farmer's Training 17
Key Performance Indicators 21
Business Highlights 23
Sustainability Meets Demand 24
Steering Clear of Debt, 2 Years In Row 25
Voice of Leadership 27
Board of Director 29
Core Strength 32

STATUTORY REPORT

Director's Report 33
Annexure A-Risk Management Policy 48
Annexure B-Related Party Transaction 52
Annexure C- Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Out go 54
Annexure D-Particulars of Employees 56
Annexure E- Secretarial Audit Report 58
Annexure F-Corporate Governance Report 62



Annexure-1Certificate of compliance with the conditions of corporate Governance requirements under SEBI 85
Annexure 2 - Certificate of Non - Disqualification of Directors 87
Annexure 3 - CEO / CFO Certificate 89
Annexure G - Business Responsibility & Sustainability Report 91
Annexure H - Management Discussion & Analysis Report 130
Annexure I - Annual Report on Corporate Social Responsibility Activities 135

FINANCIAL STATEMENT

Independent Auditor's Report 140
Annexure A - Independent Auditor's Report 144
Annexure B - Independent Auditor's Report 148
Statement of Balance Sheet 150
Statement of Profit & Loss Account 151
Changes in Statement of Equity 152
Corporate Information 154
Significant Accounting Policies 154
Notes on Financial Statements 167
Notice of Annual General Meeting 191



ABOUT US

A Decade of Growth, Challenges & Sustainability



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

Our journey started in the year 2007 as a producer and exporter of cottonseed oil, under a partnership firm called 'Aditya Oil Industries.' Eventually, as profits increased, the new company was incorporated as **"Axita Cotton Private Limited"** in Kadi on July 16, 2013. It was only in October 2018 that a fresh Certificate of Incorporation consequent upon the conversion from a Private Limited Company to a Public Limited Company was issued and we became "Axita Cotton Limited."

Our production facility is strategically located at Kadi in Mehsana district of Gujarat. This ideal location places us in close proximity to the thriving cotton-growing regions of Saurashtra and other parts of Gujarat, enabling us to source the finest raw materials and ensure the utmost quality in our products.

We take pride in being a member of the Better Cotton Initiatives, a globalnot-for-profit program that champions enhanced standards in cotton farming and practices worldwide. Our Association with this Initiative reflects our commitment to quality, sustainability, and ethical business practices, which is further underscored by our Global Organic Textile Standards (GOTS) and the Organic Content Standards (OCS) certifications.

As we reflect on our journey thus far, we are humbled by the ground we have covered. Nevertheless, we recognize this as merely the beginning. Guided by our values of growth, integrity, and excellence, we eagerly anticipate the path ahead—a path paved with new opportunities to explore, innovations to welcome, and milestones to conquer.

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.





TIMELINE MILESTONES



2013-2014

- Incorporation of the Company as a Private Limited Firm.
- Commercial Production Started.

2015-2016

- Introduction of Organic Cotton Segment.
- Exported our First Shipment.

2018-2019

- Generated Revenue of Over 100 Cr in Sales Conversion into a Public Limited Company.
- Went Public (SME- IPO) and got listed on the BSE- SME Achieved a Revenue Milestone by generating over 200 Cr in Sales in Fy19.

Highlights Along the Way



2020

- Export Revenues for FY20 crossed 200 Cr Entered into Sustainable Cotton Farming.

2021

- Astounding achievement Unlocked: Over 500 Cr Generated in Revenue from the Organic Cotton Business in Fy21.

2022

- Introduction of Cotton Yarn in the Product Portfolio.

Achieved All time High Revenue of Rs.823 Crore

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 whole-hearted 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 Jio World Convention Centre on October 18, 2022.



AWARDS & RECOGNITIONS

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 was the Executive Sponsor at a Trade Event organised by the International Cotton Association in Las Vegas in 2022.

International Cotton Association





Textile Exchange | Conference Colorado 2022

INTERNATIONAL COTTON ASSOCIATION (ICA)-EXECUTIVE SPONSORS-LAS VEGAS -2022



INTERNATIONAL COTTON ASSOCIATION (ICA)- EXECUTIVE SPONSORS-LAS VEGAS -2022





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.





Note Book Distribution In Over 200 Schools.



દિવ્ય ભાસ્કર મહેસાણા પુલઆઉટ 19-06-2023

જેતપુરા પ્રા. શાળામાં પ્રવેશોત્સવ ઊજવાયો

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







INVESTING IN GROWTH AND EFFICIENCY

Investing in Growth and Efficiency

1

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 effciently 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.

2

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.

3

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.

4

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.

5

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.

Good agricultural practices (GAP)

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

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 bio diversity.

Water conservation

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

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.

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.



AXITA COTTON

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. These services can include training, technical assistance, and access to credit.

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 and affordable, but they may not be as effective as on-farm training.

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.

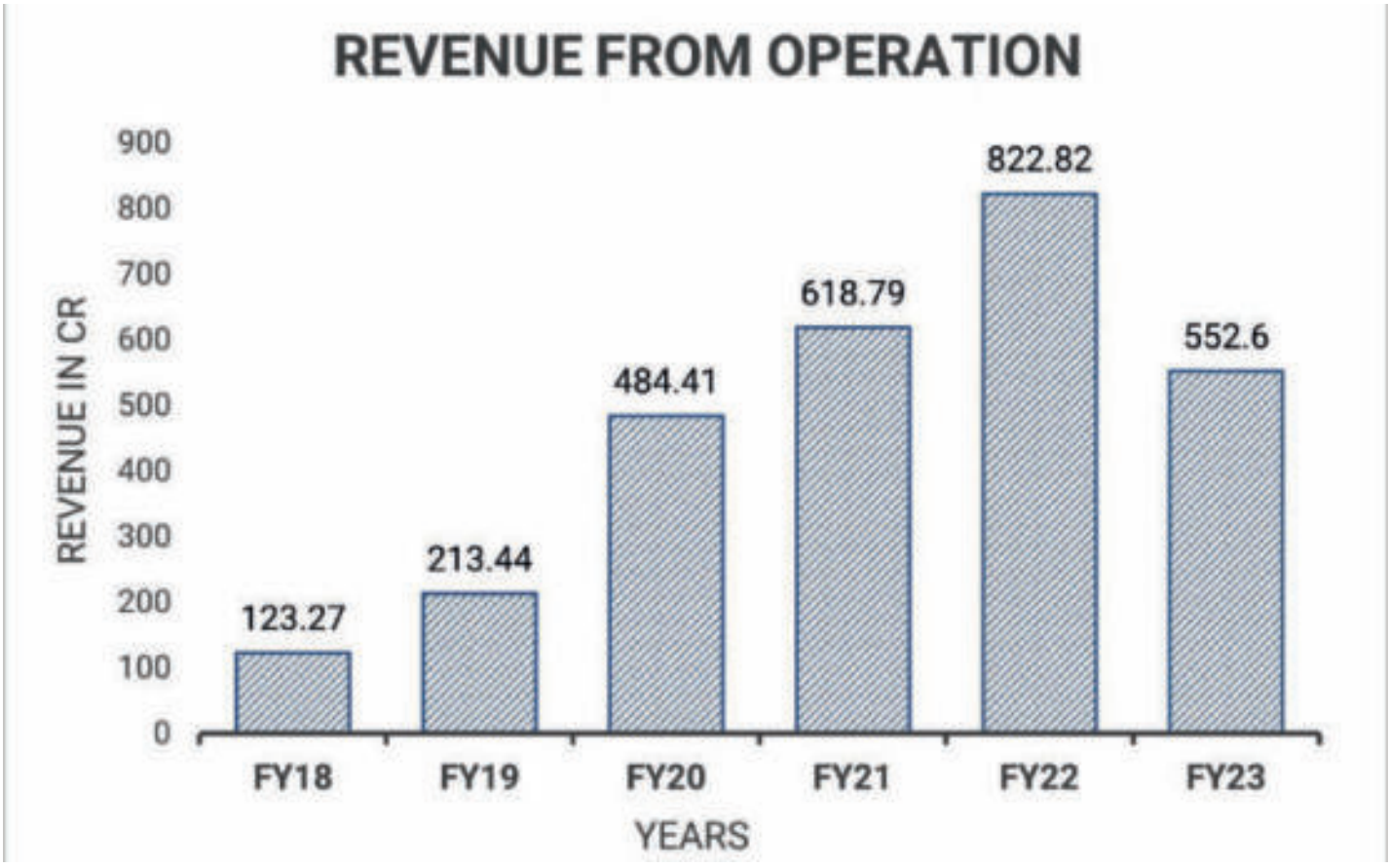


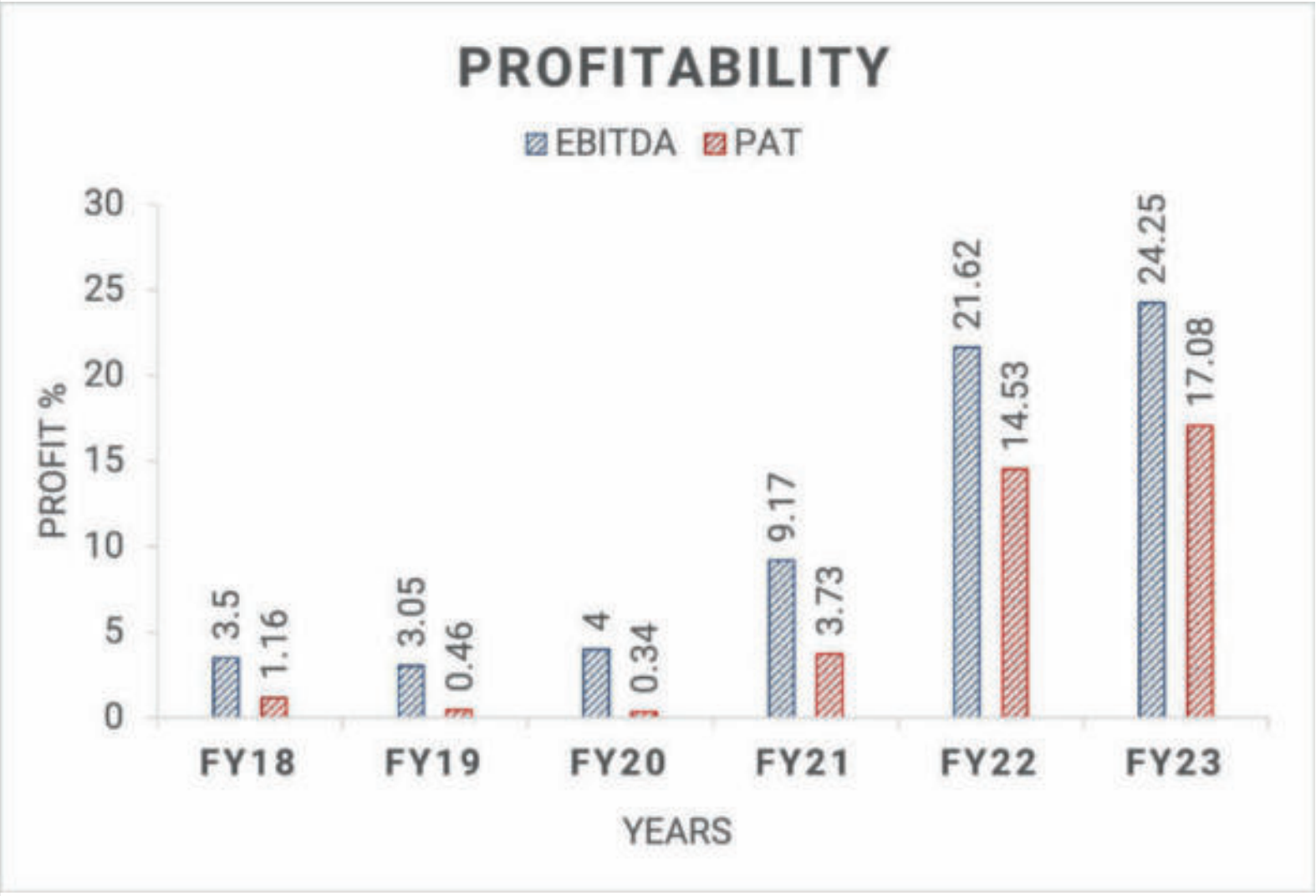




KEY PERFORMANCE INDICATORS






PROFITABILITY
EBITDA
PAT
PROFIT %
30
25
20
15
10
5
0
3.5
1.16
3.05
0.46
4
0.34
9.17
3.73
21.62
14.53
24.25
17.08
FY18
FY19
FY20
FY21
FY22
FY23
YEARS

BUSINESS HIGHLIGHTS

ERP Software Upgrade

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



Employee Insurance Coverage

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



Environment Sustainability Champion

We have achieved a significant reduction in our carbon footprint through energy-e client machinery and responsible resource utilization. Our sustainable initiatives not only benefits 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.



Zero Incidents or Injuries

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



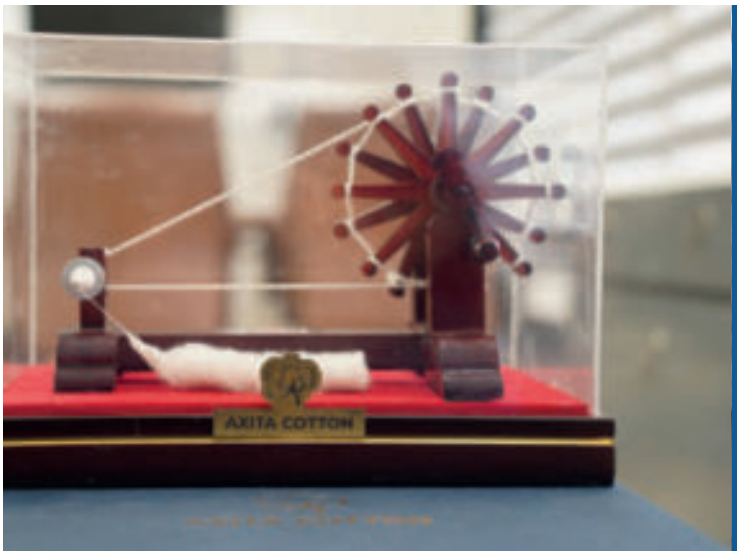
STEERING CLEAR OF DEBT, 2 YEARS IN A ROW!

For the past two years, Axita Cotton has proudly maintained a debt-free financial stance. by operating without any debt obligations, positioned ourselves to invest confidently in expanding our business endeavors. This accomplishment paves the way for a promising and secure future for both our company and our stakeholders.



The recent Cotton Demand Insights Report, published by Textile Exchange, shows a staggering 84% surge in demand for organic cotton by 2030, in comparison to a baseline from 2019/20.

We recognize the opportunity to meet this heightened demand and plan on pivoting further toward the production, sale, and trading of organic cotton. In a world increasingly concerned about sustainability and pollution, our commitment to producing organic cotton is rooted in our mission to preserve the larger ecosystem.



The increasing demand for organic cotton is helping improve soil sustainability, water conservation, air quality, and the livelihoods of farmers. It is also contributing to the fight against climate change.

The organic cotton industry is growing rapidly as consumers become more aware of the environmental and social impacts of conventional cotton production. In 2020, the global market for organic cotton was valued at $1.3 billion, and it is expected to grow to $2.5 billion by 2025.

There are a number of reasons for the growing demand for organic cotton. First, organic cotton is grown without the use of synthetic pesticides and fertilizers, which can pollute waterways and harm human health. Second, organic cotton farming practices help to conserve water and soil, which are both important resources. Third, organic cotton production is often more equitable for farmers, as it provides them with a better price for their crops and helps to protect their health and the health of their communities.

The growth of the organic cotton industry is a positive development for the environment and for farmers. However, there are still some challenges that need to be addressed. One challenge is the high cost of organic cotton, which can make it difficult for some brands and retailers to offer affordable organic cotton products. Another challenge is the lack of availability of organic cotton. The global demand for organic cotton currently exceeds the supply, which can lead to shortages and price volatility. Despite these challenges, the organic cotton industry is on a positive trajectory. As consumer demand continues to grow, the industry is likely to continue to grow and develop. This will help to ensure that organic cotton becomes a more mainstream option for consumers and that the environmental and social benefits of organic cotton production are realized.

VOICE OF LEADERSHIP



Mr. Nitinbhai Patel
Chairman & Managing Director

Dear Stakeholders,

It brings me immense joy to address you in the pages of our 10th Annual Report for the fiscal year 2022-23. With your steadfast trust and support being the cornerstones of our success, this year, we have registered a decade of growth, perseverance, and shared achievements.

This report encapsulates the past year's growth, driven by your confidence and our collective commitment to excellence. We are proud to share that in the financial year 2022-23, Axita Cotton achieved many milestones. One of the most significant developments was the introduction of cotton yarn in our product portfolio. We are thrilled to report that this expansion has not only been well-received but has also contributed significantly to our revenue generation, strengthening our position in the industry.

In line with our core values of sustainability and innovation, we continued to prioritize environmentally responsible practices throughout our operations. Efforts were devoted to investing in technology, expanding our product offerings, and cultivating a workplace that empowers our employees to excel.

We express our deepest gratitude to our employees, customers, partners, and investors for their contributions to our journey. Your faith in Axita Cotton propels us forward toward greater heights.

As we welcome the future, we stand firm in our commitment to provide value to you, our valued stakeholders.
Thank you for being an integral part of our success story.

Warm regards,
Nitinbhai Patel,
Chairman and Managing Director.



Mr. Kushal Patel
Managing Director



Mr. Harsh Shah
Chief Financial Officer

BOARD OF DIRECTORS

Mr. Nitinbhai Govindbhai Patel Chairman cum Managing Director	**Mrs. Pinaben Bharatkumar Patel** Independent Director (Upto June 30, 2022)	**Mr. Utsav Himanshu Trivedi** Additional Independent Director (W.e.f. June 30, 2023)
Mr. Kushal Nitinbhai Patel Managing Director	**Mrs. Gitaben Nitinbhai Patel** Whole-Time Director (Upto August 22, 2022)	**Mr. Dixit Dipakkumar Shah** Additional Independent Director (Upto June 30, 2023)
Ms. Apeksha Sanjaykumar Vyas Independent Director (W.e.f. June 30,2022)	**Mr. Kunjal Jayantkumar Soni** Independent Director	**Mr. Vinod Kanubhai Rana** Independent Director

Audit Committee

Mr. Kunjal Jayantkumar Soni Chairperson	**Ms. Apeksha Sanjaykumar Vyas** Member	**Mr. Vinod Kanubhai Rana** Member

Stakeholder's Relationship Committee

Mr. Vinod Kanubhai Rana Chairperson	**Ms. Apeksha Vyas** Member	**Mr. Kunjal Jayantkumar Soni** Member

Nomination & Remuneration Committee

Mr. Kunjal Jayantkumar Soni Chairperson	**Ms. Apeksha Sanjaykumar Vyas** Member	**Mr. Vinod Kanubhai Rana** Member

Corporate Social Responsibility Committee

Mr. Kushal Nitinbhai Patel Chairperson	**Nitinbhai Govindbhai Patel** Member	**Mr. Vinod Kanubhai Rana** Member

Risk Management Committee

Mr. Kushal Nitinbhai Patel
Chairperson

Nitinbhai Govindbhai Patel
Member

Mr. Vinod Kanubhai Rana
Member

Mr. Kunjal Jayantkumar Soni
Member

Key Managerial Personnel

Mr. Harsh Kalpeshbhai Shah
Chief Financial Officer
(W.e.f. September 03, 2021)

Mr. Deepakkumar Kushalchandra Chaubisa
Company Secretary
(Upto March 31, 2023)

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

Registered Office:

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

Plant Location:

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

Statutory Auditor:

Mistry & Shah LLP
Chartered Accountant
8-10, Bhavani Chambers,
Nr. Times of India,
Ashram Road, Navarangpura,
Ahmedabad - 380009
Mail ID: info@mistryandshah.com

Internal Auditor:

Mr. Harsh Alpeshkumar Desai,
Chartered Accountant
A-22, New Mrudual Park Part-1,
Sola Road, Ahmedabad-380061
Mail ID: desaiharsh543@gmail.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
Mail ID: scsandcollp@gmail.com

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,
Tel. Number: +91 22 4918 6200
Email Id: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

Principal Bankers:

Punjab National Bank
ICICI Bank
The Kalupur Commercial
Co-op. Bank Limited
Tamilnad Mercantile Bank Limited

Company Listed At:

BSE Limited
(BSE Scrip Code: 542285)

The National Stock Exchange of India Limited
(NSE Symbol: AXITA)
(With effect from June 21, 2022)

Investor Information:

Website of the Company:
www.axitacotton.com
Investor Services Email Id:
cs@axitacotton.com
Corporate Identification Number:
L17200GJ2013PLC076059

CORE STRENGTH

Core Strengths

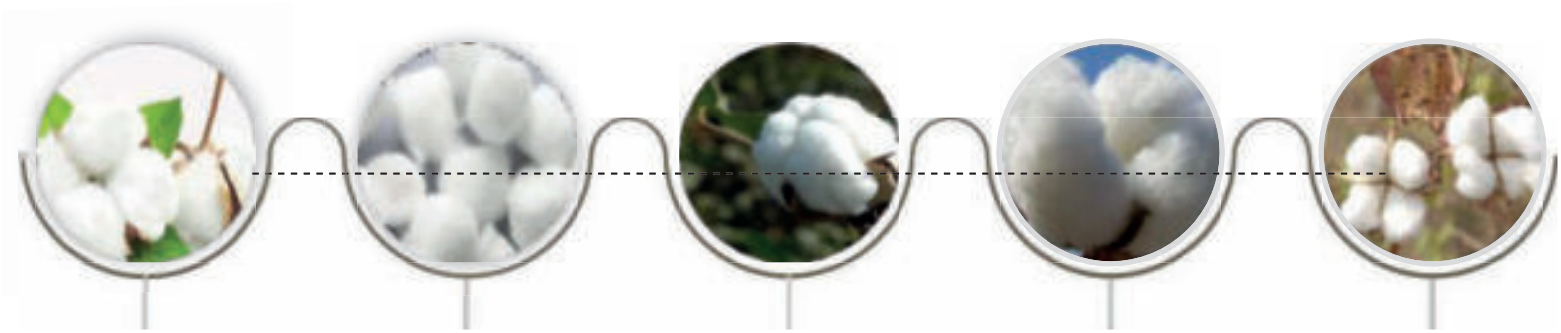
We maintain the highest standards of quality across our product range. Rigorous quality control processes ensure that our textiles meet or exceed industry benchmarks.

Sustainability Commitment

Our strong focus on sustainability is evident in our eco-friendly practices, responsible sourcing, and constant efforts to minimize environmental impact.

Innovative Product Portfolio

Our diverse and innovative product offerings reflect our adaptability to market trends and our commitment to meeting customer needs.



Efficient Supply Chain Management

Our streamlined supply chain processes enable us to deliver products promptly and consistently.



Financial Stability

Our prudent financial management provides us with the stability and resources needed to invest in growth and innovation.

DIRECTORS' REPORT

DEAR MEMBERS,

The Board of Directors have pleasure in presenting the 10th (Tenth) Annual Report of the Company together with the Audited Financial Statements for the year ended on March 31, 2023.

1. FINANCIAL HIGHLIGHTS:

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

(₹ in Lakh except EPS)

PARTICULARS	F.Y. 2022-2023	F.Y. 2021-2022
Revenue form Operation	55,260.28	81,767.49
Other Income	501.51	1,278.57
Total Income (Total Revenue)	**55,761.79**	**83,046.06**
Total Expenditure (Excluding Depreciation)	53,336.61	80,802.44
Profit before Financial costs, Depreciation and amortization expenses and Taxation	**2,425.17**	**2,243.62**
Less: Finance Costs	33.57	162.47
Operating profit before Depreciation and amortization expenses and Taxation	**2,391.60**	**2,081.15**
Less: Depreciation and amortisation	105.63	49.60
Profit before Tax	**2,285.96**	**2,031.55**
Less: (1) Current Income Tax	604.71	513.21
Less: (2) Income Tax (Prior Period)	0.00	0.00
Less: (3) Deferred Tax	-22.28	-22.87
4Profit after tax	**1,708.74**	**1,541.21**
EPS (Basic)	**0.87**	**0.78**
EPS (Diluted)	**0.87**	**0.78**

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 ₹ 55,761.78 Lakhs for the F.Y. 2022-2023 as compared to ₹ 83,046.06 Lakhs during the previous F.Y. 2021-2022.

During the year under review, the Company achieved Earnings before Interest, Taxes, Depreciation and Amortization Expense of ₹ 2285.96 Lakhs for the F.Y. 2022-2023 as compared to ₹ 2031.55 Lakhs during the previous F.Y. 2021-2022.

During the year under review, the Company achieved Profit after Taxation of ₹ 1708.74 Lakhs for the F.Y. 2022-2023 as compared to ₹ 1541.21 Lakhs during the previous F.Y. 2021-2022.
Export Sales for the F.Y. 2022-2023 was ₹ 8,155.29 Lakhs as compared to ₹ 25,389.69 Lakhs for the F.Y. 2021-2022.

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 balance sheet of the Company.

4. DIVIDEND:

The Board of Directors, recommended final dividend of ₹ 0.50/- per Equity Share of ₹ 10/- each for the previous financial year 2021-2022 amounting to ₹ 98.28 Lakhs and same was approved by the Members at their Annual General Meeting (AGM) of the Company. Out of above declared Dividend Rs. 3,206/-, which was remained unpaid was transferred within 30 days from the date of declaration of Dividend, to the Unpaid Dividend Account as per the sub-section (3) of section 124 of the Companies Act, 2013.

In the financial year 2022-2023, the Board of Directors of your Company, after considering holistically the relevant circumstances, has decided that it would be prudent, has not recommended any Dividend for the year under review.

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:

There is no money lying to unpaid / unclaimed dividend account pertaining to any of the previous years with the Company. As such the Company is not required to transfer such amount to the Investor Education and Protection Fund established by the Central Government in pursuant to the provisions of Sections 124 and 125 of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

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.

6. SHARE CAPITAL:

Authorized Capital:

The Authorised Share Capital of the Company as on March 31, 2023 was ₹ 30,00,00,000 (Rupees Thirty Crores Only) divided into 300000000 (Thirty Crores) equity shares of ₹ 1/- each.

Issued, Subscribed & Paid-up Capital:

As on March 31, 2023 the Issued, Subscribed and fully Paid-up Capital of the Company stood at ₹ 19,65,60,000/- (Rupees Nineteen Crores Sixty Five Lakh Sixty Thousand Only) divided into 19,65,60,000 (Nineteen Crores Sixty Five Lakh Sixty Thousand) Equity Shares of ₹ 1/- each.

7. CHANGES IN CAPITAL STRUCTURE:

As on April 01, 2022 the issued, subscribed and fully paid up capital of the Company stood at ₹ 19,65,60,000 /- (Rupees Nineteen Crores Sixty Five Lakh Sixty Thousand Only) divided into 19,65,60,000 (One Crores Ninety Six Lakh Fifty Six Thousand) Equity Shares of 10/- each.

During the year under review there was change in the Capital Structure of the Company due to Sub-division of Equity Shares of the Company. The brief details of the same are as follows:

Sub-division of Ordinary Shares of the Company

On Friday, August 12, 2022, the Board of Directors of the Company, considered and approved the proposal for sub-division of 1 (one) equity share of the Company having face value of ₹10/- each into 10 (Ten) equity shares of the Company having face value of ₹1/- each ('sub-division') and consequential amendments in the Capital Clause of the Memorandum of Association of the Company and Articles of Association of the Company, subject to the approval of the Shareholders of the Company and other necessary approvals. The said proposal was approved by the Shareholders of the Company at the 9th Annual General Meeting held on September 27, 2022. The Record Date for the sub-division was set as October 21, 2022 and consequently, the face value of the equity shares of the Company (fully paid-up and partly paid-up) was sub-divided to ₹1/- each from ₹10/- each.

Accordingly, As on March 31, 2023 the Issued, Subscribed and fully Paid-up Capital of the Company stood at ₹ 19,65,60,000 /- (Rupees Nineteen Crores Sixty Five Lakh Sixty Thousand Only) divided into 19,65,60,000 (Nineteen Crores Sixty Five Lakh Sixty Thousand) Equity Shares of ₹ 1/- each.

CHANGES IN CAPITAL STRUCTURE POST REPORTING PERIOD

On May 23, 2023, the Board of Directors of the Company, considered and approved the proposal for buyback of 900000 (Rupees Nine Lakh Only) fully paid-up Equity Shares having a face value of ₹ 1/- (Rupees One Only) each ("Equity Shares") of Axita Cotton Limited (hereinafter referred as "the Company") at a price of ₹ 56/- (Rupees Fifty Six Only) per Equity Share for an aggregate amount not exceeding ₹ 5,04,00,000/- (Rupees Five Crore Four Lakh Only) ("Buyback Size"), on a proportionate basis through tender offer route ("Buyback"), pursuant to the applicable provisions under the Companies Act, 2013 (including the rules and regulations framed thereunder), Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended ("Buyback Regulations")

The Record Date for the Buyback was set as June 02, 2023 and consequently, as on June 30, 2023, the Issued, Subscribed and fully Paid-up Capital of the Company stood at ₹ 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, due to bought back of 900000 fully paid-up Equity Shares of the Company.

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 2022-2023, the Company has not issued any Equity Shares with differential rights during the year.

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

  During the Financial Year 2022-2023, the Company has not issued any Sweat Equity Shares during the year.

- **DISCLOSURE REGARDING ISSUE OF EMPLOYEE STOCK OPTION**

  During the Financial Year 2022-2023, the Company has not issued any Employee Stock Option Scheme 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 2022-2023, 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 2022-2023, the Company has neither issued nor redeem any Non-Convertible Debentures through private placement.

- **DISCLOSURE REGARDING ISSUE OF WARRANT**

  During the Financial Year 2022-2023, the Company has not issued any warrants for any issue by way of preferential allotment, private placement, public issue.

8. CHANGE IN NATURE OF BUSINESS:

During the Financial Year 2022-2023, 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 and Cotton Seeds.

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, calendering, 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 supplying, and to act as broker, trader, agent, C & F agent, distributor, representaitive, 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, paviiners, americal clothes, limitation leather and rubber cloths, tenis, 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, artsiik, 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.

9. 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.

However, on January 06, 2023, the Board of Directors of the Company at their Meeting, considered and approved the proposal of shifting & maintenance of books of accounts at place other than its registered office to Rannade House, First Floor, Opp. Sankalp Grace 3, Near Ishan Bunglows, Shilaj, Ahmedabad - 380059, Gujarat, India, where all or any books of account and papers are maintained.

10. SUBSIDIARIES/ASSOCIATES/ JOINT VENTURES:

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

11. 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).

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

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

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

Name of Director	Category Cum Designation	Date of Appointment at current Term & designation	Total Directorship[2]	No. of Committee[1]		No. of Shares held as on March 31, 2023
				in which Director is Members	in which Director is Chairman	
Mr. Nitinbhai Patel	Chairman cum Managing Director	October 16, 2018	4	-	-	7,00,51,487
Mr. Kushal Patel	Managing Director	October 16, 2018	4	-	-	5,70,61,087
Mr. Kunjal Soni	Independent Director	February 22, 2022	3	4	2	0
Mr. Vinod Rana	Independent Director	February 22, 2022	1	2	1	0
Ms. Apeksha Vyas [3]	Independent Director	June 30, 2022	4	7	1	0
Mr. Dixit Shah[4] & 5	Independent Director	August 22, 2022	1	0	0	0
Mr. Utsav Trivedi [6]	Additional Independent Director	June 30, 2023	1	0	0	0

1. Committee includes Audit Committee and Shareholders' Grievances Committee across all Public Companies including Axita Cotton Limited.

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

3. Ms. Apeksha Vyas was appointed by Board of Directors as an Additional Director (Independent Non-Executive) of the Company with effect from i.e., from June 30, 2022. The Members at their 9th Annual General Meeting (AGM) held on Tuesday, September 27, 2022, approved regularisation of Ms. Apeksha Vyas as an Independent Non-Executive Director of the Company for a period of 5 (Five) years w.e.f. June 30, 2022.

4. Mr. Dixit Shah was appointed as an Additional Director (Independent Non-Executive) w.e.f August 22, 2022. The Members of the Company has been regularisation as an Independent Director for a term of 5 (five) consecutive years with effect from August 22, 2022, and hold office for a term up to August 21, 2027. The Members at their 9th Annual General Meeting (AGM) held on Tuesday, September 27, 2022, approved regularisation of Mr. Dixit Shah as an Independent Non-Executive Director of the Company for a period of 5 (Five) years w.e.f. August 22, 2022.

5. Mr. Dixit Shah was resigned from the post of Independent Non-Executive Director w.e.f. June 30, 2023.

6. Mr. Mr. Utsav Trivedi was appointed as an Additional Director (Independent Non Executive) w.e.f June 30, 2023 for a term of 5 (five) consecutive years with effect from June 30, 2023 and hold office for a term up to June 29, 2028.

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. 2022-2023, the Board of Directors of the Company comprised of:

- 6 (Six) Directors upto March 31, 2023
- 6 (Six) Directors from April 01, 2022

Out of 6 (Six) Directors on the Board, 2 (Two) were Executive Directors and remaining 4 (Four) were Independent Directors.

Total Directors upto March 31, 2023:		
Executive Directors: 1. Nitinbhai Govindbhai Patel (Chairman Cum Managing Director) 2. Kushal Nitinbhai Patel (Managing Director)	Total 2	Percentage (%) 33.33%
Non-Executive Directors: 1. Kunjal Jayantkumar Soni (Independent Director) 2. Vinod Kanubhai Rana (Independent Director) 3. Ms. Apeksha Vyas (Independent Director) 4. Mr. Dixit Shah (Independent Director)	Total 4	Percentage (%) 66.67%
	6	**100.00%**

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	Managing Director
3.	Mr. Harsh Kalpeshbhai Shah	Chief Financial Officer
4.	Mr. Deepakkumar Kushalchandra Chaubisa * (Upto March 31, 2023)	Company Secretary & Compliance Officer
	Mr. Shyamsunder Kiranbhai Panchal ** (W.e.f. March 31, 2023)	Company Secretary & Compliance Officer

* Mr. Deepakkumar Kushalchandra Chaubisa has resigned from the post of a Company Secretary & Compliance Officer of the Company and there upto March 31, 2023.

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

13. 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 2022-2023.

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, 2023, the Board of Directors, to the best of its knowledge and ability confirms that:

a. 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.

14. 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.

15. 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.

16. 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.

17. 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.

18. 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.

19. RELATED PARTY TRANSACTIONS:

During the F.Y. 2022-23, 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.

20. AUDITORS:

a. Statutory Auditors and Auditor's Report

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

The Statutory Auditors' report does not contain any qualification, reservation or adverse remark and is self-explanatory and unmodified and thus does not require any further clarifications / comments. The Statutory Auditors have not reported any incident of fraud 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.

b. Cost Auditors and Cost Audit

In the financial year 2022-23, the requirement of Cost Audit was not applicable to our Company. Hence, the Company did not appoint a Cost Auditor.

However, post Financial Year 2022-2023, on basis of the Accounts of the Company, it requires to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and accordingly the Board of Directors at their meeting held on August 08, 2023, as recommended by Audit Committee, 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.

The remuneration of the cost auditor is required to be ratified by the members in accordance with the provisions of Section 148(3) of the Companies Act, 2013 and Rule 14 of Companies (Audit and Auditors) Rules, 2014. Accordingly, the matter relating to their remuneration had been included in the Notice convening the 10th Annual General Meeting scheduled to be held on September 30, 2023, for ratification by the Members.

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. 2022-2023 to conduct Secretarial Audit and the Secretarial Audit Report in Form MR-3. The Secretarial Audit Report for the financial year 2022-2023 is annexed to this report as an Annexure - E. The Secretarial Auditors' report does not contain any qualification, reservation or adverse remark and is self-explanatory and thus does not require any further clarifications / comments.

d. Internal Auditors

Pursuant to provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014 and other applicable provisions if any of the Companies Act, 2013 Mr. Harsh Alpeshkumar Desai, Chartered Accountant (Membership No: 600252) was appointed as an Internal Auditor of the Company for Internal Audit of the Company for F.Y. 2022-2023.

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.

Further, as the Company migrated to main board and listed on both BSE and NSE, the Board recommended an independent agency R J and Associates, Cost Accountants, a Partnership firm (PAN ABCFR2322R and Firm Registration No. 004690) as an Internal Auditor of the Company for Internal Audit of the Company for F.Y. 2023-2024.

21. INSURANCE:

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

22. 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.

23. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has adopted Vigil Mechanism / Whistle Blower Policy, which was approved and adopted by the Board of Directors of the Company. The policy enables the employees to report to the management instances of unethical behaviour actual or suspected fraud or violation of Company's Code of Conduct. This provides for adequate safeguards against victimization of employees and Directors who wish to use the vigil mechanism to bring any wrong deed(s) to the notice of the Company.

During the year under review, the implementation of the vigil mechanism has been properly and regularly monitored by the Audit Committee. None of the Whistle blowers has been denied access to the Audit Committee of the Board. The Whistle Blower Policy of the Company is available on the website of the Company at www.axitacotton.com.

24. CORPORATE SOCIAL RESPONSIBILITY AND CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Pursuant to Section 135(3)(b) of the Companies Act, 2013, The Corporate Social Responsibility Committee recommended total CSR expenditure of ₹ 16,94,899/- for F.Y. 2022-2023 to the Board of Directors of the Company. Your Company had spent total amount of ₹ 16,94,899/- for F.Y. 2022-2023.

Total Actual Amount to be spent in F.Y. 2022-2023 (as per requirement of the Act)	₹ 16,94,899/-
Total Amount had spent in F.Y. 2022-2023	₹ 16,00,000/-
Amount Adjusted from Excess Amount Spent in previous financial year 2021-2022	₹ 1,00,000/-

The Company's CSR Policy Statement and Annual Report on the aforesaid CSR activities undertaken during the financial year ended March 31, 2023, 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.

25. 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.

Eleven 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)** Monday, April 25, 2022, **2)** Thursday, June 16, 2022, **3)** Thursday, June 30, 2022, **4)** Friday, August 12, 2022, **5)** Monday, August 22, 2022, **6)** Monday, November 14, 2022, **7)** Wednesday, December 28, 2022, **8)** Friday, January 06, 2023, **9)** Saturday, January 28, 2023, **10)** Monday, February 27, 2023 and **11)** Friday, March 31, 2023 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.

26. 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)

27. RISK MANAGEMENT POLICY

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 same is annexed to this Report as **Annexure - A**.

28. RISK MANAGEMENT:

During the Financial Year 2022-2023, the Company was exempted under regulation 21 of SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015 from reporting of risk management. board is fully aware of Risk Factor and is taking preventive measures wherever required.

However, in the basis of annual report as on March 31, 2023, the regulation is now applied to the Company and accordingly the Company has formulated the Risk Management Policy which indicates Company's standards for risk taking while conducting business and to provide an easy-to-access guide any time you have a question. The Risk Management Committee will currently cover Market Risk, Credit Risk, Process Risk and other risks as detailed in these documents. Each risk is covered within this Policy. This Policy will apply across all products, throughout the Organisation.

The composition of the Risk Management Committee:

Name of Director / Member	Category	Designation
Mr. Kushal Nitinbhai Patel (W.e.f. April 28, 2023)	Independent Director	Chairperson
Mr. Nitinbhai Govindbhai Patel (W.e.f. April 28, 2023)	Managing Director	Member
Mr. Kunjal Jayantkumar Soni (W.e.f. April 28, 2023)	Independent Director	Member
Ms. Vinod Kanubhai Rana (W.e.f. April 28, 2023)	Independent Director	Member

The Company's risk management system is designed to identify the potential risks that can impact the business and device 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.

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

The details of remuneration paid during the financial year 2022-2023 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

30. 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.

31. 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 2022-23 has been paid to BSE Limited and National Stock Exchange of India Limited.

32. MIGRATION:

Pursuant to Regulation 280(2) read with Regulation 277 under Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2018 and the SEBI (LODR) Regulations, 2015, the members of the Company, passed Special Resolution through Postal Ballot process on March 25, 2022 and approved for migration of Securities of the Company from SME Platform of BSE Limited to the Main Board of BSE and NSE. The Company received In Principle Approval for migration of securities from SME to Main Board of BSE on June 08, 2022 and on NSE on June 15, 2022 and approval for listing of equity shares on Capital Market Segment (Main Board) of BSE and on NSE on June 17, 2022. The equity shares of the Company got listed and admitted to dealings on the BSE and NSE (Capital Market Segment) with effect from June 21, 2022.

33. SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

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

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

34. 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 alongwith in compliance in Rule 6(1) and (3) of Companies (Appointment and Qualifications of Directors) Rules, 2014 as amended from time to time and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 and there has been no change in the circumstances which may affect their status as independent director during the year. The Board has assessed the veracity of the same to their satisfaction.

The Board of Directors have satisfied themselves about the integrity, expertise and experience (including the proficiency) of the independent directors of the Company.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company.

35. 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

36. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

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

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

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

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

37. CORPORATE GOVERNANCE:

Your Company strives to incorporate the appropriate standards for corporate governance. During the Financial Year 2022-2023, 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.

38. 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.

39. 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.

40. BUSINESS RESPONSIBILITY AND SUSTAINIBILITY REPORT:

During the Financial Year 2022-2023, the Company has been exempted from reporting on Business Responsibility and Sustainability Report as per Regulation 34(2)(f) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. However, pursuant to the Stock exchange report dated March 31, 2023, your Company is entered into the club of top 1000 Listed Company and accordingly Business Responsibility and Sustainability Report applicable to your Company and same is annexed with this Director Report as Annexure – G.

41. SECRETARIAL STANDARDS:

Secretarial Standards as applicable to the Company were followed and complied with during the Financial Year 2022-2023.

42. 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.

43. 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.

44. 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.

45. ENHANCING SHAREHOLDERS VALUE:

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

46. OTHER DISCLOSURES:

1. The Company had not accepted any deposits as per Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.
2. 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.
3. There was no application made or proceeding pending under the Insolvency and Bankruptcy Code, 2016.
4. There was no one time settlement entered into with the Banks or Financial Institutions.

47. 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

Nitinbhai Govindbhai Patel
Chairman Cum Managing Director
DIN: 06626646

Kushal Nitinbhai Patel
Managing Director
DIN: 06626639

Date: September 04, 2023
Place: Kadi, Mahesana

ANNEXURE - A TO DIRECTORS' REPORT: RISK MANAGEMENT POLICY

1. INTRODUCTION:

Axita Cotton Limited ("the Company") considers ongoing risk management to be a core component of the Management of the Company, and understands that the Company's ability to identify and address risk is central to achieving its corporate objectives.

The Company's Risk Management Policy ("the Policy") outlines the program implemented by the Company to ensure appropriate risk management within its systems and culture.

The Policy is formulated in compliance with Regulation 17(9)(b) read with Regulation 21 and Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and provisions of the Companies Act, 2013 ("the Act"), which requires the Company to lay down procedures about risk assessment and risk minimization.

(a) The Board of Directors of the Company shall form a Risk Management Committee (hereinafter referred to as "Committee") who shall periodically review this Policy of the Company so that the Management controls the risk through properly defined network. The Board of Directors may re- constitute the composition of the Committee, as it may deem fit, from time to time.

(b) Head of Departments shall be responsible for implementation of the Risk Management System as may be applicable to their respective areas of functioning and report to the Board and the Committee from time to time.

2. RISK MANAGEMENT PROGRAM:

The Company's risk management program comprises of a series of processes, structures and guidelines which assist the Company to identify, assess, monitor and manage its business risk, including any material changes to its risk profile.

To achieve this, the Company has clearly defined the responsibility and authority of the Company's Board of Directors and of the Committee, to oversee and manage the risk management program, while conferring responsibility and authority on the Company's senior management to develop and maintain the risk management program in light of the day-to-day needs of the Company. Regular communication and review of risk management practice provides the Company with important checks and balances to ensure the efficacy of its risk management program.

The key elements of the Company's risk management program are set out below.

Risk Identification

In order to identity and assess material business risks, the Company defines risks and prepares risk profiles in light of its business plans and strategies. This involves providing an overview of each material risk, making an assessment of the risk level and preparing action plans to address and manage the risk.

The Company presently focuses on the following types of material risks:

- Quality Risk;
- Realization Risk;

- Operational Risks;
- Technological Risks;
- Strategic Business Risks;
- Foreign Exchange Risk;
- Quality Risk;
- Competition Risk;
- Cost Risk;
- Financial Risks;
- Human Resource Risks; And
- Legal / Regulatory Risk.

3. OVERSIGHT AND MANAGEMENT BOARD OF DIRECTORE

The Board of Directors ("the Board") is responsible for reviewing and ratifying the risk management structure, processes and guidelines which are developed and maintained by Committee and Senior Management. The Committee or Management may also refer particular issues to the Board for final consideration and direction.

4. RISK MANAGEMENT COMMITTEE

The day to day oversight and management of the Company's risk management program has been conferred upon the Committee. The Committee is responsible for ensuring that the Company maintains effective risk management and internal control systems and processes, and provides regular reports to the Board on the effectiveness of the risk management program in identifying and addressing material business risks. To achieve this, the Committee is responsible for:

(a) Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(b) Formulating 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, or any other risk as may be determined by the Committee;

(c) Formulating a Business Continuity Plan;

(d) Managing and monitoring the implementation of action plans developed to address material business risks within the Company and its business units, and regularly reviewing the progress of action plans;

(e) Setting up internal processes and systems to control the implementation of action plans;

(f) Regularly monitoring and evaluating the performance of management in managing risk;

(g) Providing management and employees with the necessary tools and resources to identify and manage risks;

(h) Regularly reviewing and updating the current list of material business risks;
(i) Regularly reporting to the Board on the status of material business risks; and
(j) Ensuring compliance with regulatory requirements and best practices with respect to risk management;

(k) Monitoring and reviewing cyber security risks;

(l) Managing and monitoring all the compliances required as per the applicable guidelines issued by relevant authorities for the purpose of raising Trade Credit in the form of Buyers' Credit or Suppliers' Credit, whether Foreign Currency or Indian Currency Denominated Trade Credit;

(m) Regularly reviewing the applicable guidelines for hedging, with respect to Trade Credits raised, if any, issued by the concerned sectoral or prudential regulator in respect of foreign currency exposure;

(n) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(o) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(p) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(q) To co-ordinate with other companies, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.

5. POWERS OF THE COMMITTEE:

(a) Appointment, removal and the terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Committee;

(b) The Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

6. SENIOR MANAGMENT

The Company's Senior Management is responsible for designing and implementing risk management and internal control systems which identify material risks for the Company and aim to provide the Company with warnings of risks before they escalate. Senior Management must implement the action plans developed to address material business risks across the Company and individual business units.

Senior Management should regularly monitor and evaluate the effectiveness of the action plans and the performance of employees in implementing the action plans, as appropriate. In addition, Senior Management should promote and monitor the culture of risk management within the Company and compliance with the internal risk control systems and processes by employees. Senior Management should report regularly to the Board regarding the status and effectiveness of the risk management program.

7. EMPLOYEES

All employees are responsible for implementing, managing and monitoring action plans with respect to material business risks, as appropriate.

8. REVIEW OF RISK MANAGEMENT PROGRAM

The Company regularly evaluates the effectiveness of its risk management program to ensure that its internal control systems and processes are monitored and updated on an ongoing basis. The division of responsibility between the Board, the Committee and the Senior Management aims to ensure the specific responsibilities for risk management are clearly communicated and understood. The reporting obligation of Senior Management and Committee ensures that the Board is regularly informed of material risk management issues and actions. This is supplemented by the evaluation of the performance of risk management program, the Committee, the Senior Management and employees responsible for its implementation.

9. RISK MANAGEMENT PROGRAM

The Company has always had a system-based approach to business risk management. Backed by strong internal control systems, the current risk management framework consists of the following elements:

- Risk Management system is aimed at ensuring formulation of appropriate risk management policies and procedures, their effective implementation and independent monitoring and reporting by Internal Audit.
- A combination of centrally issued policies and divisionally-evolved procedures brings robustness to the process of ensuring business risks are effectively addressed.
- Appropriate structures have been put in place to effectively address inherent risks in businesses with unique / relatively high risk profiles.
- Ensuring proper procedures and mechanism exists for monitoring and reviewing cyber security risks.

A strong and independent Internal Audit Function at the corporate level carries out risk focused audits across all businesses, enabling identification of areas where risk managements processes may need to be improved. The Board reviews internal Audit findings, and provides strategic guidance on internal controls. Monitors the internal control environment within the Company and ensures that Internal Audit recommendations are effectively implemented.

The combination of policies and processes as outlined above adequately addresses the various risks associated with our Company's businesses. The Senior Management of the Company periodically reviews the risk management framework to maintain its contemporariness so as to effectively address the emerging challenges in a dynamic business environment.

10. COMMODITY RISKS

Axita is exposed to commodity risks on a routine basis due to multiple commodities (imported or domestically procured) utilized in its manufacturing operations.

Such risks are managed by tracking the commodity prices on a daily basis taking physical position of commodity as well as entering into fixed price contracts with the domestic and overseas suppliers in order to hedge price volatility.

11. AMENDMENT:

This policy will be reviewed by the Board of Directors of the Company or by its Committee (as may be authorized by the Board of Directors in this regard) as they deem necessary. Any change in the Policy shall be approved by the Board of Directors of the Company or its Committee. The Board of Directors or its Committee (as may be authorized by the Board of Directors in this regard) shall have the right to withdraw and/or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board of Directors in this respect shall be final and binding. Any subsequent amendment/modification in the Companies Act, 2013 or the Rules framed thereunder or the Listing Regulations and/or any other laws in this regard shall automatically apply to this Policy.

12. COMMUNICATION OF THIS POLICY:

This Policy shall be posted on the website of the Company www.axitacotton.com

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, 2023, 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	Axita Exports Private Limited – Company wherein directors are interested	NG Organics Private Limited – Company wherein directors are interested	Aditya Oil Industries Limited – Company wherein directors are interested	Abheek Organic Farm & Exports – Partnership Firm wherein Relative of Directors are interested
2.	Nature of contracts/ arrangements/ transactions	Sale of Product	Sale of Product	Purchase of Product & Sale of Product	Purchase of Product & Sale of Product
3.	Duration of the contracts / arrangements/ transactions	F.Y. 2022-2023	F.Y. 2022-2023	F.Y. 2022-2023	F.Y. 2022-2023
4.	Salient terms of the contracts or arrangements or transactions including the value, if any	Purchase of Product: ₹ 3.67 Lakh	Sale of Product: ₹ 0.50 Lakh	Purchase of Product: ₹ 2249.62 Lakh Sale of Product: ₹ 1.39 Lakh	Purchase of Product: ₹ 683.92 Lakh Sale of Product: ₹ 11.20 Lakh
5.	Date(s) of approval by the Board	April 25, 2022 and August 22, 2022	April 25, 2022 and August 22, 2022	April 25, 2022 and August 22, 2022	April 25, 2022 and August 22, 2022
6.	Amount paid as advances, if any	N.A.	N.A.	N.A.	N.A.

Sr. No.	Particulars	RPT – 5	RPT – 6	RPT – 7
1.	Name(s) of the related party and nature of relationship	AG Textile Industries-Partnership Firm wherein Relative of Directors are interested	Pooja Patel-Relative of Directors	Gitaben Nitinbhai Patel-Relative of Directors **
2.	Nature of contracts/ arrangements/ transactions	Purchase of Product	Payment of Remuneration	Payment of Remuneration
3.	Duration of the contracts / arrangements/ transactions	F.Y. 2022-2023	F.Y. 2022-2023	F.Y. 2022-2023
4.	Salient terms of the contracts or arrangements or transactions including the value, if any	Purchase of Product: ₹ 1031.17 Lakh	Payment of Remuneration ₹ 30 Lakh	Payment of Remuneration ₹ 18 Lakh
5.	Date(s) of approval by the Board	April 25, 2022 and August 22, 2022	April 25, 2022	April 25, 2022
6.	Amount paid as advances, if any	N.A.	N.A.	N.A.

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

** Mrs. Gitaben N. Patel was resigned from the post of Whole-Time Director w.e.f. August 22, 2022 and remuneration is as per the relative of Director

Registered office:

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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

Date: September 04, 2023
Place: Kadi, Mahesana

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. 2022-2023	F.Y. 2021-2022
1.	Foreign Exchange Earnings*	7322.41	25,389.69

ii). Details of Foreign Exchange Expenditure:

(Amount in Lakh)

Sr. No.	Particulars	F.Y. 2022-2023	F.Y. 2021-2022
1.	Foreign Exchange Outgo	863.01	1258.08

***Amount derived based on export of the Company.**

Registered office:

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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

Date: September 04, 2023
Place: Kadi, Mahesana

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
1.	Nitinbhai Patel	Chairman Cum Managing Director	Remuneration	21.19 : 1.00	48.15
2.	Kushal Patel	Managing Director	Remuneration	21.19 : 1.00	48.15
3.	Gitaben Patel [2]	Whole-Time Director	Remuneration	-	Not Applicable
4.	Pinaben Patel [1]	Independent Director	Sitting Fees	-	Not Applicable
5.	Harsh Kalpeshbhai Shah	Chief Financial Officer	Salary	2.76 : 1.00	57.22
6.	Deepakkumar Chaubisa [5]	Company Secretary	Salary	2.65 : 1.00	36.32
7.	Apeksha Vyas [3]	Independent Director	Sitting Fees	-	Not Applicable
8.	Dixit Shah [4 & 6]	Independent Director	Sitting Fees	-	Not Applicable

1. Mrs. Pinaben Patel was resigned from the post of Independent Director w.e.f. June 30, 2022.
2. Mrs. Gitaben Patel was resigned from the post of Whole-Time Director w.e.f. August 22, 2022.
3. Ms. Apeksha Vyas has been appointed (regularised) as an Independent Director w.e.f. June 30, 2022.
4. Mr. Dixit Shah has been appointed (regularised) as an Independent Director w.e.f. August 22, 2022.
5. Mr. Deepakkumar Chaubisa was resigned from the post of Company Secretary and Compliance Officer w.e.f. March 31, 2023.
6. Mr. Dixit Shah was resigned from the post of Independent Director w.e.f. June 30, 2023.

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 decreased by (18.53) % over the previous financial year.

c) The number of permanent employees on the rolls of the Company: 24 permanent Employees as on March 31, 2023.

d) 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 16.45% increase 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 48.15 %. 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:

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

	Nitinbhai Govindbhai Patel	**Kushal Nitinbhai Patel**
Date: September 04, 2023	**Chairman Cum Managing Director**	**Managing Director**
Place: Kadi, Mahesana	**DIN: 06626646**	**DIN: 06626639**

ANNEXURE - E TO DIRECTORS' REPORT:

SECRETARIAL AUDIT REPORT

MR-3

For the financial year ended March 31, 2023

[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 the adherence to good corporate practices by Axita Cotton Limited (hereinafter called 'the Company'). 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, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

i. The Companies Act, 2013 ("the Act") and the rules made there under as applicable;

ii. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made there under;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

iv. The Foreign Exchange Management Act, 1999 (FEMA) and the rules and regulations made there under to the extent of 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;

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Listing Agreement entered with National Stock Exchange of India Limited (NSE) & Bombay Stock Exchange of India Limited (BSE);

d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

vi. The Revised Secretarial Standards issued by the Institute of Company Secretaries of India.

During the 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, have been complied with by the Company.

We further report that, 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: -

1. The Gujarat Textile Policy, 2012

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

i. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - the Company is not registered as Registrar to an Issue & Share Transfer Agent. However, the Company has appointed Link Intime India Private Limited as Registrar & Share Transfer Agent as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

ii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

iii. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and circulars/ guidelines/Amendments issued there under;

iv. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

vi. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

vii. 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

We further report that –

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

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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 period under review: -

a) During the Period under review, Pursuant to Regulation 280(2) read with Regulation 277 under Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2018 and the SEBI (LODR) Regulations, 2015, the members of the Company, passed Special Resolution through Postal Ballot process on March 25, 2022 and approved for migration of Securities of the Company from SME Platform of BSE Limited to the Main Board of BSE and NSE. The Company received In Principle Approval for migration of securities from SME to Main Board of BSE on June 08, 2022 and on NSE on June 15, 2022 and approval for listing of equity shares on Capital Market Segment (Main Board) of BSE and on NSE on June 17, 2022. The equity shares of the Company got listed and admitted to dealings on the BSE and NSE (Capital Market Segment) with effect from June 21, 2022.

b) The Member of the Company passed ordinary resolution on September 27, 2022 for sub division of the equity shares of the Company such that each equity share having nominal/face value of Rs.10/- (Rupees Ten Only) be sub-divided into 10 (Ten) Equity Shares having nominal/face value of Rs. 1/- (Rupees One Only) each.

c) The 09th Annual General Meeting of the members of the Company was held on Tuesday, September 27, 2022 at 03:15 p.m. through Video Conferencing (VC)/Other Audio-Visual Means (OVAM).

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

Anjali Sangtani
Partner
ACS No.: 41942 **C P No.: 23630**
UDIN: A041942E000944008

Place: Ahmedabad
Date: September 05, 2023

Note: This Report is to be read with **Annexure 1** and it form 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 my audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis, on the records and documents provided by the Management of the Company, to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices followed by me provide a reasonable basis for my opinion.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedures on test basis.

5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

Anjali Sangtani
Partner
ACS No.: 41942 **C P No.: 23630**
UDIN: A041942E000944008

Place: Ahmedabad
Date: September 05, 2023

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 contended 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 consists of eminent Professionals from different fraternity empowering the Corporate's strive for sustained better Corporate Governance practices. It comprises Six Directors viz., One Executive Chairman, One Executive Directors and four Independent Directors (Including One woman Directors) 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, 2023:

(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 Patel	Chairman cum Managing Director (Promoter)	5	-	-
Mr. Kushal Patel	Managing Director (Promoter)	5	-	-
Mr. Kunjal Soni	Independent Director	3	4	2
Mr. Vinod Rana	Independent Director	1	2	1
Ms. Apeksha Vyas	Independent Director	4	7	1
Mr. Dixit Shah	Independent Director	1	0	0

1. Committee includes Audit Committee and Shareholders' Grievances Committee across all Public Companies including Axita Cotton Limited.
2. Excluding LLPs, Section 8 Company & struck of Companies. Total Directorship includes Axita Cotton Limited also.

3. Ms. Apeksha Vyas was appointed by Board of Directors as an Additional Director (Independent Non Executive) of the Company with effect from i.e. from June 30, 2022. The Members at their 9th Annual General Meeting (AGM) held on Saturday, September 30, 2023 approved regularisation of Ms. Apeksha Vyas as an Independent Non Executive Director of the Company for a period of 5 (Five) years w.e.f. June 30, 2022.

4. Mr. Dixit Shah was appointed as an Additional Director (Independent Non Executive) w.e.f August 22, 2022. The Members of the Company has been regularisation as an Independent Director for a term of 5 (five) consecutive years with effect from August 30, 2022 and hold office for a term up to February 21, 2027. The Members at their 9th Annual General Meeting (AGM) held on Saturday, September 30, 2023 approved regularisation of Mr. Dixit Shah as an Independent Non Executive Director of the Company for a period of 5 (Five) years w.e.f. February 22, 2022.

Names of the Entities where the person is a director and the category of Directorship as at March 31, 2023 (other than this Company)

Sr. No.	Name of Director	Name of Company and Designation	
1	Mr. Nitinbhai Patel	1 Ng Organics Private Limited	Director
		2 Axita Exports Private Limited	Managing Director
		3 Axita Industries Private Limited	Director
2	Mr. Kushal Patel	1 Ng Organics Private Limited	Director
		2 Axita Exports Private Limited	Managing Director
		3 Axita Industries Private Limited	Director
3	Mr. Kunjal Soni	1 Vaxtex Cotfab Limited	Director
		2 Scarnose International Limited	Director
4	Mr. Vinod Rana	NIL	
5	Ms. Apeksha Vyas	1 Hindprakash Industries Limited	Director
		2 Shubhlaxmi Jewel Art Limited	Additional Director
		3 Vivanta Industries Limited	Director
6	Mr. Dixit Shah	NIL	

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

BOARD PROCEDURE

Eleven 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)** Monday, April 25, 2022, **2)** Thursday, June 16, 2022, **3)** Thursday, June 30, 2022, **4)** Friday, August 12, 2022, **5)** Monday, August 22, 2022, **6)** Monday, November 14, 2022, **7)** Wednesday, December 28, 2022, **8)** Friday, January 06, 2023, **9)** Saturday, January 28, 2023, **10)** Monday, February 27, 2023 and **11)** Friday, March 31, 2023 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:

Name of Director	Mr. Nitinbhai Patel	Mr. Kushal Patel	Mrs. Pinaben Patel [1]	Mrs. Gitaben Patel [2]	Mr. Kunjal Soni	Mr. Vinod Rana	Ms. Apeksha Vyas [3]	Mr. Dixit Shah [4 & 5]
Appointment Date	16-07-2023	16-07-2023	30-06-2020	22-06-2021	22-02-2022	22-02-2022	30-06-2022	22-08-2022
Resignation Date	NA	NA	30-06-2022	22-08-2022	NA	NA	NA	30-06-2023
Number of Board Meeting held	11	11	11	11	11	11	11	11
Number of Board Meetings Eligible to attend	11	11	3	5	11	11	8	6
Number of Board Meeting attended	11	10	3	5	11	11	8	6
Presence at the previous AGM	Yes	Yes	No	No	Yes	Yes	No	NA

1. Mr. Pinaben Patel was resigned from the post of Independent Director w.e.f. June 30, 2022.
2. Mr. Gitaben N. Patel was resigned from the post of Whole-Time Director w.e.f. August 22, 2022.
3. Ms. Apeksha Vyas was appointed as an Additional Independent Director w.e.f. June 30, 2022.
4. Mr. Dixit Shah was appointed as an Additional Independent Director w.e.f. August 22, 2022.
5. Mr. Dixit Shah was resigned from the post of Independent Director w.e.f. June 30, 2023.

(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 fulfils 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, 2023, 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 (Managing 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.axtacotton.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 is 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 out of which 2 members are Non-Executive Independent Directors. The Committee members are professionals having requisite experience in the fields of Finance and Accounts and Legal.

(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, 2023 and the details of Members participation at the Meetings of the Committee are as under:

During the year, 5 Meetings of Audit Committee were held on i.e. **1)** Monday, April 25, 2022, **2)** Friday, August 12, 2022, **3)** Monday, November 14, 2022, **4)** Wednesday, December 28, 2022 and **5)** Saturday, January 28, 2023. The Attendance of Members at meetings was as under:

Name of Director / Member	Category	Designation
Mr. Kushal Patel [2] (Upto June 30, 2022)	Managing Director	Member
Mrs. Pinaben Patel [1 & 2] (Upto June 30, 2022)	Independent Director	Chairperson
Mr. Kunjal Soni [1 & 2] (w.e.f. February 22, 2022)	Independent Director	Chairperson
Mr. Vinod Rana [1 & 2] (W.e.f. June 30, 2022)	Independent Director	Member
Ms. Apeksha Vyas [1 & 2] (W.e.f. June 30, 2022)	Independent Director	Member

1. Mrs. Pinaben Patel resigned from the post of Independent Director w.e.f. June 30, 2022 in the Company.
2. Due to resignation of Mrs. Pinaben Patel, the Board of Directors of the Company re-constituted entire Audit Committee in their Board Meeting held on June 30, 2022 and appointed Mr. Kunjal Soni, Independent Director of the Company as a Chairperson of the Audit Committee and appointed Ms. Apeksha Vyas, Independent Director and Mr. Vinod Rana, Independent Director as a member of the Audit Committee.

Details of the Audit Committee Meetings held during the Financial Year 2022-2023:

Quarter	Number of Audit Committee Meeting	Date of Audit Committee Meeting
Q1	Audit Committee Meeting No. 01/2022-2023	Monday, April 25, 2022
Q2	Audit Committee Meeting No. 02/2022-2023	Friday, August 12, 2022
Q3	Audit Committee Meeting No. 03/2022-2023	Monday, November 14, 2022
Q3	Audit Committee Meeting No. 04/2022-2023	Wednesday, December 28, 2022
Q4	Audit Committee Meeting No. 05/2022-2023	Saturday, January 28, 2023

Attendance of the Audit Committee members are given below:

Name of Director / Member	Mr. Kushal Patel	Mrs. Pinaben Patel	Mr. Kunjal Soni	Mr. Vinod Rana	Ms. Apeksha Vyas
Designation	Member	Chairperson	Chairperson	Member	Member
Effective Date	21-06-2021	02-09-2021	30-06-2022	30-06-2022	30-06-2022
Upto Date	30-06-2022	30-06-2022	NA	NA	NA
Number of Audit Committee Meeting held	5	5	5	5	5

Number of Audit Committee Meetings Eligible to attend	1	1	5	4	4
Number of Audit Committee Meeting attended	1	1	5	4	4
Presence at the previous AGM	Yes	No	Yes	Yes	Yes

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 Committee of the Company comprises of 3 Directors viz. Mr. Kunjal Soni, Mr. Vinod Rana and Ms. Apeksha Vyas, all of whom are Non-Executive Independent Directors. Mr. Kunjal Soni acts as a Chairman of the Committee.

(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.

(ii) The Composition of the Committee as at March 31, 2023 and the details of Members participation at the Meetings of the Committee are as under:

During the year, 6 Nomination and Remuneration Committee Meetings were held on **1)** Monday, April 25, 2022, **2)** Thursday, June 30, 2022, **3)** Friday, August 12, 2022, **4)** Monday, August 22, 2022, **5)** Saturday, January 28, 2023 and **6)** Friday, March 31, 2023. The Attendance of Members at meeting was as under:

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

Name of Director / Member	Category	Designation
Mr. Kunjal Soni (w.e.f. February 22, 2022)	Independent Director	Chairperson
Mr. Vinod Rana (W.e.f. February 22, 2022)	Independent Director	Member
Mrs. Pinaben Patel [1 & 2] (Upto June 30, 2022)	Independent Director	Member
Ms. Apeksha Vyas [1 & 2] (W.e.f. June 30, 2022)	Independent Director	Member

1. Mrs. Pinaben Patel resigned from the post of Independent Director w.e.f. June 30, 2022 in the Company.

2. Due to resignation of Mrs. Pinaben Patel, the Board of Directors of the Company, Ms. Apeksha Vyas, Additional Independent Director has been appointed as a member of the Nomination and Remuneration Committee w.e.f. June 30, 2022.

Details of the Nomination and Remuneration Committee Meetings held during the Financial Year 2022-2023:

Quarter	Number of Nomination and Remuneration Committee Meeting	Date of Nomination and Remuneration Committee Meeting
Q1	NRC Meeting No. 01/2022-2023	Monday, April 25, 2022
Q1	NRC Meeting No. 02/2022-2023	Thursday, June 30, 2022
Q2	NRC Meeting No. 03/2022-2023	Friday, August 12, 2022
Q2	NRC Meeting No. 04/2022-2023	Monday, August 22, 2022
Q4	NRC Meeting No. 05/2022-2023	Saturday, January 28, 2023
Q4	NRC Meeting No. 06/2022-2023	Friday, March 31, 2023

Attendance of the Nomination and Remuneration Committee Members are given below:

Name of Director / Member	Mr. Kunjal Soni	Mrs. Pinaben Patel	Mr. Vinod Rana	Ms. Apeksha Vyas
Designation	Chairperson	Chairperson	Member	Member
Effective Date	22-02-2022	02-09-2021	22-02-2022	30-06-2022
Upto Date	NA	30-06-2022	NA	NA
Number of Nomination and Remuneration Committee Meeting held	6	6	6	6
Number of Nomination and Remuneration Committee Meetings Eligible to attend	6	2	6	4
Number of Nomination and Remuneration Committee Meeting attended	6	1	6	4
Presence at the previous AGM	Yes	No	Yes	Yes

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.

(iii) 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 2022-23 are as under:

Sr. No.	Name of Director	Sitting Fees (Rs. in lakhs)
1	Mr. Kunjal Soni (w.e.f. February 22, 2022)	0.65
2	Mr. Vinod Rana (W.e.f. February 22, 2022)	0.725
3	Ms. Apeksha Vyas (W.e.f. June 30, 2022)	0.50
4	Mrs. Pinaben Patel (Upto June 30, 2022)	0.15
5	Mr. Dixit Dipakkumar Shah (Upto June 30, 2023)	0.175

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, Mrs. Gitaben Nitinbhai Patel, Whole time Director (upto August 22, 2022) were the Executive Directors of the Company as on March 31, 2023.
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, Mrs. Gitaben Nitinbhai Patel, Whole time Director during the FY 2022-23 are as under:

Particulars	Mr. Nitinbhai Govindbhai Patel	Mr. Kushal Nitinbhai Patel	Mrs. Gitaben Nitinbhai Patel, (upto August 22, 2022)
All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc.	Rs. 60.00 Lakhs	Rs. 60.00 Lakhs	Rs. 24.00 Lakhs

Particulars	Mr. Nitinbhai Govindbhai Patel	Mr. Kushal Nitinbhai Patel	Mrs. Gitaben Nitinbhai Patel, (upto August 22, 2022)
Details of actual remuneration paid during the financial year and fixed component and performance linked incentives (PLI) along with the performance criteria	Fixed: Rs. 60.00 Lakhs PLI: Nil	Fixed: Rs. 60.00 Lakhs PLI: Nil	Fixed: Rs. 9.42 Lakhs PLI: Nil
Service Contracts	-	-	-
Severance Fee	Nil	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	Nil

5. STAKEHOLDER'S GRIEVANCE & RELATIONSHIP COMMITTEE:

The Stakeholders' Relationship Committee has 3 Members comprising of all Non-Executive Independent Directors. Mr. Vinod Rana, Mr. Kunjal Soni and Ms. Apeksha Vyas. Mr. Vinod Rana Non-Executive Independent Director, acts as a Chairman of the Committee.

(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.

(ii) The Composition of the Committee as at March 31, 2023 and the details of Members participation at the Meetings of the Committee are as under:

During the year, 3 Stakeholders' Relationship Committee Meetings were held on **1)** Monday, April 25, 2022, **2)** Friday, August 12, 2022, **3)** Monday, November 14, 2022 and **4)** Saturday, January 28, 2023. The Attendance of Members at meetings was under:

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

Name of Director / Member	Category	Designation
Mr. Vinod Rana (W.e.f. February 22, 2022)	Independent Director	Chairperson
Mr. Kushal Patel [2] (Upto June 30, 2022)	Managing Director	Member
Mrs. Pinaben Patel [1 & 2] (Upto June 30, 2022)	Independent Director	Member
Mr. Kunjal Soni [1 & 2] (w.e.f. June 30, 2022)	Independent Director	Member
Ms. Apeksha Vyas [1 & 2] (W.e.f. June 30, 2022)	Independent Director	Member

1. Mrs. Pinaben Patel resigned from the post of Independent Director w.e.f. June 30, 2022 in the Company.
2. Due to resignation of Mrs. Pinaben Patel, the Board of Directors of the Company re-constituted entire Stakeholder's Grievance & Relationship Committee in their Board Meeting held on June

30, 2022 and appointed Mr. Kunjal Soni, Independent Director and Ms. Apeksha Vyas, Independent Director as a member of the Stakeholder's Grievance & Relationship Committee.

Details of the Stakeholder's Grievance & Relationship Committee Meetings during the Financial Year 2022-2023:

Quarter	Number of Stakeholder's Grievance & Relationship Committee Meeting	Date of Stakeholder's Grievance & Relationship Committee Meeting
Q1	SRC Meeting No. 01/2022-2023	Monday, April 25, 2022
Q2	SRC Meeting No. 02/2022-2023	Friday, August 12, 2022
Q3	SRC Meeting No. 03/2022-2023	Monday, November 14, 2022
Q4	SRC Meeting No. 04/2022-2023	Saturday, January 28, 2023

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

Name of Director / Member	Mr. Vinod Rana	Mr. Kushal Patel	Mrs. Pinaben Patel	Mr. Kunjal Soni	Ms. Apeksha Vyas
Designation	Chairperson	Member	Chairperson	Member	Member
Effective Date	22-02-2022	21-06-2021	02-09-2021	30-06-2022	30-06-2022
Upto Date	NA	30-06-2022	30-06-2022	NA	NA
Number of Stakeholder's Grievance & Relationship Committee Meeting held	4	4	4	4	4
Number of Stakeholder's Grievance & Relationship Committee Meetings Eligible to attend	4	1	1	3	3
Number of Stakeholder's Grievance & Relationship Committee Meeting attended	4	1	1	3	3
Presence at the previous AGM	Yes	Yes	No	Yes	Yes

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.

(iii) Name and Designation of Compliance Officer:

Mr. Deepakkumar Chaubisha Company Secretary (upto March 31, 2023 - resigned on March 31, 2023)

(iv) Details of Complaints/ Queries received and redressed during April 01, 2022 to March 31, 2023 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:

During the Financial Year 2022-2023, the Company was exempted under regulation 21 of SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015 from reporting of risk management. board is fully aware of Risk Factor and is taking preventive measures wherever required.

However, on the basis of Annual Report as on March 31, 2023, the regulation is now applied to the Company and accordingly the Company has formulated the Risk Management Policy which indicates Company's standards for risk taking while conducting business and to provide an easy-to-access guide any time you have a question. The Risk Management Committee will currently cover Market Risk, Credit Risk, Process Risk and other risks as detailed in these documents. Each risk is covered within this Policy. This Policy will apply across all products, throughout the firm.

The Risk Management Committee has 6 Members comprising of 2 Executive Director viz. Mr. Kushal Nitinbhai Patel, Mr. Nitinbhai Govindbhai Patel, and 2 Non-Executive Independent Directors viz. Mr. Kunjal Jayantkumar Soni and Ms. Vinod Kanubhai Rana.

(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 on date of report is as under:

Name of Director / Member	Category	Designation
Mr. Kushal Nitinbhai Patel (W.e.f. April 28, 2023)	Managing Director	Chairperson
Mr. Nitinbhai Govindbhai Patel (W.e.f. April 28, 2023)	Managing Director	Member
Mr. Kunjal Jayantkumar Soni (W.e.f. April 28, 2023)	Independent Director	Member
Ms. Vinod Kanubhai Rana (W.e.f. April 28, 2023)	Independent Director	Member

The Company's risk management system is designed to identify the potential risks that can impact the business and device 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 has 3 Members comprising of 1 Non-Executive Independent Director and 2 Executive Directors.

(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) Composition of the Committee as at March 31, 2023 and the details of Members participation at the Meetings of the Committee are as under:

During the year, 3 Meetings of Corporate Social Responsibility Committee were held on **1)** Saturday, July 30, 2022, **2)** Wednesday, September 14, 2022 and **3)** Friday, March 31, 2023. The Attendance of Members at meeting was under:

Name of Director / Member	Category	Designation
Kushal Nitinbhai Patel	Managing Director	Chairperson
Nitinbhai Govindbhai Patel	Managing Director	Member
Pinaben Bharatkumar Patel* (upto June 30, 2022)	Independent Director	Member
Vinod Kanubhai Rana* (w.e.f. June 30, 2022)	Independent Director	Member

* Mrs. Pinaben Bharatkumar Patel resigned from the Post of Independent Director w.e.f. June 30, 2022. The Board of Directors re-constituted Corporate Social Responsibility Committee on June 30, 2022 and appointed Mr. Vinod Kanubhai Rana as a Member of Corporate Social Responsibility Committee in place of Mrs. Pinaben Bharatkumar Patel.

Quarter	Number of Corporate Social Responsibility Committee Meeting	Date of Corporate Social Responsibility Committee Meeting
Q2	CSR Meeting No. 01/2022-2023	Saturday, July 30, 2022
Q2	CSR Meeting No. 02/2022-2023	Wednesday, September 14, 2022
Q4	CSR Meeting No. 03/2022-2023	Friday, March 31, 2023

Attendance of the Corporate Social Responsibility Committee Members are given below:

Name of Director / Member	Kushal Nitinbhai Patel	Nitinbhai Govindbhai Patel	Pinaben Bharatkumar Patel*	Vinod Kanubhai Rana*
Designation	Chairperson	Chairperson	Member	Member
Effective Date	21-06-2021	21-06-2021	21-06-2021	30-06-2022
Upto Date	NA	NA	30-06-2022	NA
Number of Corporate Social Responsibility Committee Meeting held	3	3	0	3
Number of Corporate Social Responsibility Committee Meetings Eligible to attend	3	3	0	3
Number of Corporate Social Responsibility Committee Meeting attended	3	3	0	3
Presence at the previous AGM	Yes	Yes	No	Yes

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.

The AGMs are held at the registered office of the Company. But MCA (Ministry of Corporate Affairs) vide General Circular No. 10/2022 and 11/2022 dated December 28, 2022 and in continuation to the General Circular No. 20/2020 dated May 05, 2020 and General Circular No 02/2022 dated May 05, 2022, read with all other applicable provisions of laws, allowed the companies whose AGMs are due in the year 2023, to conduct their AGMs on or before September 30, 2023 through VC/OVAM in accordance with the requirements laid down in circular dated May 05, 2020.

Accordingly, the AGM of the Company during 2022 was held through Audio Video Means and AGM during 2023 will also be held through Audio Video Means.

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.

The details of the last three (3) Annual General Meetings (AGMs) are given below in Table,

AGM	DATE		TIME	LOCATION
	2021-2022	Tuesday, September 27, 2022	03:15 PM	(VC) / (OAVM)*
Special Resolution	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:			
	2020-2021	Thursday, September 30, 2021	03:15 PM	03:15 PM
Special Resolution	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. Kushal Nitinbhai Patel, Managing Director (Din: 06626639) of the Company:			
	2019-2020	Monday, September 28 2020	03:15 PM	03:15 PM
Special Resolution	To Advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken/to be taken by Axita Exports Private Limited under Section 185 of the Companies Act, 2013:			
	To Advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken/to be taken by Aditya Oil Industries Limited under Section 185 of the Companies Act, 2013:			

* Video Conferencing (VC) / Other Audio Visual Means (OAVM),

Independent Directors Meeting:

As per Schedule IV of the Companies Act 2013 a separate meeting of Independent Directors without the attendance of Non Independent Directors was held on March 29, 2022 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 "Indian Express / Financial Express / Business Standard" (English) and in "Ahmedabad Express / Jay Hind" (in reginal 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, 2023
Time	03:30 P.M.
Mode	Video Conferencing or through Other Audio Visual Means

Financial Calendar

The Financial Year of the Company is for a period of 12 months from 1st April to 31st March.

First quarter results	August 14, 2022
Second quarter results	November 16, 2023
Third quarter results	January 30, 2023
Fourth quarter results / Year end results	April 30, 2023
Date of Book closure	Not Applicable as no Physical Shareholders.
Dividend Payment Date	No Dividend Declared
Listing on Stock Exchanges	Equity Shares (ISIN: **INE02EZ01022)**
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001, Maharashtra, India Security Code: **542285**
The National Stock Exchange of India Limited	Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051, Maharashtra, India Symbol: **AXITA**

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 2022-23 were as under:

Month	BSE					NSE				
	BSE HIGH (Rs.)	BSE LOW (Rs.)	BSE Sensex HIGH (Rs.)	BSE Sensex LOW (Rs.)	VOLUME (In Lakh)	NSE HIGH (Rs.)	NSE LOW (Rs.)	NSE (NIFTY) HIGH (Rs.)	NSE (NIFTY) LOW (Rs.)	VOLUME (In Lakh)
Apr-22	149.80	116.65	60845.1	56009.07	22.860					
May-22	171.15	127.15	57184.21	52632.48	11.420					
sJun-22	244.40	158.65	56432.65	50921.22	6.173	244.95	170.05	16793.84	15183.4	2.318
Jul-22	268.95	223.90	57619.27	52094.25	7.331	269.50	223.05	17172.8	15511.04	11.425
Aug-22	345.90	262.40	60411.2	57367.47	7.893	347.10	259.00	17992.19	17154.8	15.623
Sep-22	332.00	293.55	60676.12	56147.23	6.969	332.60	295.30	18096.15	16747.69	10.978
Oct-22	397.55	32.95	60786.7	56683.4	14.915	395.40	32.90	18022.8	16855.55	52.470
Nov-22	44.00	33.85	63303.01	60425.47	19.554	44.00	33.00	18816.05	17959.19	126.268
Dec-22	57.80	41.35	63583.07	59754.1	36.011	57.70	41.50	18887.59	17774.25	215.066

Month	BSE					NSE				
	BSE HIGH (Rs.)	BSE LOW (Rs.)	BSE Sensex HIGH (Rs.)	BSE Sensex LOW (Rs.)	VOLUME (In Lakh)	NSE HIGH (Rs.)	NSE LOW (Rs.)	NSE (NIFTY) HIGH (Rs.)	NSE (NIFTY) LOW (Rs.)	VOLUME (In Lakh)
Jan-23	61.80	46.45	61343.96	58699.2	15.332	61.95	46.35	18251.94	17405.55	164.007
Feb-23	69.60	50.05	61682.25	58795.97	31.982	69.70	50.00	18134.75	17255.19	350.092
Mar-23	58.43	50.60	60498.48	57084.91	41.217	58.40	49.95	17799.94	16828.34	180.426

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, 2023.

Category wise shareholding as on as on March 31, 2023:

Sr. No	Category	DEMAT Holders	DEMAT Securities	Physical Holders	Physical Securities	Total Securities	Total Value	Percent
1	Promoter & Promoter Group	9	136894875	0	0	136894875	13,68,94,875	69.645
2	Foreign Portfolio Investors (Corporate) – I	4	14689300	0	0	14689300	1,46,89,300	7.473
3	Foreign Portfolio Investors (Corporate) – II	1	9780000	0	0	9780000	97,80,000	4.976
4	Public							
i	Resident Individual holding nominal share capital up to Rs. 2 lakhs.	21435	7721745	0	0	7721745	77,21,745	3.928

Sr. No	Category	DEMAT Holders	DEMAT Securities	Physical Holders	Physical Securities	Total Securities	Total Value	Percent
ii	Resident individual holding nominal share capital in excess of Rs. 2 lakhs.	8	3680154	0	0	3680154	36,80,154	1.872
5	NRI	192	733896	0	0	733896	7,33,896	0.373
6	Hindu Undivided Family	110	2808071	0	0	2808071	28,08,071	1.429
7	Other Bodies Corporate	32	16161710	0	0	16161710	1,61,61,710	8.222
8	Body Corporate - Ltd Liability Partnership	3	3976084	0	0	3976084	39,76,084	2.023
9	Clearing Members	14	114165	0	0	114165	1,14,165	0.058
	TOTAL:	**21808**	**196560000**	**0**	**0**	**196560000**	**19,65,60,000**	**100.000**

Distribution of shareholding as on March 31, 2023:

Sr. No	Shareholding of Shares	Number of Shareholders	% of Total Shareholders	Shares	% of Total Share Capital
1	1 to 500	19992	89.63	1886541	0.96
2	501 to 1000	1154	5.17	915485	0.47
3	1001 to 2000	540	2.42	805948	0.41
4	2001 to 3000	196	0.88	502187	0.26
5	3001 to 4000	91	0.41	327808	0.17
6	4001 to 5000	59	0.26	277830	0.14
7	5001 to 10000	115	0.52	864711	0.44
8	10001 to above	159	0.71	190979490	97.16
	TOTAL:	**22306**	**100.00**	**196560000**	**100.00**

Shareholding of Directors and KMP as on March 31, 2023

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	70051487	35.64
2	Kushal Nitinbhai Patel	Promoter and Managing Director	06626639	57061087	29.03
3	Kunjal Jayantkumar Soni	Independent Non Executive Director	08160838	0	0.00
4	Vinod Kanubhai Rana	Independent Non Executive Director	08160972	0	0.00

Sr. No	Name of Director and KMP	Category and Designation	DIN	No. of Shares Held	% of Shares Held
5	Apeksha Sanjaykumar Vyas	Independent Non Executive Director	09469295	0	0.00
6	Dixit Dipakkumar Shah	Independent Non Executive Director	07826994	0	0.00
7	Harsh Kalpeshbhai Shah	Chief Financial Officer	NA	0	0.00
8	Deepakkumar Kushalchandra Chaubisa	Company Secretary and Compliance Officer	NA	0	0.00
				127112574	**64.67**

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, 2023, 19,65,60,000 shares representing 100.00% of the issued capital is in dematerialised form.

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. 33** to the Financial Statements.

Unclaimed Dividend:

- The Board of Directors, recommended final dividend of ₹ 0.50/- per Equity Share of ₹ 10/- each for the previous financial year 2021-2022 amounting to ₹ 98.28 Lakhs and same was approved by the Members at their Annual General Meeting (AGM) of the Company. Out of above declared Dividend Rs. 3,206/-, which was remained unpaid was transferred within 30 days from the date of declaration of Dividend, to the Unpaid Dividend Account as per the sub-section (3) of section 124 of the Companies Act, 2013.

- In the financial year 2022-2023, the Board of Directors of your Company, after considering holistically the relevant circumstances, has decided that it would be prudent, has not recommended any Dividend for the year under review.

- The details of Dividend remaining in the unclaimed suspense account as required under Regulation 34(3) read with Schedule V [F] of the Listing Regulations are given below;

Particulars	No. of Shareholders	Amount of Dividend (Rs.)
Outstanding at the begging of the year i.e. **April 1, 2022**	0	0
No. of Members who approached to claim Dividend	0	0
No. of Members to whom Dividend transferred	3883	87,49,121
Transferred to IEPF	0	0
Outstanding at the begging of the year i.e. **March 31, 2023**	149	3206

- 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, 2023 shall remain frozen till the rightful owner of such shares claims the shares.

List of all Credit Ratings obtained by the entity:	NA
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 Bunglows, 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. 32** 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 2022-2023.

6) No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

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. 24** 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 April 28, 2023 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

Nitinbhai Govindbhai Patel
Chairman & Managing Director
DIN: 06626646

Place: Ahmedabad
Date: September 04, 2023

Annexure - 1

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE REQUIREMNTS 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

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 sub- regulation (2) of regulation 46 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, 2023. This report is required by the Company for annual submission to the Stock exchange 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

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 judgment, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures includes 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 me as referred above and according to the information and explanations given to me, We are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the applicable period i.e. April 01, 2022 to March 31, 2023, 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 referred above.

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 my 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
ICSI Unique Code: - L2020GJ008700

Anjali Sangtani
Partner
ACS No.: 41942 **C P No.: 23630**
UDIN: A041942E000944085

Place: Ahmedabad
Date: September 05, 2023

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

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

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

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, 2023** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No	Name of Director	Category and Designation	DIN	Original Date of Appointment
1	Nitinbhai Govindbhai Patel	Chairman cum Managing Director	06626646	16/07/2013
2	Kushal Nitinbhai Patel	Managing Director	06626639	16/07/2013
3	Kunjal Jayantkumar Soni	Independent Non Executive Director	08160838	22-02-2022
4	Vinod Kanubhai Rana	Independent Non Executive Director	08160972	22-02-2022
5	Apeksha Sanjaykumar Vyas	Independent Non Executive Director	09469295	30-06-2023

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

We are issuing this certificate based on the following, which to the best of our knowledge and belief were considered necessary in this regard:

a. Information relating to the directors available in the official web site of MCA;

b. Disclosures / declarations / confirmations provided by the said directors to the Company;

c. Registers, records, forms and returns filed/ maintained by the Company; and

d. Information, explanation and representations provided by the Company, its officers and agents.

Management's responsibility

The Management of the Company is responsible to ensure the eligibility of a person for appointment / continuation as a Director on the Board of the Company.

Our Responsibility

Our responsibility is to express an opinion on this, based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness of the process followed by the management of the Company with regard to appointment / continuation of a person as a Director of the Company.

e. Registers, records, forms and returns filed/ maintained by the Company; and

f. Information, explanation and representations provided by the Company, its officers and agents.

The Management of the Company is responsible to ensure the eligibility of a person for appointment / continuation as a Director on the Board of the Company.

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

Anjali Sangtani
Partner
ACS No.: 41942 **C P No.: 23630**
UDIN: A041942E000944107

Place: Ahmedabad
Date: September 05, 2023

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, 2023** we hereby certify that:

B) 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.

C) 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.

D) 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.

E) 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.

F) 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.

G) 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 28, 2023

Nitinbhai Govindbhai Patel
Chairman & Managing Director

Harsh Kalpeshbhai Shah
Chief Financial Officer

ANNEXURE - G TO DIRECTORS' REPORT:
BUSINESS RESPONISBILITY AND SUSTAINIBILITY 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 Bunglow, 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, 2022 to March 31, 2023 FY (2022-23)
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	19.656 (Currently 19.566 – post Buy-Back)
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, calendering, 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 supplying, and	85.91%

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
		to act as broker, trader, agent, C & F agent, distributor, representaitive, 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.	12.91%
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.	0.78%

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	85.91%
2	Cotton Yarn	13111	12.91%

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	2	3
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? - **15.05% Cotton Bales**

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 appearls,jeans, tshirts,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)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	15	12	80.00	3	20.00
2.	Other than Permanent (E)	0	0	0	0	0
3.	**Total employees (D + E)**	15	12	80.00	3	20.00
WORKERS						
4.	Permanent (F)	9	9	100.00	0	0
5.	Other than Permanent (G)	5	0	0	0	0
6.	**Total workers (F + G)**	14	9	100.00	0	0

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	0				
2.	Other than Permanent (E)	0				

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
3.	**Total employees (D + E)**	0				
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	0				
5.	Other than Permanent (G)	0				
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	4.17%	0	4.17%	6.82%	0	6.82%	0	0	0
Permanent Workers	0	0	0	0	0	0	3.23%	0	3.23%

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/ JointVenture	% 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. 55,761.78**
(iii) Net worth (in Lakh Rs.) **Rs. 1017.38**

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 is received	Grievance Redressal Mechanism in Place (Yes / No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-2023 Current Financial Year			FY 2021-2022 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 www.scores.gov.in	**0**	**0**	**No such complaints received**	**0**	**0**	**No such complaints received**
Communities	Yes, Grievance redressal forms that part of the Whistle Blower Policy. Any grievance should be reported on the Ethics portal.	-	-	-	-	-	-
Investors (other than shareholders)		**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 then shareholders mention - Yes, through toll free 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 ornegative 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 practises 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 this 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 companies 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 – ATKOT 2. SMT.SANTOKBA BHAGWATI HOSPITAL 3. MAHAGUJARAT MEDICAL SOCIETY 4. SHREE RANCHHODDASJI BAPU CHARITABLE HOSPITAL Toward CORPORATE SOCIAL	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 ornegative implications)
				RESOPONSIBILTY	
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
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 products delivered 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 processesput in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elementsof the NGRBCs. (Yes/No)	**No, We are in process of implementation.**								
b. Has the policy been approved by theBoard? (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.								
5. Specific commitments, goals and targets set by the entity with defined timelines, ifany.	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 (*listed entity has flexibility regarding the placement of this disclosure)*	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).	Mr. Nitinbhai Govindbhai Patel Chairman and Managing Director DIN: 06626646								

	Mr. Kushal Nitinbhai Patel Non-Executive Director DIN: 06626639
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.	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: 1. 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. 2. 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. 3. The Stakeholder Relationship Committee : This Committee considers and resolves the grievances of the shareholders, debenture holders and other security 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	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow-up action	Committee of the board									Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non - compliances	Committee of the board									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.	**P 1**	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**
	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

1. 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		

2. Details of fines / penalties / punishment / award / compounding fees / settlement amountpaid 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 2022-23 (Current Financial Year)	FY 2021-22 (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 2022-23 (Current Financial Year)		FY 2021-22 (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

1. 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 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)	Details of improvements in environmental and social impacts
R & D	-	-	Reduced ETP waste
CAPEX	-	-	

2. a. 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 fibres.

b. 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).

3. 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).

4. 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

1. 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 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Cotton Seeds	45%	32%

4. 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 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
-	-	-	-	-	-	-

5. 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 (A)	Health Insurance		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	12	12	100.00	12	100.00	-	-	-	-	-	-
Female	3	3	100.00	3	100.00	3	100.00	-	-	-	-
Total	15	15	100.00	15	100.00	3	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 (A)	Health Insurance		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	9	9	100.00	9	100.00	-	-	-	-	-	-
Female	0	0	100.00	0	100.00	-	-	-	-	-	-
Total	9	9	100.00	9	100.00	-	-	-	-	-	-
Other than Permanent employees											
Male	5	-	-	5	100.00	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	5	-	-	5	100.00	-	-	-	-	-	-

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.

	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. Membership of employees and worker in association(s) or Unions recognized by the listed entity

ACL does not have a list of recognized associations or Unions. ACL does not place any restrictions and the employees or workers are free to join any associations or unions.

8. Details of training given to employees and workers

Category	Current Financial Year in man hours FY 2022 - 2023					Previous Financial Year in man hours 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										
Male	12	0	0	12	100	14	0	0	14	100
Femal	3	0	0	3	100	3	0	0	3	100
Total	15	0	0	15	0	0	0	0	0	0
Workers										
Male	14	14	100	14	100	16	0	0	16	100
Femal	0	0	0	0	0	0	0	0	0	0
Total	14	0	0	0	0	0	0	0	0	0

9. Details of performance and career development reviews of employees and workers

Category	Current Financial Year FY 2022 – 2023			Previous Financial Year FY 2021 - 2022		
	Total (A)	Number (B)	% (B/A)	Total (C)	Number (D)	% (D/C)
Employees						
Male	12	5	41.66%	14	7	50%
Female	3	2	66.67%	3	2	66.67%
Workers						
Male	14	4	28.57%	16	6	37.50%
Female	0	0	0%	0	0	0%

10. Health and safety management system:

a) Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage of such system?

Yes. Our Health and Safety management system covers all our employees and workers.

b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

We follow the Hazard Identification and Risk Assessment (HIRA) framework for identifying work-related hazards and risk assessment.

c) Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, we have a process in place and it is included in the Occupational Health and Safety Procedures Manual. Additionally, we conduct training, mock drills, safety talks, and seminars for raising awareness of the workers.

d) Do the employees/workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, The workers and employees are covered by health and accidental insurance. Additionally.

11. Details of safety related incidents, in the following format:

Safety Incident/Number Category	Category	Current Financial Year FY 2022 – 2023	Previous Financial Year FY 2021 - 2022
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Return to work and retention rates of permanent employees and workers that took parental leave Describe the measures taken by the entity to ensure a safe and healthy work place.

We prioritize the safety of our employees above all. We have implemented workplace safety programs, safety training to employees, periodic health check-ups, 24 hrs first aid facility, On call Nursing and Comprehensive medical facilities, installing fire extinguishers wherever required, easy access to exits in case of emergencies.

13. Number of complaints on the following made by employees and workers:

	Current Financial Year			Previous Financial Year		
	FY 2022 - 2023			FY 2021 - 2022		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	-	Nil	Nil	-
Health &	Nil	Nil	-	Nil	Nil	-

14. 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%

15. 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 Reconcilation for compliance of income tax statury 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 2022-2023	FY 2021-2022	FY 2022-2023	FY 2021-2022
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.

5. 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%

6. 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 and encouraging the shareholders to exercise their voting rights in shareholders' meetings, Dividend declarations etc
Employees and Workers	No	Personal/group interactions, mails and trainings.	Regularly	Discussions about productivity, Training, Growth and career Development.
Local Community	No	Activities by institutions promoted or	As per planned activities	Building sustainable cohesive

		partnered by us e.g., NLRDP and SHARDA Trust. Also through Industrial Relations department.		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 2022 – 2023			Previous Financial Year FY 2021 - 2022		
	Total (A)	No. of employee/ Workers covered (B)	% (B/A)	Total (C)	No. of employees/ Workers covered (D)	% (D/C)
Employee						
Permanent	15	15	100.00	17	17	100.00
Other Than Permanent	0	0		0	0	100.00
Total Employees	**15**	**15**	**100.00**	**17**	**17**	**100.00**
Workers						
Permanent	9	9	100.00	11	11	100
Other Than Permanent	5	5	100.00	7	7	100
Total Workers	**14**	**14**	**100.00**	**18**	**18**	**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 FY 2022 - 2023					Previous Financial Year in man hours 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										
Male	12	0	0	12	100	14	0	0	14	10
Femal	3	0	0	3	100	3	0	0	3	10
Other than Permanent										
Male	0	0	0	0	0	0	0	0	0	0
Femal	0	0	0	0	0	0	0	0	0	0
Workers										
Permanent										
Male	9	9	100	0	0	11	0	0	11	10
Femal	0	0	0	0	0	0	0	0	0	0
Other than Permanent										
Male	5	5	100	0	0	5	0	0	5	10
Femal	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	3	21.19:1.00	0	0
Key Managerial Personnel	2	2.70:1.00	0	0
Employees other than BoD and KMPs	0	0	0	0
Workers	0	0	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 2022 – 2023			Previous Financial Year FY 2021 - 2022		
	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. 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.

9. 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 2022 – 2023	Previous Financial Year FY 2021 - 2022
Total electricity consumption (A)	17,47,214	976,946
Total fuel consumption (B)	757,665	937,356
Energy consumption through other sources (C)	0	0
Total energy consumption (A+B+C3)	**25,04,879**	**19,14,302**
Energy intensity per rupee of turnover (Total energy consumption /turnover in rupees)	0.00045	0.00024
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**

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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 2022 – 2023	Previous Financial Year FY 2021 - 2022
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**

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

   No

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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 2022 – 2023	Previous Financial Year FY 2021 - 2022
NOx	ppm	-	-
SOx	ppm	-	-
Particulate matter (PM)	mg/Nm3	-	-
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 2022 – 2023	Previous Financial Year FY 2021 - 2022
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	-	-
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 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 2022 – 2023	Previous Financial Year FY 2021 - 2022
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 No	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.
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
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
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 2022 – 2023	Previous Financial Year FY 2021 - 2022
From renewable sources		
A. Total electricity consumption (A)	384387.00	326874.00
B. Total fuel consumption (B)	0	0
C. Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	**384,387**	**324,874**
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 2022 – 2023	Previous Financial Year FY 2021 - 2022
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**

3. 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 2022 – 2023	Previous Financial Year FY 2021 - 2022
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
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**

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

Parameter	Please specify unit	Current Financial Year FY 2022 – 2023	Previous Financial Year FY 2021 - 2022
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	Not applicable	Not applicable
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO2 equivalent	Not applicable	Not applicable
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	Metric tonnes of CO2 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**

5. 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

6. 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	-	-	-

7. 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.

8. 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.

9. 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 Standarad	International
5	GLOBAL ORGANIC TEXTILE STANDARD(GOTS)	International
6	REGENAGRI	International

Sr. No.	Name of the trade and industry chambers /associations	Reach of trade and industry chambers /associations(State / National)
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 2022 – 2023	Previous Financial Year FY 2021 - 2022
Directly sourced from MSMEs / small producers	1,38,72,890.00	21,62,259.00
Sourced directly from within the district and neighbouring 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
-	-	-	-	-

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.

5. 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

-	-	-	-

6. Details of beneficiaries of CSR Projects:

   For details refer to Annexure to Director's Report 2022-23 (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	Not Applicable
Safe and responsible usage	
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 2021 - 2022		
	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 May 2023. 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, 2023 and forms part of the Annual Report.

BUSINESS SCENARIO:

The last two years the country's economy has seen turbulence and uncertainty in terms of COVID - 19. After weathering over two years of the pandemic, the global business community was eager to get down to real business. But the war in Ukraine has triggered significant slowdown in global growth in 2023 and to inflation. However, the emergence of new COVID-19 variants could prolong the pandemic and induce renewed economic disruptions. By March 2023, India administered a massive vaccine dose, amongst the highest in the world. Further, the RBI and the Indian government have taken a range of fiscal and monetary measures in the last two years to provide support to domestic businesses, and ensure ample liquidity in the system.

OVERALL REVIEW:

India has emerged as the world's fastest-growing major economy, and it is predicted to be one of the top economic powers in the next decade, owing to its robust democracy and strong partnerships. India is the largest producer of cotton globally. It is a crop that holds significant importance for the Indian economy and the livelihood of the Indian cotton farmers. The industry is sustaining livelihoods to millions of people in rural and semi urban areas by providing them employment directly and indirectly, including a large number of women and rural population. Cotton is one of the most important cash crops and accounts for around 25% of the total global fibre production. The close linkage of textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles makes it unique in comparison to other industries in the country. The ongoing global slowdown coupled with sharp increase in the prices of raw cotton are posing serious challenges to the Textile Industry.

COMPANY OVERVIEW:

Our Company main business of Ginning and Pressing of Seed Cotton ("Kapas"). 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 2022-2023, 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 2022-2023 as compared to previous financial year 2021-2022 but Our Company's domestic sales have increased in financial year 2022-2023 as compared to previous financial year 2021-2022. Our Company's products demand was high in the domestic market during the financial year 2022-2023.

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:

1. Expertise in new products development.
2. Policy Support: Several policy support initiatives taken by the government of India favourably
3. 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.
4. Various incentives offered by the government, have provided the much needed impetus to the Textile industry.
5. 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.

1. Uncertainty on monsoon.
2. Higher Cost of Raw Materials
3. Global Events like escalation of war in Ukraine
4. Rising crude oil prices
5. Logistic Risk: The scarcity and long delivery times of raw materials is still present due to complicated and highly expensive transports
6. Price fluctuations
7. Exchange fluctuations in case of Exports
8. 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.

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, 2023 is summarized below:

(₹ in Lakh except EPS)

PARTICULARS	F.Y. 2022-2023	F.Y. 2021-2022
Revenue form Operation	55,260.28	81,767.49
Other Income	501.51	1,278.57
Total Income (Total Revenue)	**55,761.79**	**83,046.06**
Total Expenditure (Excluding Depreciation)	53,336.61	80,802.44

Profit before Financial costs, Depreciation and amortization expenses and Taxation	**2,425.17**	**2,243.62**
Less: Finance Costs	33.57	162.47
Operating profit before Depreciation and amortization expenses and Taxation	**2,391.60**	**2,081.15**
Less: Depreciation and amortisation	105.63	49.60
Profit before Tax	**2,285.96**	**2,031.55**
Less: (1) Current Income Tax	604.71	513.21
Less: (2) Income Tax (Prior Period)	0.00	0.00
Less: (3) Deferred Tax	-22.28	-22.87
Profit after tax	**1,708.74**	**1,541.21**
EPS (Basic)	**0.87**	**0.78**
EPS (Diluted)	**0.87**	**0.78**

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 ₹ 55,761.78 Lakhs for the F.Y. 2022-2023 as compared to ₹ 83,046.06 Lakhs during the previous F.Y. 2021-2022.

During the year under review, the Company achieved Earnings before Interest, Taxes, Depreciation and Amortization Expense of ₹ 2285.96 Lakhs for the F.Y. 2022-2023 as compared to ₹ 2031.55 Lakhs during the previous F.Y. 2021-2022.

During the year under review, the Company achieved Profit after Taxation of ₹ 1708.74 Lakhs for the F.Y. 2022-2023 as compared to ₹ 1541.21 Lakhs during the previous F.Y. 2021-2022.

Export Sales for the F.Y. 2022-2023 was ₹ 8,155.29 Lakhs as compared to ₹ 25,389.69 Lakhs for the F.Y. 2021-2022.

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 2022-2023 vis-à-vis Financial Year 2021-2022 are as below:

Particulars	Numerator	Denominator	2022-2023	2021-2022	% of variance	Explanation for change in the ratio by more than 25%
Liquidity Ratio						

Particulars	Numerator	Denominator	2022-2023	2021-2022	% of variance	Explanation for change in the ratio by more than 25%
Current Ratio (times)	Current Assets	Current Liabilities	3.16	1.45	119%	During the current year, the Company has paid off majority of its outstanding vendors as on 31 March 2023. This led to substantial decrease in current liabilities with consequential improvement in current ratio.
Solvency Ratio						
Debt-Equity Ratio (times)	Current & Non-Current Borrowing + Lease Liabilities	Total Equity	0.12	-	100%	During the current year, the Company has taken real estate properties on lease pursuant to which the lease liabilities has been recognised as on reporting date.
Debt Service Coverage Ratio (times)	Net Profit after taxes + Depreciation & Amortisation Expenses + Finance Costs - Other Income + Taxes	Interest + Lease Payments + Principal Repayments of Loan	29.14	10.79	170%	The Company paid off all of its outstanding borrowings in previous year and further, the Company did not obtain any borrowings during the year. This resulted in improvement in this ratio.
Profitability ratio						
Net Profit Ratio (%)	Profit After Tax	Total Revenue from Operations	3.08%	1.88%	64%	The Company has shifted its focus towards higher-margin products (Organic Cotton) and the Company has implemented cost-saving measures to reduce its expenses. This is as a result of improved efficiencies, renegotiated supplier contracts, or a restructuring program.
Return on Equity Ratio (%)	Profit After Tax - preference dividend (if any)	Average Shareholder's Equity	38.44%	54.08%	-29%	The Company evidenced good amount of growth over past years. Because of which substantial increase in equity resulted in lower ROE for current year as compared to previous year.
Return on Capital employed (%)	Earnings before interest and taxes	Net Worth + Total Debt + Deferred Tax Liability - Deferred Tax Assets	39.88%	60.56%	-34%	During the current year, the Company has take real estate properties on lease pursuant to which the lease liabilities has been recognised as on reporting date. The led to increase in denominator of current year ratio.
Return on Investment (%)	Income generated from	Weighted average	NOT APPLICABLE			

Particulars	Numerator	Denominator	2022-2023	2021-2022	% of variance	Explanation for change in the ratio by more than 25%
	investments	invested funds				
Utilization Ratio						
Trade Receivables turnover ratio (times)	Revenue from operations	Average Trade Receivables	9.43	11.35	-17%	Not Applicable
Inventory turnover ratio (times)	Cost of goods sold	Average Inventory	0.24	2.08	-89%	In FY 2022-23 International Cotton Industry is experiencing a downturn, it led to reduced demand for goods, which in turn led to lower sales and result in excess inventory.
Trade payables turnover ratio (times)	Cost of Material Consumed + Changes in Inventories	Average Trade Payables	0.48	0.84	-43%	The Company has improved its cash management practices, it lead to a decrease in trade receivables and trade payable ratios. This are due to factors such as better invoicing and collection processes, improved credit policies, or more efficient supply chain management.
Net capital turnover ratio (times)	Revenue from Operations	Working Capital	11.45	25.3	-55%	In FY 2022-23 International Cotton Industry is experiencing a downturn, it led to reduced demand for goods, which in turn led to lower sales.

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.

Note: Reason for Variance are provided in case of changes of 25% or more as compared to Financial Year 2021-2022

CAUTIONARY STATEMENT:

Statements on the Management Discussion and Analysis and current year's outlook are Management's perception at the time of drawing this report. Actual results may be materially different from those expressed in the statement. Important

Registered office:

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

Date: September 04, 2023
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

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 Committee Members	Status / Designation	Chairman / Member	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Kushal Nitinbhai Patel	Managing Director	Chairman	1	1
2.	Nitinbhai Govindbhai Patel	Chairman Cum Managing Director	Member	1	1
3.	Pinaben Bharatkumar Patel* (upto June 30, 2022)	Independent Director	Member	1	1
4.	Vinod Kanubhai Rana* (w.e.f. June 30, 2022)	Independent Director	Member	NA	NA

* Mrs. Pinaben Bharatkumar Patel resigned from the Post of Independent Director w.e.f. June 30, 2022. The Board of Directors re-constituted Corporate Social Responsibility Committee on June 30, 2022 and appointed Mr. Vinod Kanubhai Rana as a Member of Corporate Social Responsibility Committee in place of Mrs. Pinaben Bharatkumar Patel.

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 ₹)	Amount required to be setoff for the financial year, if any (in ₹)
1	FY 2019-20	Not Applicable	Not Applicable
2	FY 2021-2022	Not Applicable	1,05,426
3	FY 2022-2023	1,05,426	Nil

6. Average net profit of the Company as per section 135(5): ₹ 8,47,44,962.

7. –

(Amount in ₹)

1. Two percent of average net profit of the Company as per section 135(5)	₹ 16,94,899/-
2. Surplus arising out of the CSR projects or programme or activities of the previous financial years	₹ 1,00,000/-
3. Amount required to be set off for the financial year, if any	0
4. Total CSR obligation for the financial year (1+2-3)	₹ 15,94,899/-

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

Total Amount Spent for the financial year (in ₹)	Amount Unspent (Amount in ₹)				
	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
16,00,000	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 The Project	Item From Activities in Schedule VII to the Act	Local area (Yes / No)	Location of the Project		Project Duration	Amount allocated for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amount Transferred to unspent CSR Account For the Project as Per Section 135(6) (in ₹)	Mode of implementation Direct (Yes/ No)	Mode of Implementation Through implementing Agency	
				State	District						Name	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 ₹)	Mode of Implementation Direct (Yes/ No)	Mode of implementation Through Implementing agency	
				State	District			Name	CSR Reg. Number
1	Contribution for providing Educational Institution and drug-free nation by educating the young breed of India about the evil effect	Promotion of Health and Education	Yes	Gujarat	Rajkot	11,00,000	No	K. D. Parvadiya Multi-speciality Hospital - Atkot	CSR00011463
2		Promotion of Health and Education	Yes	Gujarat	Dholka	5,00,000		Smt. Santokba Bhagwati General	CSR00005118

	of drugs & reinforcing the message for inspiring, motivating and supporting drug addicts to stay away from the perils of drug abuse							Hospital Trust	
	Total					16,00,000			

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): 16,00,000/-

g. Excess amount for set off, if any:

Sr. No.	Particular	Amount in ₹
i	Two percent of average net profit of the Company as per section 135(5)	16,94,899
ii	Total amount spent for the Financial Year	16,00,000
iii	Excess amount spent for the financial year [(ii)-(i)]	1,00,000
iv	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Not Applicable
v	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

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 ₹)	Amount spent in the reporting Financial Year (Amount in ₹)	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 Lacs (Amount in ₹)
				Name of the Fund	Amount in ₹	Date of Transfer	
1	2019-20	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
2	2021-2022	Nil	Nil	Nil	Nil	Nil	Nil
3	2021-2023	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 years(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 ₹)**	**Total amount allocated for the project (in ₹)**	**Amount spent on the project in the reporting Financial year (in ₹)**	**Cumulative amount spent at the end of the reporting Financial Year (in ₹)**	**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 04, 2023
Place: Kadi, Mahesana

Kushal Nitinbhai Patel
Managing Director
DIN: 06626639
Chairman of CSR Committee

Vinod Kanubhai Rana
Independent Director
DIN: 08160972
Member of CSR Committee

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 2023, the Statement of Profit and Loss, the Cash Flow Statement and a summary of significant accounting policies and other explanatory information.

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

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

INFORMATION OTHER THAN FINANCIAL STATEMENTS AND THE AUDITOR'S REPORT THEREON

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

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

MANAGEMENT'S 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 state of affairs, profit and other comprehensive income, changes in equity 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's 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

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

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

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

on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

MATERIALITY

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

COMMUNICATION WITH MANAGEMENT

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by section 197(16) of the Act, we report that Managerial Remuneration has been paid and provided by the company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

2. As required by 'the Companies (Auditor's Report) Order, 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 A", the statement on the matters specified in paragraphs 3 and 4 of the Order, to the extend applicable.

3. Further to our comments in Annexure A as required by Section 143 (3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c) The balance sheet, the statement of profit and loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   d) In our opinion, the aforesaid financial statements comply with the 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, 2023 from being appointed as a director in terms of section 164(2) of the Act;

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

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position.

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

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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.

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

Malav Shah
Partner
M.NO. 117101
UDIN: 23117101BGVUCH2851

Date: 28/04/2023
Place: Ahmedabad

"ANNEXURE A"

TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF AXITA COTTON LIMITED

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

1. (a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

   (b) The Company has a regular program of physical verification in a phased periodic manner, which is in our opinion, is reasonable having regards to size of the Company and nature of its assets. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the period and no material discrepancies between the book records and the physical fixed assets have been noticed.

   (c) 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.

2. (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 verification.

   (b) The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, paragraph 3 (ii) (b) of the Order is not applicable.

3. In our opinion and according to information and explanation given to us, the Company has not made investments in/ provided any guarantee or security/ granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties. Accordingly, paragraph 3 (iii) of the Order is not applicable.

4. 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.

5. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposit) Rules, 2014 (as amended). Accordingly, the provision of clause 3(v) of the Order is not applicable.

6. 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 products and are of the 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.

7. (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 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, 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 (₹ 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

8. 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.

9. (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 wilful 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.

10. (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 or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (x) (a) of the 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 the Order is not applicable.

11. (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) Since there is no fraud by the Company or no material fraud on the Company by any person has been noticed or reported during the year, 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.

12. The Company is not a Nidhi Company and accordingly, Paragraphs 3 (xii) of the Order is not applicable.

13. 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.

14. (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

15. 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.

16. (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.

17. The Company has not incurred cash losses in the current and in the immediately preceding financial year.

18. There has been no resignation of the statutory auditors of the Company during the year.

19. 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.

20. 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.

21. 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: 23117101BGVUCH2851

Date: 28/04/2023
Place: Ahmedabad

"ANNEXURE B"

TO THE INDEPENDENT AUDITOR'S ON THE FINANCIAL STATEMENTS OF AXITA COTTON LIMITED

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

We have audited the internal financial controls over financial reporting of Axita Cotton Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management is responsible for establishing and maintaining Internal Financial Controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance

About whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

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

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Malav Shah
Partner
M.NO. 117101
UDIN: 23117101BGVUCH2851

Date: 28/04/2023
Place: Ahmedabad

BALANCE SHEET AS AT MARCH 31, 2023

(₹ in Lakhs)

	Particulars	Note No.	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
I.	**ASSETS**				
(1)	**Non Current Assets**				
(a)	Property, Plant & Equipment	3 (a)	980.12	318.55	319.47
(b)	Intangible Assets	3 (b)	1.98	1.02	1.38
(c)	Financial Assets				
	(i) Other Financial Assets	4	11.56	21.00	-
(d)	Deferred Tax Assets (Net)	5	23.72	3.42	-
(e)	Other Non Current Assets	6	-	50.00	-
	Total Non Current Assets		**1,017.38**	**393.99**	**320.85**
(2)	**Current Assets**				
(a)	Inventories	7	696.17	476.37	800.84
(b)	Financial Assets				
	(i) Trade Receivables	8	4,415.01	7,302.89	7,100.99
	(ii) Cash & Cash Equivalents	9	813.36	354.82	988.20
	(iii) Other Bank Balance	9	74.34	-	-
	(iv) Other Financial Assets	4	15.54	19.60	21.45
(c)	Other Current Assets	6	1,048.59	2,329.75	1,483.98
	Total Current Assets		**7,063.01**	**10,483.43**	**10,395.46**
	Total Assets		**8,080.39**	**10,877.42**	**10,716.31**
II.	**EQUITY AND LIABILITIES**				
(1)	**Equity**				
(a)	Equity Share Capital	10	1,965.60	1,965.60	1,310.40
(b)	Other Equity	11	3,271.35	1,660.89	763.00
	Total Equity		**5,236.95**	**3,626.49**	**2,073.40**
(2)	**Liabilities**				
	Non Current Liabilities				
(a)	Financial Liabilities				
	(i) Borrowings	12	-	-	89.01
	(ii) Lease Liabilities	29	560.30	-	-
(b)	Provisions	14	47.38	-	-
(c)	Deferred Tax Liabilities (Net)	5	-	-	19.45
	Total Non Current Liabilities		**607.68**	**-**	**108.46**
	Current Liabilities				
(a)	Financial Liabilities				
	(i) Borrowings	12	-	-	1,306.40
	(ii) Lease Liabilities	29	42.08	-	-
	(iii) Trade Payables	16			
	- Dues of micro enterprises and small enterprises		0.62	160.89	-
	- Dues of creditors other than micro enterprises and small enterprises		1,410.50	6,484.97	4,762.63
	(iv) Other Financial Liabilities	13	155.86	325.88	2,175.63
(b)	Provisions	14	0.88	-	-
(c)	Current Tax Liabilities (Net)		37.77	173.70	140.00
(d)	Other Current Liabilities	15	588.05	105.49	149.79
	Total Current Liabilities		**2,235.76**	**7,250.93**	**8,534.45**
	Total Liabilities		**2,843.44**	**7,250.93**	**8,642.91**
	Total Equity and Liabilities		**8,080.39**	**10,877.42**	**10,716.31**

Corporate Information & Significant 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
Malav Shah
Partner

M. No. 117101
Place: Ahmedabad
Date: 28 April 2023
UDIN: 23117101BGVUCH2851

For and on behalf of Board of
Axita Cotton Limited

Nitinbhai Patel
Chairman cum Managing Director
DIN: 06626646

Kushal Patel
Managing Director
DIN: 06626639

Harsh Shah
Chief Finance Officer
Place: Kadi, Mahesana
Date: 28 April 2023

Deepak Chaubisa
Company Secretory

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2023

(₹ in Lakhs)

	Particulars	Note No.	Year Ended March 31, 2023	Year Ended March 31, 2022
	Income			
I	Revenue from Operations	17	55,260.28	81,767.49
II	Other Income	18	501.50	1,278.57
III	**Total Income (I+II)**		**55,761.78**	**83,046.06**
IV	**Expenses**			
	Cost of Material Consumed	19	137.88	1,326.75
	Purchase of Stock- In- Trade	20	50,939.37	74,474.72
	Change in Inventories of Finished goods, Work-in-Progress and Stock-In-Trade	21	-218.95	348.70
	Employee Benefits Expense	22	319.00	210.41
	Finance Costs	23	33.57	162.47
	Depreciation and Amortization Expenses	3	105.63	49.60
	Other Expenses	24	2,159.32	4,441.86
	Total Expense (IV)		**53,475.82**	**81,014.51**
V	**Profit/(loss) before Exceptional Items and Tax (III-IV)**			
VI	Exceptional items			
VII	**Profit/(loss) Before Tax (V-VI)**		**2,285.96**	**2,031.55**
VIII	**Tax Expenses**			
	1. Current tax	5	604.71	513.21
	2. Deferred tax	5	-22.28	-22.87
	Total Tax Expense (VIII)		**582.43**	**490.34**
IX	**Profit for the Year (VII-VIII)**		**1,703.53**	**1,541.21**
X	**Other Comprehensive Income**			
	(i) Item that will not be reclassified to profit or loss			
	Remeasurement of defined benefit plans		7.18	-
	Income tax relating to items that will not be reclassified to profit or loss	5	-1.97	-
	Other Comprehensive Income for the Year		**5.21**	**-**
	Total Comprehensive Income for the Year (IX+X)		**1,708.74**	**1,541.21**
XI	**Earnings Per Share (Face Value of ₹ 1/- each)**			
	- Basic & Diluted	25	0.87	0.78
Corporate Information & Significant 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

Malav Shah
Partner
M. No. 117101
Place: Ahmedabad
Date: 28 April 2023
UDIN: 23117101BGVUCH2851

For and on behalf of Board of
Axita Cotton Limited

Nitinbhai Patel
Chairman cum Managing Director
DIN: 06626646

Kushal Patel
Managing Director
DIN: 06626639

Harsh Shah
Chief Finance Officer
Place: Kadi, Mahesana
Date: 28 April 2023

Deepak Chaubisa
Company Secretory

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON MARCH 31, 2023

(₹ in Lakhs)

(a) Equity Share Capital

Particulars	As at March 31, 2023	As at March 31, 2022
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
Equity shares of ₹ 1/- each fully paid up		
Balance at the beginning of the reporting period	1,965.60	1,965.60
Changes due to prior period errors	-	-
Restated balance at the beginning of the reporting period	**1,965.60**	**1,965.60**
Changes in equity share capital during the year	-	-
Balance at the end of the reporting period	**1,965.60**	**1,965.60**

(b) Other Equity

Particulars	Reserves & Surplus		Total Other Equity
	Securities Premium	Retained earnings	
Balance as at April 1, 2021	**316.44**	**446.56**	**763.00**
Changes in accounting policies / prior period errors	-	-	-
Restated balance as at April 1, 2021	**316.44**	**446.56**	**763.00**
Profit for the year	-	1,541.21	1,541.21
Bonus Issue and Related expense	(316.44)	(338.76)	(655.20)
Tax Provision of earlier Years reversed	-	11.88	11.88
Total comprehensive income for the year	**(316.44)**	**1,214.33**	**897.89**
Balance as at March 31, 2022	**-**	**1,660.89**	**1,660.89**
Balance as at April 1, 2022	**-**	**1,660.89**	**1,660.89**
Changes in accounting policies / prior period errors	-	-	-
Restated balance as at April 1, 2022	**-**	**1,660.89**	**1,660.89**
Profit for the year	-	1,703.53	1,703.53
Other comprehensive income, net of tax			
Remeasurement of post-employment benefit obligations	-	5.21	5.21
Dividend Paid	-	(98.28)	(98.28)
Total comprehensive income for the year	**-**	**1,610.46**	**1,610.46**
Balance as at March 31, 2023	**-**	**3,271.35**	**3,271.35**

Nature and purpose of reserves:

1. **Securities Premium** - Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.
2. **Retained earnings** - It represents surplus / accumulated earnings of the Company available for distribution to the shareholders. It includes accumulated gain / (loss) amounting to ₹ 5.21 Lakhs (PY: ₹ Nil Lakhs) (net of tax) pertaining to remeasurement gain / (loss) on defined employee benefit plan as classified in other comprehensive income from period to period. Refer Note 35 for impact on account of transition to Ind AS as pm 1 April 2021.

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

Malav Shah
Partner
M. No. 117101
Place: Ahmedabad
Date: 28 April 2023
UDIN: 23117101BGVUCH2851

Nitinbhai Patel
Chairman cum Managing Director
DIN: 06626646

Kushal Patel
Managing Director
DIN: 06626639

Harsh Shah
Chief Finance Officer
Place: Kadi, Mahesana
Date: 28 April 2023

Deepak Chaubisa
Company Secretory

STATEMENT OF CASHFLOW FOR THE YEAR ENDED ON MARCH 31, 2023

(₹ in Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Cash Flow from Operating Activities		
Profit before Taxes	2,285.96	2,031.55
Amount Transferred to Reserve	-	11.88
Adjustments for:		
Depreciation & amortization	105.63	49.60
Interest Income	(45.51)	(105.15)
Provision for Expected Credit Loss	15.97	1.41
Unrealised gain on fair valuation of forward contract	4.55	(108.41)
Finance cost	33.57	162.47
Operating Profit before Working Capital Changes	**2,400.17**	**2,043.35**
Changes in working capital:		
(Increase)/Decrease in Inventory	(219.80)	324.47
(Increase)/Decrease in Trade Receivable	2,871.91	(203.31)
(Increase)/Decrease in Other Financial Assets	(0.49)	6.40
(Increase)/Decrease in Other Non-Financial Assets	1,281.16	(845.77)
Increase/(Decrease) in Trade payable	(5,234.74)	1,883.23
Increase/(Decrease) in Other Financial Liabilities	(170.02)	(1,745.89)
Increase/(Decrease) in Net Employee Benefit Liabilities	55.45	-
Increase/(Decrease) in Non-Financial Liabilities	482.56	(44.30)
Cash generated from Operations	**1,466.20**	**1,418.18**
Income Taxes Paid	(740.64)	(479.51)
Net Cash Flow from Operating Activities(A)	**725.56**	**938.67**
Cash Flow from Investing Activities		
Interest Received	44.90	105.15
Acquisition of Property, Plant and Equipment and Change in Capital Work in Progress	(76.07)	(98.32)
Decrease in Other Non Current Financial assets	-	(21.00)
(Increase)/Decrease in Current Financial Assets-Other bank Balance	(74.34)	-
Net Cash Flow from Investing Activities (B)	**(105.51)**	**(14.17)**
Cash Flow from Financing Activities		
Repayment of Borrowings	-	(1,395.41)
Dividend Paid	(98.28)	-
Interest & Financial Charges paid	(0.23)	(162.47)
Payment of principal and interest portion of lease liabilities	(63.00)	-
Net Cash Flow from Financing Activities(C)	**(161.51)**	**(1,557.88)**
Net Increase / (Decrease) in Cash and Cash Equivalents (A+ B+ C)	**458.54**	**(633.38)**
Cash and Cash Equivalents at the beginning of the period	**354.82**	**988.20**
Cash and Cash Equivalents at the end of the period	**813.36**	**354.82**
Notes to Statement of Cash Flows		
Cash and cash equivalent includes:		
Cash on Hand	54.34	14.19
Fixed deposits with banks with original maturity of less than three months	494.50	316.00
Balances with banks / financial institutions	264.52	24.63
Total Cash and Cash Equivalents	**813.36**	**354.82**

2. The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 - "Statement of Cash Flows".

3. Reconciliation of Financing Activities

Particulars	Borrowings	Lease Liabilities
Balance as at 1 April 2021	**1,395.41**	-
Cash Flow from Financing Activities		
(Repayment) / Proceeds of Principal Amount (Net)	(1,395.41)	-
Interest and finance charges paid	(162.47)	-
Total Cash Flow from Financing Activities	**(1,557.88)**	-
Liability related other changes	162.47	-
Balance as at 31 March 2022	-	-
Cash Flow from Financing Activities		
(Repayment) / Proceeds of Principal Amount (Net)	-	(29.66)
Interest and finance charges paid	(0.23)	(33.34)
Total Cash Flow from Financing Activities	**(0.23)**	**(63.00)**
Liability related other changes	0.23	632.04
Balance as at 31 March 2023	-	**602.38**

4. Previous year figures have been regrouped & reclassified wherever considered necessary to confirm to the current year's figures.

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: 28 April 2023
UDIN: 23117101BGVUCH2851

For and on behalf of Board of
Axita Cotton Limited

Nitinbhai Patel
Chairman cum Managing Director
DIN: 06626646

Kushal Patel
Managing Director
DIN: 06626639

Harsh Shah
Chief Finance Officer
Place: Kadi, Mahesana
Date: 28 April 2023

Deepak Chaubisa
Company Secretory

NOTE 1 – CORPORATE INFORMATION

Axita Cotton Limited ('The Company') is engaged in the business of manufacturing, trading, processing and finishing of cotton bales. 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 28 April 2023.

NOTE 2 – SIGNIFICANT 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.

Until the adoption of Ind AS, for all periods up to and including the year ended 31 March 2022, the Company prepared its Financial Statements in accordance with Section 133 of the 2013 Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP'). These are the Company's first Ind AS compliant Financial Statements. The date of transition to Ind AS is April 1, 2021. Refer Note 35 for the details of reconciliations for transition to Ind AS from previous GAAP and exemptions availed by the Company on first-time adoption.

(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	10 years
Software	10 years

* 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).

(V) STANDARDS ISSUED NOT YET EFFECTIVE

Following are the amendments to existing standards (as notified by Ministry of Corporate Affairs (MCA) on 31st March 2023) which are effective for annual periods beginning after 1st April 2023. The Company intends to adopt these standards or amendments from the effective date, as applicable and relevant. These amendments are not expected to have a significant impact on the Company's Financial Statements. This assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information being made available to the Company when it will adopt the respective standards.

AMENDMENTS TO IND AS 12 INCOME TAXES—DEFERRED TAX RELATED TO ASSETS AND LIABILITIES ARISING FROM A SINGLE TRANSACTION:

Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. Equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying Ind AS 116 Leases at the commencement date of a lease. The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognized for all deductible and taxable temporary differences associated with leases and decommissioning obligations.

AMENDMENTS TO IND AS 1 PRESENTATION OF FINANCIAL STATEMENTS – DISCLOSURE OF ACCOUNTING POLICIES:

The amendments replace all instances of the term ‘significant accounting policies’ with ‘material accounting policy information’. Accounting policy information is material if, when considered together with other information included in an entity’s Financial Statements, it can reasonably be expected to influence decisions that the primary users of general-purpose Financial Statements make on the basis of those Financial Statements. The supporting paragraph in Ind AS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

AMENDMENTS TO IND AS 8 ACCOUNTING POLICIES, CHANGES IN ACCOUNTING ESTIMATES AND ERRORS—DEFINITION OF ACCOUNTING ESTIMATES:

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in Financial Statements that are subject to measurement uncertainty”. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

(₹ in Lakhs)

NOTE 3

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) Property, Plant & Equipment										
Computer & Printer	14.91	1.04	-	15.95	8.76	3.80	-	12.56	3.39	6.15
Electrification	20.77	-	-	20.77	13.42	1.33	-	14.75	6.02	7.35
Factory & Building										
Right of Use (Lease)	-	650.31	-	650.31	-	54.03	-	54.03	596.28	-
Owned	113.77	37.76	0.02	151.55	47.96	8.65	-	56.61	94.94	65.81
Freehold Land	86.21	-	-	86.21	-	-	-	-	86.21	86.21
Plant & Machinery	298.71	5.10	-	303.81	178.29	22.12	-	200.41	103.40	120.42
Motor Vehicles	55.04	-	-	55.04	33.18	6.74	-	39.92	15.12	21.86
Furniture	13.15	45.15	-	58.30	6.37	4.77	-	11.14	47.16	6.78
Office Equipments	10.94	27.54	-	38.48	6.97	3.91	-	10.88	27.60	3.97
Total	**613.50**	**766.90**	**0.02**	**1,380.42**	**294.95**	**105.35**	**-**	**400.30**	**980.12**	**318.55**
(b) Intangible Assets										
Software	3.58	1.24	-	4.82	2.56	0.28	-	2.84	1.98	1.02
Total	**3.58**	**1.24**	**-**	**4.82**	**2.56**	**0.28**	**-**	**2.84**	**1.98**	**1.02**

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION / AMORTISATION				NET BLOCK	
	Balance as at April 1, 2021	Additions During the Year	Disposals / Adjustments	Balance as at March 31, 2022	Balance as at April 1, 2021	Additions During the Year	Disposals / Adjustments	Balance as at March 31, 2022	Balance as at March 31, 2022	Balance as at April 1, 2021
(a) Property, Plant & Equipment										
Computer & Printer	4.35	10.56	-	14.91	3.87	4.89	-	8.76	6.15	0.48
Electrification	20.77	-	-	20.77	11.80	1.62	-	13.42	7.35	8.97
Factory & Building										
Owned	113.18	0.62	-0.03	113.77	41.09	6.87	-	47.96	65.81	72.09
Freehold Land	86.21	-	-	86.21	-	-	-	-	86.21	86.21
Plant & Machinery	277.93	20.78	-	298.71	153.50	24.79	-	178.29	120.42	124.43
Motor Vehicles	43.97	11.07	-	55.04	26.12	7.06	-	33.18	21.86	17.85
Furniture	9.08	4.07	-	13.15	4.58	1.79	-	6.37	6.78	4.50
Office Equipments	9.69	1.25	-	10.94	4.75	2.22	-	6.97	3.97	4.94
Total	**565.18**	**48.35**	**-0.03**	**613.50**	**245.71**	**49.24**	**-**	**294.95**	**318.55**	**319.47**
(b) Intangible Assets										
Software	3.58	-	-	3.58	2.20	0.36	-	2.56	1.02	1.38
Total	**3.58**	**-**	**-**	**3.58**	**2.20**	**0.36**	**-**	**2.56**	**1.02**	**1.38**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
NOTE 4			
NON-CURRENT FINANCIAL ASSETS : OTHERS			
Deposits	11.56	21.00	-
Total	**11.56**	**21.00**	**-**
CURRENT FINANCIAL ASSETS : OTHERS			
Deposits	14.47	15.05	14.08
Derivative Asset	-	4.55	-
Other Receivable	1.07	-	7.37
Total	**15.54**	**19.60**	**21.45**
NOTE 5			
DEFERRED TAX ASSETS / (LIABILITIES) (NET)			
Property, plant and equipment and intangible assets	1.82	1.48	-21.03
Lease Liabilities	3.86	-	-
Employee Benefits – Gratuity	12.14	-	-
Expected Credit Loss	5.96	1.94	1.58
Rent Deposits	-0.06	-	-
Deferred Tax Assets / (Liabilities) (Net)	**23.72**	**3.42**	**-19.45**

(a) 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**

(b) Deferred tax balances and movement for the year ended March 31, 2022

Particulars	Balance as on April 1, 2021	Recognised in profit or loss	Recognised in OCI	Balance as on March 31, 2022
Deferred Tax Assets / (Liabilities)				
Property, plant and equipment and intangible assets	(21.03)	22.51	-	1.48
Expected Credit Loss	1.58	0.36	-	1.94
Deferred Tax Assets / (Liabilities) (Net)	**(19.45)**	**22.87**	**-**	**3.42**

(c) Tax expenses Amounts recognised in the Statement of Profit and Loss:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax		
Current income tax	604.71	513.21
Total - A	**604.71**	**513.21**
Deferred Tax		
Deferred tax expenses / (income) - net		
In respect of current year, origination and reversal of temporary differences	-22.28	-22.87
Total - B	**-22.28**	**-22.87**
Tax expenses for the year (A + B)	**582.43**	**490.34**

(d) Tax expenses recognised in Other Comprehensive Income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Remeasurement of post-employment benefit obligations	(1.97)	-

(e) Reconciliation of tax expenses and the accounting profit multiplied by India's tax rate:

Particulars	**2022-23**	**2021-22**
Accounting profit before income tax expenses	2,285.96	2,031.55
Tax expenses at statutory tax rate of 25.168% (Previous Year 25.168%)	**575.33**	**511.30**
Tax effects of amounts which are not deductible (taxable) in calculating the taxable income:		
Items having no tax consequences (including Chapter VI Deductions)	7.10	(20.96)
Tax expenses at effective income tax rate	**582.43**	**490.34**

NOTE 6

NON- CURRENT ASSETS : OTHERS

Capital Advances	-	50.00	-
Total	**-**	**50.00**	**-**

CURRENT ASSETS : OTHERS

Balances with Government Authorities	179.94	665.91	862.08
Advance to Vendors	862.82	1,659.90	580.91
Prepaid Expenses	5.83	3.94	5.63
Others	-	-	35.36
Total	**1,048.59**	**2,329.75**	**1,483.98**

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
NOTE 7			
INVENTORIES			
Raw Material	25.08	24.23	-
Finished Goods	671.09	452.14	800.84
Total	**696.17**	**476.37**	**800.84**
*** For Valuation- Refer significant accounting policies**			
NOTE 8			
CURRENT FINANCIAL ASSETS : TRADE RECEIVABLES			
Considered good - unsecured	4,438.70	7,310.61	7,107.30
Less: Provisions for Expected Credit Losses	(23.69)	(7.72)	(6.31)
Total	**4,415.01**	**7,302.89**	**7,100.99**
Refer Note 33 for trade receivables ageing schedule.			
NOTE 9			
CURRENT FINANCIAL ASSETS : CASH AND CASH EQUIVALENTS			
Balance with banks	264.52	24.63	642.25
Cash on hand	54.34	14.19	9.34
Fixed deposits with banks with original maturity of less than three months	494.50	316.00	336.61
Total	**813.36**	**354.82**	**988.20**
CURRENT FINANCIAL ASSETS : OTHER BANK BALANCES			
Deposits with original maturity for more than 3 months and less than 12 Months	74.30	-	-
Unpaid Dividend Account	0.04	-	-
Total	**74.34**	**-**	**-**
NOTE 10			
EQUITY SHARE CAPITAL			
Authorised Share Capital			
30,00,00,000 (as at March 31, 2022 : 3,00,00,000) (as at April 1, 2021 : 1,40,00,000) Equity shares of ₹ 1/- each (as at March 31, 2021 : ₹ 10/- each) (as at April 1, 2021 : ₹ 10/- each)	3,000.00	3,000.00	1,400.00
Total	**3,000.00**	**3,000.00**	**1,400.00**
Issued, Subscribed and Fully Paid-Up Share Capital			
19,65,60,000 (as at March 31, 2021 : 1,96,56,000) (as at April 1, 2021 : 1,31,04,000) Equity shares of ₹ 1/- each (as at March 31, 2021 : ₹ 10/- each) (as at April 1, 2021 : ₹ 10/- each)	1,965.60	1,965.60	1,310.40
Total	**1,965.60**	**1,965.60**	**1,310.40**
(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	**1,96,56,000**	**1,31,04,000**	**1,31,04,000**
Add : Bonus Shares issued during the year	-	65,52,000	-
Add: Stock Split during the year	17,69,04,000	-	-
Outstanding at the end of the year	**19,65,60,000**	**1,96,56,000**	**1,31,04,000**

(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, 2023, the amount of dividend per share recognised as distribution to equity shareholders is Rs. 0.50 per share (31 March 2022: Nil).

(iii) Details of Shareholders holding more than 5% equity shares

Name of shareholders		As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
AG Dynamic Funds Limited	Nos.	1,11,18,060	2,10,000	-
	% Holding	5.66%	1.07%	0.00%
Kushal Nitinbhai Patel	Nos.	5,70,61,087	59,95,572	39,97,048
	% Holding	29.03%	30.50%	30.50%
Nitinbhai Govindbhai Patel	Nos.	7,00,51,487	71,86,500	35,71,000
	% Holding	35.64%	36.56%	27.25%

(iv) Details of shares held by Promoters / Promoters Group:

Name of Shareholders		As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Kushal Nitinbhai Patel	Nos.	5,70,61,087	59,95,572	39,97,048
	% Holding	29.03%	30.50%	30.50%
	% Change	-1.47%	-	
Nitinbhai Govindbhai Patel	Nos.	7,00,51,487	71,86,500	35,71,000
	% Holding	35.64%	36.56%	27.25%
	% Change	-0.92%	9.31%	
Amitkumar Govindbhai Patel	Nos.	30,06,000	3,00,600	14,24,400
	% Holding	1.53%	1.53%	10.87%
	% Change	0.00%	-9.34%	
Gitaben Nitinbhai Patel	Nos.	65,24,011	6,78,528	4,52,352
	% Holding	3.32%	3.45%	3.45%
	% Change	-0.13%	0.00%	
Gitaben Amitbhai Patel	Nos.	45,000	4,500	1,15,000
	% Holding	0.02%	0.02%	0.88%
	% Change	0.00%	-0.85%	
Pooja Kushal Patel	Nos.	2,04,270	60,000	40,000
	% Holding	0.10%	0.31%	0.31%
	% Change	-0.20%	0.00%	
Krunalbhai Girishkumar Patel	Nos.	3,000	300	200
	% Holding	0.00%	0.00%	0.00%
	% Change	0.00%	0.00%	
Hemant Chandrakantbhai Patel	Nos.	10	-	-
	% Holding	0.00%	0.00%	0.00%
	% Change	0.00%	0.00%	
Lilavati Chandrakant Patel	Nos.	10	-	-
	% Holding	0.00%	0.00%	0.00%
	% Change	0.00%	0.00%	

(v) Bonus shares, Sub-division & Other information:

The Company has allotted 65,52,000 fully paid-up shares on 13 January 2022 pursuant to bonus issue approved by the shareholders in the ratio of 1:2 (one bonus equity shaer for every two existing equity shares). Further, the Company allotted 65,52,000 fully paid-up shares on 26 December 2019 pursuant to bonus issue approved by the shareholders in the ratio of 1:1 (one bonus equity shaer for every one existing equity shares). The bonus shares were issued by capitalization of portion of securities premium and portion of internal accruals.

On 21 Oct 2022, the Company sub-divided of every 1 (one) Equity Share of the nominal/face value of Rs 10/- each into 10 (Ten) Equity Share of the nominal/face value of Rs 1/- each.

The Company has made an Initial Public Offer of 17,52,000 equity shares of face value Rs. 10 at the price of Rs. 60 per share during the year ended 31 March 2019. There has also been a right issue of 23,00,000 equity shares of Face Value Rs. 10 at the price of Rs. 15 per share during the year ended 31 March 2019.

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
NOTE 11			
OTHER EQUITY			
Securities Premium	-	-	316.44
Retained earnings	3,271.35	1,660.89	446.56
Total	**3,271.35**	**1,660.89**	**763.00**
Securities Premium			
Opening balance - Securities Premium	-	316.44	316.44
Less: Utilised during the year	-	-316.44	-
Closing balance - Securities Premium	**-**	**-**	**316.44**
Retained Earnings			
Opening Balance - Retained Earnings	1,660.89	446.56	446.56
Add:			
Profit during the period	1,703.53	1,541.21	
Bonus Issue and Related expense	-	(338.76)	
Dividend	(98.28)	-	
Tax Provision of earlier Years reverse	-	11.88	
Other comprehensive income, net of tax			
Remeasurement of post-employment benefit obligations	5.21	-	
Closing balance - Retained Earnings	**3,271.35**	**1,660.89**	**446.56**
NOTE 12			
NON CURRENT FINANCIAL LIABILITIES : BORROWINGS			
Secured term loans from Banks*	-	-	150.99
Less: Current maturities shown as part of current borrowings	-	-	(61.98)
Total	**-**	**-**	**89.01**
CURRENT FINANCIAL LIABILITIES : BORROWINGS			
Secured loans from Banks**			
Loans Repayable on Demand	-	-	1,130.27
Current maturities of non-current borrowings	-	-	61.98
Loan from Related parties	-	-	114.15
Total	**-**	**-**	**1,306.40**

Terms of repayment, security and interest are as follows:
*PNB Covid loan from bank was secured against the hypothecation of entire current assets was repaid by Company on 5 January 2022.
**The PNB Bank CC was secured against hypothecation of entire current assets including raw material, stock in process, finshed goods, stores & spares and receivables of the company which were closed during the year.

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
NOTE 13			
NON-CURRENT FINANCIAL LIABILITIES: OTHERS			
CURRENT FINANCIAL LIABILITIES: OTHERS			
Dividend payable	0.03	-	-
Derivative liability	-	-	103.86
Other payables (including deposits)	155.83	325.88	2,071.77
Total	**155.86**	**325.88**	**2,175.63**
NOTE 14			
NON-CURRENT PROVISIONS			
Provision for employee benefits	47.38	-	-
Total	**47.38**	**-**	**-**
CURRENT PROVISIONS			
Provision for employee benefits	0.89	-	-
Total	**0.89**	**-**	**-**
NOTE 15			
NON-CURRENT LIABILITIES : OTHERS			
CURRENT LIABILITIES : OTHERS			
Advance from customers	570.00	-	90.68
Statutory liabilities	18.05	105.49	59.11
Total	**588.05**	**105.49**	**149.79**
NOTE 16			
CURRENT FINANCIAL LIABILITIES : TRADE PAYABLES			
Total outstanding dues of micro enterprises and small enterprises	0.62	160.89	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,410.50	6,484.97	4,762.63
Total	**1,411.12**	**6,645.86**	**4,762.63**

Refer Note 33 for trade payables ageing schedule.

Disclosure as required by the Micro, Small and Medium Enterprises Development Act, 2006

The Company had sought confirmation from the vendors whether they fall in the category of Micro / Small / Medium Enterprises. Based on the information available, the required disclosures are given below:

(a.) The principal amount outstanding as at the end of accounting year.	0.62	160.89	-
(b.) Interest amount due and remaining unpaid as at the end of accounting year	-	-	-
(c.) Interest paid by the company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
(d.) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
(e.) Interest accrued and remaining unpaid at the end of accounting year	-	-	-
(f.) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act,2006	-	-	-

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
NOTE 17		
REVENUE FROM OPERATIONS		
Reveune from Contracts with Customers		
A. Sales of products		
Bales		
Domestic- Bales	39,450.13	53,940.30
Export- Bales	8,155.29	25,389.69
Yarn		
Domestic- Yarn	6,967.43	-
Export- Yarn	176.78	-
Others		
Organic Premium	-	61.47
Domestic - Kapasiya	22.82	333.82
Sale of products (Net)	**54,772.45**	**79,725.28**
B. Other operating revenue (i)		
Brokerage Income	180.88	1,230.07
Settlement Income	139.33	326.65
BCI Charges	1.66	21.80
Duty Drawback income	43.56	121.59
RODTEP Income	105.29	286.59
Interest Equalization income	13.47	52.57
Other Operating Income	3.64	2.94
Total other operating revenue	**487.83**	**2,042.21**
Total Revenue from Operations	**55,260.28**	**81,767.49**
(i) Details of government grants recorded in the books of accounts:		
Duty Drawback income	43.56	121.59
RODTEP Income	105.29	286.59
NOTE 18		
OTHER INCOME		
Interest Income on Financial assets measured at amortised cost		
Interest on FDRs	44.90	63.92
Interest on Other	0.61	41.23
Net foreign exchange gain	67.83	494.81
Quality Allowance Income	299.12	449.66
Weight Shortage on Purchase	5.52	14.51
Net gain / (loss) on fair valuation of derivative contracts	27.11	132.18
Forward Contract Cancellation Gain	1.72	-
Other non-operating income	54.69	82.26
Total	**501.50**	**1,278.57**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
NOTE 19		
COST OF MATERIAL CONSUMED		
Raw Material		
Opening Stock	24.23	-
Add:		
Purchases	138.73	1,350.98
Less:		
Closing Stock	25.08	24.23
Total	**137.88**	**1,326.75**
NOTE 20		
PURCHASES OF STOCK-IN-TRADE		
Bales	44,110.49	74,324.04
Kapasiya	-	44.99
Yarn	6,828.88	71.48
Khol	-	34.21
Total	**50,939.37**	**74,474.72**
NOTE 21		
CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS AND STOCK-IN-TRADE		
Opening Stock		
Finished Good	452.14	800.84
	452.14	**800.84**
Less: Closing Stock		
Finished Good - Closing	-671.09	-452.14
	-671.09	**-452.14**
(Increase) / Decrease in Inventories	**-218.95**	**348.70**
NOTE 22		
EMPLOYEE BENEFITS EXPENSE		
Salaries and wages	256.93	209.83
Contribution to provident and other funds	0.51	0.58
Gratuity Expenses	55.45	-
Staff welfare, recruitment and training expenses	6.11	-
Total	**319.00**	**210.41**
NOTE 23		
FINANCE COSTS		
Interest on borrowings		
- From Bank (Secured Loan)	0.23	36.74
- From Others (Unsecured Loan)	-	33.33
Interest on lease liabilities	33.34	-
Bill Discounting Charges	-	92.40
Total	**33.57**	**162.47**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
NOTE 24		
OTHER EXPENSES		
Manufacturing Expenses		
Power Charges	17.80	9.82
Labour Charges	0.01	11.50
Indirect Manufacturing Expenses		
Brokerage Exp.	705.67	1,136.24
Custom & Clearing Charges	412.63	1,248.39
Transportation Expense	244.03	766.47
Sales allowance and Discount	457.84	500.37
Certification Charges	8.10	75.00
Stores, Spares and Consumables	2.16	15.67
Ginning and Pressing Expense	0.69	8.93
Fuel Charges	7.58	9.37
Repairs & Maintenance	3.50	4.90
Administrative and Selling and Marketing Expenses		
Bank Charges	1.93	5.62
Consultancy and Professional charges	40.62	108.17
Testing Expense	9.77	61.69
Inspection Charges	10.50	33.09
Registration and Membership Expenses	7.98	31.70
Insurance Expenses	7.92	24.06
Carriage Outward Charges	-	14.68
Travelling, Conveyance & Petrol Expenses	10.81	18.80
ROC Charges	0.16	12.15
Auditor Remuneration	3.50	2.50
Rent, Rates & Taxes	14.94	0.39
Donation	17.86	7.49
Printing, Stationary, Postage & Telephone Expenses	4.11	9.46
SME Expense	10.12	7.07
Provisions for ECL	15.97	1.42
Advertisement Expense	13.00	1.60
Organic Audit	4.77	8.77
Settlement Exp	47.74	262.64
Other Expenses	77.61	43.90
Total	**2,159.32**	**4,441.86**

Note (i): Payment to Auditors (including taxes)		
(a) For Statutory Audit	3.50	2.50
(b) For Tax related services	2.00	0.75
Total	**5.50**	**3.25**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Note (ii): Corporate social responsibility expenses		
Gross amount required to be spent by the Company during the year	16.95	4.45
Previous Year Excess Amount spent	1.00	-
Amount approved by the Board to be spent during the year	15.95	4.45
Amount spent during the year on:		
(a) Construction/acquisition of any asset	-	-
(b) On purposes other than (a) above	16.95	5.50
Total amount spent during the year	**16.95**	**5.50**
Shortfall at end of the year	-	-
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 25

EARNINGS/(LOSS) PER SHARE (EPS)

Profit/(Loss) after tax attributable to equity shareholders (₹ in Lakhs)	1,703.53	1,541.21
Weighted average No. of ordinary equity share for Basic/Diluted EPS	19,65,60,000	19,65,60,000
Basic / Diluted EPS (₹)	0.87	0.78

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023 **(₹ in Lakhs)**

NOTE 26

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 compnay on its name, and further for immovable properties taken on lease, lease agreements are executed with Lessor.

(ix) None of borrowings are secured based on working capital of the Company and hence, the Company is not required to submit quarterly any financial document such as working capital etc. Further, the borrowings have been utilised for the purpose for which the same is obtained.

(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 not given any loan to any parties 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 27
CONTIGENT LIABILITIES

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Discounted Trade Receivable with bank	-	-	3,940.89
Oustanding Refunds from GST Department #	-	129.30	-

A refund has been claimed from the GST Department relating to previous year as per declaration given by the management

NOTE 28

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. None of the customers individually accounted for more than 10% of the revenues in the year ended March 31, 2023 and March 31, 2022. The Company's revenue is derived from below mentioned geographies:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from Contract with Customers		
- India	39,472.95	54,335.59
- Others	8,155.29	25,389.69

NOTE 29

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:

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	-	-
Add: Addition during the period	632.04	-
Add: Interest Expenses	33.34	-
Less: Payments	(63.00)	-
Closing Balance	**602.38**	**-**
Non-Current	**560.30**	**-**
Current	**42.08**	**-**

Amounts recognised in profit or loss

Particulars	2022-23	2021-22
Expenses relating to short-term leases & low value assets	8.47	6.93

Amounts recognised in statement of cash flows

Particulars	2022-23	2021-22
Total cash outflow for leases	71.47	6.93

Maturity Analysis of lease liabilities (undiscounted cashflows):

Particulars	As at March 31, 2023	As at March 31, 2022
Less than 12 Months	84.00	-
1-2 Years	84.00	-
2-5 Years	286.65	-
More than 5 Years	357.42	-
Total	**812.07**	**-**

NOTE 30

REVENUE FROM CONTRACTS WITH CUSTOMERS

(a) Disaggregation of revenue from contracts with customers

Refer Note 28 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	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Trade Receivables	4,415.01	7,302.89	7,100.99
Contract liabilities - Amount due to Customers	570.00	-	90.68

(c) Movements in contract balances

Revenue recognised that was included in the contract liability balance at the beginning of the period	-	90.68	-

(d) Unsatisfied performance obligations

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) are as follows:			
Within one year	570.00	-	90.68
More than one year	-	-	-
Total	**570.00**	**-**	**90.68**

NOTE 31

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	As at March 31, 2023
I. Components of Employer Expense recognised in Statement of Profit & Loss	
a) Current Service Cost	52.21
b) Net Interest Cost	3.24
Total Expense recognised in Statement of Profit and Loss	**55.45**
II. Net Asset / (Liability) recognised in Balance Sheet	
a) Present value of Defined Benefit Obligation	48.26
b) Fair Value of Plan Assets	-
Net Asset / (Liability) recognised in Balance Sheet	**48.26**
Current	**0.88**
Non-Current	**47.38**
III. Changes in Defined Benefit Obligations (DBO) during the year	
a) Opening Present Value of Obligation	-
b) Current Service Cost	52.21
c) Interest Cost	3.24
d) Actuarial (Gain) / Loss	(7.18)
e) Benefit Paid	-
Present Value of Obligation at the year end	**48.27**
IV. Actuarial Assumptions	
a) Type of fund	Non funded
b) Discount Rate (per annum)	7.30%
c) Mortality	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
e) Retirement Age	60
f) Annual Increase in Salary Cost	7.00%
V. Actuarial (gain) / loss recognised	
Actuarial (gain) / loss recognised on obligations:	
Due to Change in financial assumptions	(3.22)
Due to change in demographic assumption	-
Due to experience adjustments	(3.96)
Net Actuarial (gain) / loss recognised during the year	**(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, 2023

Particulars	Gratuity	
	Increase	Decrease
Discount rate (- / +1%)	43.86	53.67
Salary growth rate (- / +1%)	53.63	43.82
Withdrawl 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 32

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
7	Aditya Oil Industries Limited	Director is Relative of KMP
8	Axita Industries Private Limited	Common Directors
9	Ng Organics Private Limited	Common Directors
10	Nature Organic Certificate Private Limited (Formerly known as Avanit Exim Private Limited)	Director is Relative of KMP
11	Amit Provision Store (Sole Proprietorship)	Owner is Relative of KMP
12	Shreenathji Enterprise (Sole Proprietorship)	Relative of KMP
13	Abheek Organic Farm & Exports (Partnership Firm)	Partner is Relative of KMP

14	Ag Textile Industries (Partnership Firm)	Partner is Relative of KMP

(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, 2023	For the year ended March 31, 2022
(a)	**Remuneration**		
	Kushal Patel	60.00	40.50
	Nitin Patel	60.00	40.50
	Gitaben Patel	27.50	17.52
	Pooja Patel	30.00	24.70
	Amitbhai Govindbhai Patel	-	6.00
(b)	**Reimbursement Of Expenses**		
	Kushal Patel	-	1.13
(c)	**Advance for expenses**		
	Nitin Patel	-	0.90
(d)	**Interest on loan**		
	Amitbhai Govindbhai Patel	-	2.36
(e)	**Sale Of Cotton Bales**		
	Axita Exports Private Limited	3.67	1,272.53
	Aditya Oil Industries Limited	1.39	193.90
	Axita Industries Private Limited	-	9.55
	Ng Organics Private Limited	0.50	97.15
	Shreenathji Enterprise (Sole Proprietorship)	-	915.38
	Abheek Organic Farm & Exports (Partnership Firm)	1,120.06	-
(e)	**Purchase Of Cotton Bales**		
	Aditya Oil Industries Limited	2,249.63	2,118.05
	Nature Organic Certificate Private Limited (Formerly known as Avanit Exim Private Limited)	-	506.01
	Shreenathji Enterprise (Sole Proprietorship)	-	1,174.46
	Abheek Organic Farm & Exports (Partnership Firm)	683.92	490.32
	AG Textile Industries (Partnership Firm)	1,031.17	492.62
	Axita Exports Private Limited	3.67	-
(f)	**Office expenses**		
	Amit Provision Store (Sole Proprietorship)	-	0.65
(g)	**Loan given**		
	Kushal Patel	-	34.56
	Nitin Patel	-	25.84
(g)	**Repayment of loan**		
	Kushal Patel	-	38.42
	Nitin Patel	-	30.00
	Amitbhai Govindbhai Patel	-	106.13

(c) Outstanding balance arising from sales/purchase of goods /services with related parties

No.	Nature of Transaction	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
1	Loans	-	-	114.15
2	Trade payable	-	1,772.51	100.00

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023 **(₹ in Lakhs)**

NOTE 33

FINANCIAL INSTRUMENTS – FAIR VALUE MEASUREMENT AND RISK MANAGEMENT

A. Accounting classification and fair values

March 31, 2023	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost #	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial Assets								
Other financial assets								
- Non-Current	-	-	11.56	11.56	-	-	-	-
- Current	-	-	15.54	15.54	-	-	-	-
Trade receivables	-	-	4,415.01	4,415.01	-	-	-	-
Cash and cash equivalents	-	-	813.36	813.36	-	-	-	-
Other bank balances	-	-	74.34	74.34	-	-	-	-
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	-	-	155.86	155.86	-	-	-	-
Trade payables	-	-	1,411.12	1,411.12	-	-	-	-
Total	**-**	**-**	**2,169.36**	**2,169.36**	**-**	**-**	**-**	**-**

March 31, 2022	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost #	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial Assets								
Other financial assets								
- Non-Current	-	-	21.00	21.00	-	-	-	-
- Current	4.55	-	15.05	19.60	-	4.55	-	4.55
Trade receivables	-	-	7,302.89	7,302.89	-	-	-	-
Cash and cash equivalents	-	-	354.82	354.82	-	-	-	-
Other bank balances	-	-	-	-	-	-	-	-
Total	**4.55**	**-**	**7,693.76**	**7,698.31**	**-**	**4.55**	**-**	**4.55**
Financial Liabilities								
Other Financial Liabilities								
- Current	-	-	325.88	325.88	-	-	-	-
Trade payables	-	-	6,645.86	6,645.86	-	-	-	-
Total	**-**	**-**	**6,971.74**	**6,971.74**	**-**	**-**	**-**	**-**

April 1, 2021	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost #	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial Assets								
Other financial assets								
- Non-Current	-	-	-	-	-	-	-	-
- Current	-	-	21.45	21.45	-	-	-	-
Trade receivables	-	-	7,100.99	7,100.99	-	-	-	-
Cash and cash equivalents	-	-	988.20	988.20	-	-	-	-
Other bank balances	-	-	-	-	-	-	-	-
Total	**-**	**-**	**8,110.64**	**8,110.64**	**-**	**-**	**-**	**-**
Financial Liabilities								
Borrowings								
- Non-Current	-	-	89.01	89.01	-	-	-	-
- Current	-	-	1,306.40	1,306.40	-	-	-	-
Other Financial Liabilities								
- Non-Current	-	-			-	-	-	-
- Current	103.86	-	2,071.77	2,175.63	-	103.86	-	103.86
Trade payables	-	-	4,762.63	4,762.63	-	-	-	-
Total	**103.86**	**-**	**8,229.81**	**8,333.67**	**-**	**103.86**	**-**	**103.86**

 # 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 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 provision for expected credit loss on financial assets as on reporting date is Nil. The ageing of trade receivables that were not impaired was as follows:

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	-	(13.73)	(3.00)	(1.04)	(5.92)		(23.69)
Total Trade Receivables	**-**	**4,239.31**	**16.30**	**159.40**	**-**	**-**	**4,415.01**

March 31, 2022	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	-	7,250.14	45.09	7.22	0.44	-	7,302.89
Disputed Trade Receivables– considered good		-	0.92	6.80	-	-	7.72
Total	**-**	**7,250.14**	**46.01**	**14.02**	**0.44**	**-**	**7,310.61**
Less: Allowance for bad and doubtful debts	-	-	(0.92)	(6.80)	-	-	(7.72)
Total Trade Receivables	**-**	**7,250.14**	**45.09**	**7.22**	**0.44**	**-**	**7,302.89**

April 1, 2021	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	-	7,100.51	0.05	0.43	-	-	7,100.99
Disputed Trade Receivables– considered good	-	6.31	-	-	-	-	6.31
Total	**-**	**7,106.82**	**0.05**	**0.43**	**-**	**-**	**7,107.30**
Less: Allowance for bad and doubtful debts	-	(6.31)	-	-	-	-	(6.31)
Total Trade Receivables	**-**	**7,100.51**	**0.05**	**0.43**	**-**	**-**	**7,100.99**

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:

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	155.86	155.86	155.86	-	-	-
Total	**2,169.36**	**2,379.05**	**1,650.98**	**84.00**	**286.65**	**357.42**

March 31, 2022	Carrying amount	Contractual cash flows				
		Total	Less than 12 months	1-2 years	2-5 years	More than 5 years
Trade payables	6,645.86	6,645.86	6,645.86	-	-	-
Other current financial liabilities	325.88	325.88	325.88	-	-	-
Total	**6,971.74**	**6,971.74**	**6,971.74**	**-**	**-**	**-**

April 1, 2021	Carrying amount	Contractual cash flows				
		Total	Less than 12 months	1-2 years	2-5 years	More than 5 years
Trade payables	4,762.63	4,762.63	4,762.63	-	-	-
Borrowings	1,395.41	1,395.41	1,306.40	89.01	-	-
Other current financial liabilities	2,071.77	2,071.77	2,071.77	-	-	-
Total	**8,229.81**	**8,229.81**	**8,140.80**	**89.01**	**-**	**-**

The ageing of trade payables was as follows:

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**

March 31, 2022	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	-	-	160.89	-	-	-	160.89
(ii) Others	-	-	6,426.89	50.61	7.47	-	6,484.97
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-	-
Total	**-**	**-**	**6,587.78**	**50.61**	**7.47**	**-**	**6,645.86**

April 1, 2021	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	-	-	-	-	-	-	-
(ii) Others	-	-	4,737.05	25.58	-	-	4,762.63
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-	-
Total	**-**	**-**	**4,737.05**	**25.58**	**-**	**-**	**4,762.63**

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, 2023	March 31, 2022	April 1, 2021
Trade Receivables	$20.09	$7.42	$59.16
Total	**$20.09**	**$7.42**	**$59.16**

Following are outstanding forward contracts as on the reporting date:

Particulars (in USD)	March 31, 2023	March 31, 2022	April 1, 2021
Forward Contracts - To sell USD	$0.00	$23.71	$205.00

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	
	2022-23	2021-22	2022-23	2021-22
+5%	82.59	28.16	82.59	28.16
-5%	-82.59	-28.16	-82.59	-28.16

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's borrowings as on the reporting date is Nil.

NOTE 34

FINANCIAL RATIO

(₹ in Lakhs)

Particulars	Numerator	Denominator	2022-23	2021-22	% of variance	Explanation for change in the ratio by more than 25%
Liquidity Ratio						
Current Ratio (times)	Current Assets	Current Liabilities	3.16	1.45	119%	During the current year, the Company has paid off majority of its outstanding vendors as on 31 March 2023. This led to substantial decrease in current liabilities with consequential improvement in current ratio.

(₹ in Lakhs)

Particulars	Numerator	Denominator	2022-23	2021-22	% of variance	Explanation for change in the ratio by more than 25%
Solvency Ratio						
Debt - Equity Ratio (times)	Current & Non-Current Borrowing + Lease Liabilities	Total Equity	0.12	-	100%	During the current year, the Company has take real estate properties on lease pursuant to which the lease liabilities ha been recognised as on reporing date.
Debt Service Coverage Ratio (times)	Net Profit after taxes + Depreciation & Amortisation Expenses + Finance Costs - Other Income + Taxes	Interest + Lease Payments + Principal Repayments of Loan	29.14	10.79	170%	The Company paid off all of its outstanding borrowings in previous year and further, the Company did not obtain any borrowings during the year. This resulted in improvement in this ratio.
Profitability ratio						
Net Profit Ratio (%)	Profit After Tax	Total Revenue from Operations	3.08%	1.88%	64%	The Company has shifted its focus towards higher-margin products (Organic Cotton) and the Company has implemented cost-saving measures to reduce its expenses. This is as a result of improved efficiencies, renegotiated supplier contracts, or a restructuring program.
Return on Equity Ratio (%)	Profit After Tax - preference dividend (if any)	Average Shareholder's Equity	38.44%	54.08%	-29%	The Company evidenced good amount of grwoth over past years. Because of which substantial increase in equity resulted in lower ROE for current year as compared to previous year.

Particulars	Numerator	Denominator	2022-23	2021-22	% of variance	Explanation for change in the ratio by more than 25%
Profitability ratio						
Return on Capital employed (%)	Earning before interest and taxes	Net Worth + Total Debt + Deferred Tax Liability - Deferred Tax Assets	39.88%	60.56%	-34%	During the current year, the Company has take real estate properties on lease pursuant to which the lease liabilities has been recognised as on reporing date. The led to increase in denominator of current year ratio.
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	9.43	11.35	-17%	Not Applicable
Inventory turnover ratio (times)	Cost of goods sold	Average Inventory	0.24	2.08	-89%	In FY 2022-23 International Cotton Industry is experiencing a downturn, it led to reduced demand for goods, which in turn led to lower sales and result in excess inventory.
Trade payables turnover ratio (times)	Cost of Material Consumed + Changes in Inventories	Average Trade Payables	0.48	0.84	-43%	The Company has improved its cash management practices, it lead to a decrease in trade receivables and trade payable ratios. This are due to factors such as better invoicing and collection processes, improved credit policies, or more efficient supply chain management.
Net capital turnover ratio (times)	Revenue from Operations	Working Capital	11.45	25.30	-55%	In FY 2022-23 International Cotton Industry is experiencing a downturn, it led to reduced demand for goods, which in turn led to lower sales.

NOTICE OF THE 10th (TENTH) ANNUAL GENERAL MEETING (AGM)

Notice is hereby given that the **10th (Tenth)** Annual General Meeting (AGM) of the Members of **Axita Cotton Limited** will be held on **Saturday, September 30, 2023** at **03:30 p.m.** through Video Conferencing (VC) / Other Audio Visual Means (OAVM), to transact the following businesses:

ORDINARY BUSINESSES:

1. ADOPTION OF FINANCIAL STATEMENTS:

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2023 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, 2023 and the Reports of the Board of Directors and the Reports of the Auditors thereon be and are hereby received, considered and adopted."

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

To appoint a Director in place of Mr. Nitinbhai Govindbhai Patel (DIN: 06626646), who retires by rotation and being eligible, offers himself for re-appointment.

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

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

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

SPECIAL BUSINESSES:

3. RE-APPOINTMENT OF MR. NITINBHAI GOVINDBHAI PATEL AS CHAIRMAN CUM MANAGING DIRECTOR OF THE COMPANY AND APPROVAL OF THE PAYMENT OF REMUNERATION:

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

"**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203 and Schedule V of the Companies Act, 2013 ('the Act') and other applicable provisions of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification(s) or re-enactment thereof, for the time being in force, relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the recommendation(s) of the Nomination and Remuneration Committee or any other approval, as may be required, under any enactment or law for the time being in force, if any, approval of the Members of the Company be and is hereby accorded for re-appointment of Mr. Nitinbhai Govindbhai Patel (DIN: 06626646) as Chairman Cum Managing Director of the Company for a period of 5 years w.e.f. October 1, 2023, at a remuneration and other terms and conditions as mentioned below:

1. Remuneration: Rs. 5,00,000/- (Rupees Five Lakh Only) per month with effective from October 1, 2023.
2. Perquisites: Following perquisites are inclusive of the remuneration amount, to be provided
    1. Vehicles - for self & family as per rules of the Company.
    2. Fuel Expenses & Toll charges.
    3. Accommodation on Lease.
    4. Expenses related to electricity, water, maintenance etc of the accommodation provided by the Company.
    5. Driver's Salary and Overtime & Night Charges of Drivers to be paid extra, if any.
    6. Vehicle's Insurance.
    7. Expenses related to Vehicle's maintenance.
    8. Communication Expenses which includes reimbursements of mobile bill, data card bill, internet bills, etc.
    9. Medical Reimbursement - Reimbursement of actual medical expenses incurred in India and/or abroad including hospitalization, nursing home and surgical charges for self and family.
    10. Reimbursements related to meal expenditure
    11. Travel Expenses - for self & family as per rules of the Company.
    12. Insurance - Payment of Insurance Premium for Life insurance, Group Insurance, Personal Accident Insurance for such amount as may be considered appropriate by the Board.
    13. Contribution to Provident Fund, Superannuation Fund or Annuity Fund as per the rules of the Company. These will not be included in the computation of the ceiling on perquisites or remuneration to the extent these either singly or put together are not taxable under the Income Tax Act, 1961. Gratuity shall be payable as per the rules of the Company. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.
    14. Leave Travel Assistance, Leave on full pay and allowances as per rules of the Company. Leave accumulated but not availed may be allowed to encash as per rules of the Company.
3. Other Terms:
    a) The Director shall not be paid any sitting fee for attending the meetings of the board of directors or Committees thereof.
    b) The Director shall not become interested or otherwise concerned directly or through his relative(s) in any selling agency of the company without the prior approval of the Central Government.

RESOLVED FURTHER THAT the Managing Director shall be entitled to the facilities as are allowable to the employees of Senior Management Cadre of the Company and reimbursement of entertainment and other expenses actually and properly incurred by him in connection with the Business of the Company.

RESOLVED FURTHER THAT gratuity payable as per the rules of the Company but not exceeding 15 days salary for each completed year of service, encashment of leave at the end of the tenure and Provident Fund will not be included in the computation of Salary to the extent the same are not taxable under the Income-Tax Act, 1961.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the tenure of his service as Chairman Cum Managing Director, Mr. Nitinbhai Govindbhai Patel, shall be paid the remuneration as detailed herein as the minimum remuneration subject to limits laid down in Schedule V of the Companies Act, 2013 or as approved by the members of the Company by way of Special Resolution or otherwise as permissible by law for the time being in force.

RESOLVED FURTHER THAT notwithstanding to the above, the remuneration payable, to Mr. Nitinbhai Govindbhai Patel (DIN: 06626646), Chairman Cum Managing Director of the Company during his term in the Company, including increase in remuneration and/or waiver of refund of excess remuneration and/or the remuneration to be paid in the event of loss or inadequacy of profit in any financial year, shall be treated as minimum remuneration and be payable to him shall be in compliance the provisions of in Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any Directors of the Company be and is hereby authorized to alter, vary and modify any of the terms and conditions of the said re-appointment / remuneration including salary, allowances and perquisites in accordance with and subject to the limits prescribed in Section 196, 197 and/or Schedule V of the Companies Act, 2013 or any amendment or any statutory modifications or re-enactment thereof, subject to approvals, if any as may be required and as may be agreed between the Board of Directors and Mr. Nitinbhai Govindbhai Patel."

4. APPOINTMENT OF MR. KUSHAL NITINBHAI PATEL TO NON-EXECUTIVE DIRECTOR OF THE COMPANY:

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

"**RESOLVED THAT** Mr. Kushal Nitinbhai Patel (DIN: 06626639) who was appointed as a Managing Director ("MD")of the Company w.e.f. October 10, 2018 at the Extra Ordinary General Meeting and whose term of 5 years of appointment as a Managing Director expires on October 09, 2023, and he has shown his unwillingness to occupy the position as a Managing Director of the Company, in terms of Section 152, 161 196, 197 and other applicable provisions of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Article 100 of the Article of Association, and pursuant to the recommendation of the Nomination & Remuneration Committee and subject to such other approvals as may be necessary, consent of the members of the Company be and is hereby accorded to for the appointment of Mr. Kushal Nitinbhai Patel, as a Non-executive, Non Independent Director of the Company, liable to retire by rotation, with effect from September 30, 2023.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 188, 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time and regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (including any amendments thereto or re-enactment thereof, for the time being in force) (hereinafter collectively referred to as the "Applicable Laws") and the Articles of Association of the Company and on the recommendation of the Nomination and Remuneration Committee and subject to such other approvals as may be necessary, consent of the members of the Company be and is hereby accorded to remunerate Mr. Kushal Nitinbhai Patel, Non-executive Director of the Company, an amount not exceeding Rs 5,00,000/- per month (Rupees Five lakhs only) as fixed consultation charges excluding applicable taxes and as per terms and conditions decided between the Company and him and as approved by the Board, pursuant to the recommendation of the Nomination and Remuneration Committee for a period of three (3) financial years or such other time period as may be permitted under the Act.

RESOLVED FURTHER THAT the consent of the members be and is hereby accorded to pay remuneration of an amount not exceeding Rs 5,00,000/- per month (Rupees Five lakhs only) per month to Mr. Kushal Nitinbhai Patel (DIN: 06626639), Non-Executive Director in case of no profit or inadequate profits during the relevant financial year in a manner that the aggregate commission/remuneration payable to all the Non-Executive Directors (including Independent Directors) shall not exceed Rupees One Crore in any financial year in such amounts or proportions and in such manner as may be determined by the Board of Directors of the Company for a period of three (3) financial years or such other time period as may be permitted under the Act.

RESOLVED FURTHER THAT remuneration upto above limits shall be paid as minimum remuneration notwithstanding the profits / absence of profits / inadequacy of profits of the Company during a period of three (3) consecutive financial years, and that such remuneration may exceed the limits specified under Section 197 and Schedule V of the Act.

RESOLVED FURTHER THAT the above remuneration shall be in addition to fees payable to the Director(s) for attending the meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board of Directors and reimbursement of expenses for participation in the Board and other meetings.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any Directors of the Company be and is hereby authorized to sign and file necessary Form(s) with the ROC and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.

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

5. APPOINTMENT OF MR. UTSAV HIMANSHU TRIVEDI (DIN: 10185472) AS AN INDEPENDENT DIRECTOR OF THE COMPANY:

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

"**RESOLVED THAT** in accordance with, the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), and the Rules made thereunder, read with Schedule IV of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 including any other Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Utsav Himanshu Trivedi (DIN: 10185472) who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be appointed as an Independent Director, not liable to retire by rotation and to hold office for a term up to June 29, 2028.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. ALTERATION OF "MAIN OBJECT CLAUSE III (A)" OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY:

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

"**RESOLVED THAT** pursuant to the provisions of Section 4 and 13 of the Companies Act, 2013 ("the Act") read with applicable Rules and all other applicable provisions, if any, of the Companies Act, 2013 (the "Act") (including any statutory modification(s) or reenactment(s) thereof for the time being in force) and subject to the approval of the Registrar of Companies, Gujarat and such other authorities as may be applicable in this regard, consent of the members of the Company be and is hereby accorded for addition of new clauses 2 and 3 below existing clause 1 of the Main Object Clause III (A) of the Memorandum of Association ("the MOA") of the Company :-

The Main Objects III (A),

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.

RESOLVED FURTHER THAT the Memorandum of Association incorporating the aforesaid alterations placed before the Meeting be and is hereby approved.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any Director(s) of the Company be and is hereby severally authorised to make necessary application(s) and to sign, execute and file all such forms, papers and documents as may be considered necessary or expedient including appointing attorneys or authorized representatives under appropriate Letter(s) of Authority to appear before the office of the ROC and other regulatory authorities, as may be applicable, for making application to give effect to the above resolution and to file required documents and information to such other authority(s) as may be required from time to time and to do all such acts, deeds and things as may be required in this connection."

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. 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

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

"**RESOLVED THAT** pursuant to the provisions of Section 62(1) (b) and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory amendment thereto or re-enactment thereof), provisions of Foreign Exchange Management Act, 1999, the rules and regulations framed thereunder and any rules, circulars, notifications, guidelines and regulations issued by the Reserve Bank of India ("FEMA"), applicable provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI (SBEB & SE) Regulations") , the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), provisions of any regulations/ guidelines prescribed by the Securities and Exchange Board of India ("SEBI") and other applicable laws for the time being in force, relevant provisions of the Memorandum of Association and Articles of Association of the Company and any other applicable and prevailing statutory Guidelines / Circulars in that behalf and subject further to such other approval(s), consent(s), permission(s), and / or sanction(s) as may be necessary from the appropriate regulatory authority(ies) / institution(s) and such conditions and modifications as may be prescribed / imposed by the appropriate regulatory authority(ies) / institution(s) while granting such approval(s), consent(s), permission(s) and / or sanction(s) and based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, consent of the members of the Company be and is hereby accorded for approval of 'Axita Employee Stock Option Plan 2023' ("Plan" or "ESOP") and thereby, authorizing the Director of the Company and Board of Directors (hereinafter referred to as the "Board of Directors" which term shall be deemed to include any Committee, including the Nomination & Remuneration Committee, which the Board of Directors has constituted to exercise its powers, including the powers, conferred by this resolution) to create, grant and offer

upto 9000000 (Ninety Lacs only) options (hereinafter referred to as "Options") and to issue and allot, upon exercise of Options, not more than 9000000 (Ninety Lacs only) fully paid up equity shares of the Company ("Equity Share(s)"), in one or more tranches, from time to time, to or for the benefit of such person(s) who are in the employment or service of the Company (together with the stock options proposed to be created / offered / issued / allotted to or for the benefit of such persons who are in employment of the Company or Company's identified subsidiaries or associates, in terms of the Plan, present and future, whether working in India or outside India, including any director who is in whole-time employment (other than employees / directors who are promoters or belonging to the promoter group, independent directors and a director who, either himself or through his relative or through anybody corporate, directly or indirectly, holds more than 10% (ten per cent) of the outstanding equity shares of the Company) as the Board may decide, ("Eligible Employees"), subject to their eligibility as may be determined under the Plan, where one Option upon exercise shall convert into one fully paid-up equity share of the face value of Rs. 1/- (Rupees One Only) per share ("New Share(s)"), subject to payment / recovery of requisite Exercise Price and applicable taxes, and on such terms and conditions as may be fixed or determined from time to time in accordance with the Companies Act, 2013 or other applicable provisions of any law as may be prevailing at that time on such terms and in such manner as the Board of Directors may decide in accordance with the provisions of the applicable laws and the provisions of the Plan.

RESOLVED FURTHER THAT the New Shares to be issued and allotted by the Board and/or Nomination and Remuneration Committee in the manner aforesaid shall rank pari passu in all respects with the then existing equity shares of the Company including dividend entitlement.

RESOLVED FURTHER THAT the Plan shall be administered by the Nomination & Remuneration Committee of the Company who shall have all the necessary powers as defined in the Plan and is hereby designated as Compensation Committee for the plan, in pursuance of the SEBI (SBEB & SE) Regulations for the purpose of administration and implementation of the Plan and all references to Board or Board of Directors herein shall include the Nomination and Remuneration Committee constituted by the Board to exercise its powers including the powers conferred by this resolution.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger, sale of division/ undertaking or other re-organisation, the ceiling aforesaid in terms of the number of New Shares reserved under the Plan shall be adjusted with a view to facilitate fair and reasonable adjustment to the Eligible Employees as per provisions of the SEBI (SBEB & SE) Regulations and such adjusted number of the New Shares shall be deemed to be the ceiling as originally approved.

RESOLVED FURTHER THAT in case the shares of the Company are either sub-divided, split or consolidated, then the number of New Shares to be allotted and, to the extent allowed, the exercise price payable by the Option grantees under the Plan shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present equity share of the Company having face value of Rs. 1/- (Rupees One Only) per New Share bears to the revised face value of the equity shares of the Company after such sub-division, split or consolidation, without affecting any other rights or obligations of the said Option grantees.

RESOLVED FURTHER THAT the Company shall conform to the applicable Accounting Policies, Guidelines or Accounting Standards as may be applicable from time to time, under the SEBI (SBEB & SE) Regulations and any other applicable laws and regulations to the extent relevant and applicable to the Plan.

RESOLVED FURTHER THAT the Board of Directors and/or the Nomination & Remuneration Committee be and is hereby authorised to approve the grant letter, application form, and other related documents in terms of the Plan, to grant Options to Eligible Employees (including deciding the number of options to be granted to Eligible Employees), to allot New Shares upon exercise of Options by Eligible Employees, to take necessary steps for listing of the New Shares allotted under the Plan on the National Stock Exchange of India Limited and the BSE Limited and/or any other stock exchanges where the shares of the Company are listed in due compliance with SEBI (SBEB & SE) Regulations and other applicable laws, rules, and regulations, also authorized at any time to modify, change, vary, alter, amend, suspend or terminate the Plan and to do all such acts, deeds matters and things as it may in its absolute discretion deems fit for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change,

variation, alteration, amendment, suspension or termination of the Plan and do all other things incidental and ancillary thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorised to make any modifications, changes, variations, alterations or revisions in ESOP 2023, as it may deem fit, from time to time or to suspend, withdraw or revive ESOP 2023, from time to time, in conformity with the provisions of the Act and other applicable rules, regulations, guidelines and laws, unless such variation, amendment, modification or alteration is detrimental to the interest of the employees who have been granted stock options under ESOP 2023.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any Directors of the Company and/ or the Nomination & Remuneration Committee be and is hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary including but not limited to appointing Advisors, Merchant Bankers, Consultants or Representatives, being incidental for the effective implementation and administration of the Plan and to make applications to the appropriate authorities, for their requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution."

8. TO RATIFY THE REMUNERATION OF THE COST AUDITORS OF THE COMPANY FOR THE FINANCIAL YEAR 2023-24

To consider and, if thought fit, to pass the following resolution as an ORDINARY RESOLUTION:

"**RESOLVED THAT** 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 2023 - 2024.

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."

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

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

"**RESOLVED THAT** pursuant to the provisions of 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with applicable provisions of the Companies Act, 2013, and subject to such other Regulations, Guidelines and Laws (including any statutory modifications or re-enactment thereof for the time being in force), based on the approval and recommendation of the Audit Committee and the Board of Directors of the Company, approval of Members be and is hereby accorded to the Board of Directors of the Company to enter into the contract(s)/arrangement(s)/transaction(s) with Axita Exports Private Limited, a related party within the meaning of Section 2(76) of the Companies Act 2013 for Purchase of Raw Materials, Purchase of Products, Sale of Raw Material and Sale of Products on such terms and conditions as the Board of Directors may deem fit up to a maximum aggregate value of Rs. 100 Crore for the financial year 2023 - 2024 provided that the said contract(s)/arrangement(s)/transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT 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 ADITYA OIL INDUSTRIES LIMITED:

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:

"**RESOLVED THAT** pursuant to the provisions of 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with applicable provisions of the Companies Act, 2013, and subject to such other Regulations, Guidelines and Laws (including any statutory modifications or re-enactment thereof for the time being in force), based on the approval and recommendation of the Audit Committee and the Board of Directors of the Company, approval of Members be and is hereby accorded to the Board of Directors of the Company to enter into the contract(s)/arrangement(s)/transaction(s) with Aditya Oil Industries Limited, a related party within the meaning of Section 2(76) of the Companies Act 2013 for Purchase of Raw Materials, Purchase of Products, Sale of Raw Material and Sale of Products on such terms and conditions as the Board of Directors may deem fit up to a maximum aggregate value of Rs. 100 Crore for the financial year 2023 - 2024 provided that the said contract(s)/arrangement(s)/transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT 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."

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

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:

"**RESOLVED THAT** pursuant to the provisions of 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with applicable provisions of the Companies Act, 2013, and subject to such other Regulations, Guidelines and Laws (including any statutory modifications or re-enactment thereof for the time being in force), based on the approval and recommendation of the Audit Committee and the Board of Directors of the Company, approval of Members be and is hereby accorded to the Board of Directors of the Company to enter into the contract(s)/arrangement(s)/transaction(s) with Axita Industries Private Limited, a related party within the meaning of Section 2(76) of the Companies Act 2013 for Purchase of Raw Materials, Purchase of Products, Sale of Raw Material and Sale of Products on such terms and conditions as the Board of Directors may deem fit up to a maximum aggregate value of Rs. 100 Crore for the financial year 2023 - 2024 provided that the said contract(s)/arrangement(s)/transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT 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."

12. 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 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with applicable provisions of the Companies Act, 2013, and subject to such other Regulations, Guidelines and Laws (including any statutory modifications or re-enactment thereof for the time being in force), based on the approval and recommendation of the Audit Committee and the Board of Directors of the Company, approval of Members be and is hereby accorded to the Board of Directors of the Company to enter into the contract(s)/arrangement(s)/transaction(s) with NG Organics Private Limited, a related party within the meaning of Section 2(76) of the Companies Act 2013 for Purchase of Raw Materials, Purchase of Products, Sale of Raw Material and Sale of Products on such terms and conditions as the Board of Directors may deem fit up to a maximum aggregate value of Rs. 100 Crore for the financial year 2023 - 2024 provided that the said contract(s)/arrangement(s)/transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT 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."

13. APPROVAL OF THE MATERIAL RELATED PARTY TRANSACTIONS WITH YURANUS INFRASTRUCTURE 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 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with applicable provisions of the Companies Act, 2013, and subject to such other Regulations, Guidelines and Laws (including any statutory modifications or re-enactment thereof for the time being in force), based on the approval and recommendation of the Audit Committee and the Board of Directors of the Company, approval of Members be and is hereby accorded to the Board of Directors of the Company to enter into the contract(s)/arrangement(s)/transaction(s) with Yuranus Infrastructure Limited, a related party within the meaning of Section 2(76) of the Companies Act 2013 for Purchase of Raw Materials, Purchase of Products, Sale of Raw Material and Sale of Products on such terms and conditions as the Board of Directors may deem fit up to a maximum aggregate value of Rs. 400 Crore for the financial year 2023 - 2024 provided that the said contract(s)/arrangement(s)/transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT 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."

14. TO APPROVE REQUESTS RECEIVED FROM PERSON(S)/ENTITY(IES) BELONGING TO PROMOTER AND PROMOTER GROUP FOR RECLASSIFICATION FROM "PROMOTER AND PROMOTER GROUP" CATEGORY TO "PUBLIC" CATEGORY.

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 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and subject to approval from the BSE Limited, National Stock Exchange of India Limited (herein after referred to as stock exchanges), the Securities and Exchange Board of India and such other Statutory Authorities as may be required and pursuant to other laws and regulations, as may be applicable from time to time (including any statutory modifications or re-enactments thereof for the time being in force), the consent of the Members, be and is hereby accorded to reclassify the following person(s)/entity(ies) (hereinafter individually and jointly referred to as the Promoter Group) from "Promoter and Promoter Group" category to "Public" category:

Sr. No	Name of the Promoter/ Promoter Group	Category	No. of Shares held	Percentage of the total equity capital of the Company (%)
1	Amitkumar Govindbhai Patel	Promoter	3006000	1.5293
2	Gitaben Amitbhai Patel	Promoter Group	45000	0.02289
3	Krunalbhai Girishkumar Patel	Promoter Group	3000	0.00153
4	Lilavati C Patel	Promoter Group	10	0.00001
5	Hemant Chandrakantbhai Patel	Promoter Group	10	0.00001
6	Pritiben Jitendrakumar Patel	Promoter Group	0	0
7	Patel Hinaben Bhupendrabhai	Promoter Group	0	0
8	Dineshkumar Sitarambhai Patel	Promoter Group	0	0
9	Rekhaben Dineshkumar Patel	Promoter Group	0	0
10	Hit Dineshkumar Patel	Promoter Group	0	0
11	Jimit Amitbhai Patel	Promoter Group	0	0
12	Riya Harshit Shah	Promoter Group	0	0
13	Nathalal B Patel	Promoter Group	0	0
14	Patel Champaben	Promoter Group	0	0
15	Kanaiyalal N Patel	Promoter Group	0	0
16	Aditya Oil Industries Limited	Promoter Group	0	0
17	Nature Organic Certification Private Limited	Promoter Group	0	0
18	Shuchi Developers	Promoter Group	0	0
19	Amitbhai Govindbhai Patel HUF	Promoter Group	0	0
20	Nalini Nayanbhai Patel	Promoter Group	0	0
	Total		**3054020**	**1.55374**

RESOLVED FURTHER THAT the above Promoters had undertaken that all the conditions specified in sub-clause (i) to (vii) of clause (b) of sub-regulation (3) of Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been complied with and also confirmed that at all times from the date of such reclassification, shall continue to comply with conditions mentioned Regulation 31A of SEBI (LODR) Regulations, 2015 post reclassification from "Promoter/Promoter Group" to "Public".

RESOLVED FURTHER THAT on approval of the Stock Exchange(s) upon application for reclassification of the aforementioned Promoter Group, the Company shall effect such reclassification in the Statement of Shareholding pattern from immediate succeeding quarter under Regulation 31 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and compliance to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and other applicable provisions.

RESOLVED FURTHER THAT any of the Directors, Mr. Harsh Shah, Chief Financial Officer and Mr. Shyamsunder Panchal, Company Secretary & Compliance Officer of the Company, be and are hereby severally authorized to perform and execute all such acts, deeds, matters and things including but not limited to making intimation/filings to stock exchange(s), seeking approvals from the Securities and Exchange Board of India, BSE Limited, the National Stock Exchange of India Limited (as applicable), and to execute all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and amend such details and to represent before such authorities as may be required and to take all such steps and decisions in this regard to give full effect to the aforesaid resolution."

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

Date: September 04, 2023
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

NOTES

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated December 28, 2022, May 5, 2022, December 14, 2021 read with circulars dated January 13, 2021, May 5, 2020, April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") and SEBI vide its circulars dated January 5, 2023, May 13, 2022 read with January 15, 2021 and May 12, 2020 (collectively referred to as "SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and MCA Circulars, the 10th AGM of the Company is being held through VC / OAVM. The Members can attend and participate in the 10th AGM through VC/ OAVM.

1. 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 10TH AGM AND HENCE THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE**.

2. Since the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.

3. Instructions and other information for members for attending the AGM through VC / OAVM are given in this Notice under Note No. 32.

4. 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.

5. **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. **September 23, 2023** 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.

6. 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.

7. For the unclaimed dividend for the financial year 2022-2023, 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.

8. In conformity with the regulatory requirements, the Notice of this 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.

9. 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:

10. As the AGM of the Company is held through VC / OAVM, we therefore request the Members to register themselves as speaker by sending their question / express their views from their registered E-mail address mentioning their name, DP ID and Client ID / folio number, PAN, mobile number at E-mail Id cs@axitacotton.com before **September 23, 2023**. The Members who have registered themselves as speaker will only be allowed to ask queries / express their views during the AGM. The Company reserves the right to limit the number of Members asking questions depending on the availability of time at the AGM.
11. 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.
12. In case of joint holders attending the AGM, only such joint holder who is higher in the order of the names as per the Register of Members of the Company, as of the cut-off date, will be entitled to vote at the Meeting
13. In respect of Ordinary shares held in physical form: To all the Members, whose names are on the Company's Register of Members, after giving effect to valid transmission and transposition requests lodged with the Company, on or before the close of business hours of **September 23, 2023**.
14. In respect of Ordinary Shares held in electronic form: To all beneficial owners of the shares, on or before the close of business hours of **September 23, 2023**, as per details furnished by the Depositories for this purpose.
15. 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
    a) 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
    b) Alternatively, member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (a) or (b) as the case may be.

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

18. Relevant Explanatory Statement pursuant to provisions of Section 102 of the Companies Act, 2013 read with Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force), in respect of Special Business items i.e. item nos. 3 to 14 as set out above is annexed hereto.

NOTE: OUR 100% EQUITY SHARES ARE DEMAT MODE.

19. 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.

20. 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://web.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://web.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://web.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://web.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.

21. **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 2022-2023 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 either in electronic or physical form) who wish to receive the AGM Notice, Annual Report & Annual Accounts for FY 2022-23 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, 2023**.
- **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 2022-23 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 FY2022-23 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.

ii) **Registration of e-mail address permanently with Company/DP:**

Members are requested to register the e-mail address with their concerned DPs, in respect of electronic holding, and with RTA, in respect of physical holding, by submitting Form No. ISR-1 duly filled and signed by the holders. Further, those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated/updated with their DPs/ RTA to enable servicing of notices / documents / Annual Reports and other communications electronically to their e-mail address in future.

22. The information regarding the Director(s) who is / are proposed to be re-appointed, as required to be provided under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued, is annexed hereto.

23. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under **Note No. 32**.

24. 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.

25. The Annual Report along with the Notice of AGM will be available on Company's website on www.axitacotton.com.

26. Members of the Company holding shares either in physical form or in dematerialised form as on Benpos date i.e. September 01, 2023 will receive Annual Report for the financial year 2022-2023 through electronic mode.

27. 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.

28. Members are requested to notify any changes in their address to the Company's Registrar & Share Transfer Agent, **Link Intime India Private Limited, C-101, 1st Floor, 247 Park, Lal Bahadur, Shastri Maarg, Vikhroli (West), Mumbai-400 083, Maharashtra.**

29. Members are requested to quote their Folio No. or DP ID / Client ID, in case shares are in physical / dematerialized form, as the case may be, in all correspondence with the Company / Registrar & Share Transfer Agent.

30. 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.

31. Members seeking any information with regard to the accounts or any matter to be placed at the AGM or who would like to ask questions or registered themselves as Speaker, are requested to write to the Company mentioning their name demat account number/folio number, email id, mobile number at cs@axitacotton.com on or before September 01, 2023 so as to enable the management to keep the information ready. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

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

The remote e-voting period begins on Wednesday, September 27, 2023 at 09:00 A.M. and ends on Friday, September 29, 2023 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. Saturday, September 23, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Saturday, September 23, 2023.

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

Type of shareholders	Login Method
	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. 4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. 
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for **CDSL Easi / Easiest facility**, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login **Easi / Easiest** are requested to visit CDSL website www.cdslindia.com and click on login icon & New System **Myeasi** Tab and then user your existing my easi username & password. 2. After successful login the **Easi / Easiest** user will be able to see the e-Voting option for eligible Companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period 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. 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. 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.
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

Type of shareholders	Login Method
	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 user 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 AGM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the **10th AGM** is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the **10th 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.

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

ITEM NO. 3:

RE-APPOINTMENT OF MR. NITINBHAI GOVINDBHAI PATEL AS CHAIRMAN CUM MANAGING DIRECTOR OF THE COMPANY AND APPROVAL OF THE PAYMENT OF REMUNERATION: SPECIAL RESOLUTION

The Members of the Company at its Extra ordinary general meeting held on October 16, 2018 had appointed **Mr. Nitinbhai Govindbhai Patel (DIN: 06626646) as Chairman cum Managing Director** of the Company for a period of 5 years w.e.f. October 16, 2018. The terms and conditions of appointment and remuneration of **Mr. Nitinbhai Govindbhai Patel (DIN: 06626646) as Chairman cum Managing Director** of the Company was also approved by the Members of the Company in their Extra-Ordinary General Meeting held on October 16, 2018.

The term of **Mr. Nitinbhai Govindbhai Patel (DIN: 06626646) as Chairman cum Managing Director** of Company expires on October 15, 2023, Board of Directors of the Company at its meeting held on September 04, 2023 has, subject to the approval of Members, re-appointed Mr. Nitinbhai Govindbhai Patel (DIN: 06626646) as Chairman cum Managing Director for a further period of five (5) years w.e.f. October 1, 2023, on the terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee has noted that the Company has not made any default in repayment of its dues to Banks or Financial Institutions.

It is proposed to seek the Members' approval for the re-appointment of and remuneration payable to Mr. Nitinbhai Govindbhai Patel (DIN: 06626646) as Chairman cum Managing Director in terms of the applicable provisions of the Act.

Further, as per the provisions of Section 197 the Companies Act, 2013 as amended from time and time, the minimum Remuneration payable to Mr. Nitinbhai Govindbhai Patel (DIN: 06626646), in the event of loss or inadequacy of profit in any Financial Year, shall be as per the limit set out in be Section II of Part II of Scheduled V to the Companies Act, 2013 or any other applicable limits, as provided by the Central Government in this regard, from time to time.

Pursuant to Sections 196, 197, 198, 203 and all other applicable provisions of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable Regulations of SEBI (LODR) Regulations, 2015, the re-appointment of and remuneration payable to Mr. Nitinbhai Govindbhai Patel (DIN: 06626646) as Chairman cum Managing Director is now being placed before the Members for their approval by way of Special Resolution.

The relevant disclosures in terms of Schedule V to the Companies Act, 2013 is given hereunder;

The relevant details as required under Schedule V to the Companies Act, 2013 are provided hereunder;

A. General Information

1. Nature of Industry:

The Company is in Manufacturing sector, it is engaged in Cotton Bales Manufacturing. The Company is also involved in Trading and Export of Raw Cotton Bales and Cotton Seeds. The Cotton Varieties Includes Shankar-6, Dch-32, Mech And Mcu-5.

2. **Date or expected date of commencement of commercial production: N.A**

3. **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: N.A**

4. **Financial performance of the Company for F.Y. 2022-23 based on given indicators**

(Rs. in Lakh except EPS)

PARTICULARS	F.Y. 2022-2023	F.Y. 2021-2022
Revenue form Operation	55,260.28	81,767.49
Other Income	501.51	1,278.57
Total Income (Total Revenue)	**55,761.79**	**83,046.06**
Total Expenditure (Excluding Depreciation)	53,336.61	80,802.44
Profit before Financial costs, Depreciation and amortization expenses and Taxation	**2,425.17**	**2,243.62**
Less: Finance Costs	33.57	162.47
Operating profit before Depreciation and amortization expenses and Taxation	**2,391.60**	**2,081.15**
Less: Depreciation and amortisation	105.63	49.60
Profit before Tax	**2,285.96**	**2,031.55**
Less: (1) Current Income Tax	604.71	513.21
Less: (2) Income Tax (Prior Period)	0.00	0.00
Less: (3) Deferred Tax	-22.28	-22.87
Profit after tax	**1,708.74**	**1,541.21**
EPS (Basic)	**0.87**	**0.78**
EPS (Diluted)	**0.87**	**0.78**

B. Foreign investments or collaborations, if any: N.A.

Information about the appointee:

1. **Background details:**
Mr. Nitinbhai Govindbhai Patel, aged 58 years is a Managing Director of the Company since July 16, 2013 and was re-appointed as Chairman Cum Managing Director w.e.f. October 16, 2018. He has established the Company and is actively involved in day to day manufacturing process from the day one. Mr. Nitin Govindbhai Patel has put his step into oil industries in the year 2007 when he established Aditya Oil Industries as Cotton Seed Oil and Cotton seed Oil Cake manufacturing plant. He has an experience of more than 17 years

2. **Past remuneration**
In the financial year 2022-2023, Mr. Nitinbhai Govindbhai Patel was paid total remuneration and perquisite of Rs. 60.00 Lakh p.a as Chairman cum Managing Director.

3. **Recognition or awards**
N.A.

4. **Job profile and his suitability**

His everyday duties include contacting agents or talking to farmers for buying raw material that is Kapas. He stays in touch with supervisors for checking with output results, taking stock update and planning the manufacturing output that is cotton bales by setting up target of production of every day. He will continue guiding Company through his valuable experience being a Chairman cum Managing Director of the Company.

5. **Remuneration proposed**
   Basic Salary not exceeding Rs. 5,00,000/- per month, increase upto 15% of basic salary every year.

6. **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:**
   Taking into consideration the size of the Company, the profile of Mr. Nitinbhai Govindbhai Patel, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level incumbents, in other companies.

Pecuniary relationship directly or indirectly with the Company or relationship with managerial personnel:
Mr. Nitinbhai Govindbhai Patel has pecuniary relationship to the extent he is director of the Company.

Beside the remuneration proposed, Mr. Nitinbhai Govindbhai Patel, do not have any other pecuniary relationship with the Company. Further, Mr. Nitinbhai Govindbhai Patel is a Father of our Managing Director, Mr. Kushal Nitinbhai Patel.

The Board of Directors of the Company at its Meeting held on **Saturday, September 04, 2023** has approved the above proposal and the details of other information as required under Section - II of Part - II of Schedule V to the Companies Act. 2013 is given in the explanatory statement of the proposed Special Resolution under **item no. 3** in the Notice, by Members of the Company.

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. 4:

APPOINTMENT OF MR. KUSHAL NITINBHAI PATEL AS NON EXECUTIVE DIRECTOR OF THE COMPANY: ORDINARY RESOLUTION

Mr. Kushal Nitinbhai Patel (DIN: 06626639) who was appointed as a Managing Director ("MD") of the Company w.e.f. October 10, 2018 at the Extra Ordinary General Meeting and whose term of 5 years of appointment as a Managing Director expires on October 09, 2023, and he has shown his unwillingness to occupy the position as a Managing Director of the Company.

Accordingly, pursuant to the Section 152, 161 196, 197 and other applicable provisions of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014 and the Article of Association, and pursuant to the recommendation of the Nomination & Remuneration Committee and subject to such other approvals as may be necessary, the appointment of Mr. Kushal Nitinbhai Patel, as a Non-executive Director of the Company for a period of **three (3)** financial years or such other time period as may be permitted under the Act., who shale be liable to retire by rotation, with effect from October 1, 2023.

Further, pursuant to the provisions of Sections 188, 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time and regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (including any amendments thereto or re-enactment thereof, for the time being in force) (hereinafter collectively referred to as the "Applicable Laws") and the Articles of Association of the Company and on the recommendation of the Nomination and Remuneration Committee and subject to such other approvals as may be necessary,

consent of the members of the Company be and is hereby accorded to remunerate Mr. Kushal Nitinbhai Patel, Non-executive Director of the Company, an amount not exceeding Rs 5,00,000/- per month (Rupees Five lakhs only) as fixed consultation charges excluding applicable taxes and as per terms and conditions decided between the Company and him and as approved by the Board, pursuant to the recommendation of the Nomination and Remuneration Committee.

The Company has received declaration from Mr. Kushal Nitinbhai Patel (DIN: 06626639) confirming that he is not disqualified from being appointed as Director in terms of Section 164 of the Act and also he has not been debarred or disqualified from being appointed or continuing as Director of any Companies by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs, or any such statutory authority.

Further, the Nomination and Remuneration has evaluated the balance of skill, knowledge and experience of Mr. Kushal Nitinbhai Patel. In the opinion of Nomination and Remuneration Committee and the Board, Mr. Kushal Nitinbhai Patel fulfills the conditions for appointment as Non-Executive Director considering his vast experience and knowledge, it would be beneficial to appoint him on the Board of the Company. The term of appointment of Mr. Kushal Nitinbhai Patel as Non- Executive Director is liable to retired by rotation.

A copy of the draft letter for the appointment of Mr. Kushal Nitinbhai Patel as Non-Executive Director setting out the terms and conditions are uploaded on the website of the Company and also would be available for inspection by the Members at the Registered Office of the Company during the normal working hours on any working days of the Company.

Information as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 regarding appointment of Mr. Kushal Nitinbhai Patel is attached hereto.

The Board of Directors of the Company at its Meeting held on **Saturday, September 04, 2023** has approved the above proposal and recommends passing of the proposed Special Resolution under **item no. 4** in the Notice, by Members of the Company.

Except Mr. Kushal Nitinbhai Patel, being appointee Director and their relatives, none of the other Directors or Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the aforesaid resolution.

ITEM NO. 5:

APPOINTMENT OF MR. UTSAV HIMANSHU TRIVEDI (DIN: 10185472) AS AN IDEPENDENT DIRECTOR OF THE COMPANY: SPECIAL RESOLUTION

The Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee and pursuant to the provisions of Section 161(1) of the Companies Act, 2013 (“the Act”) read with the Articles of Association of the Company, had approved the appointment of Mr. Utsav Himanshu Trivedi (DIN: 10185472) who was appointed as an Additional Director, it is proposed to regularize the appointment of Mr. Utsav Himanshu Trivedi (DIN: 10185472) who was appointed as an Independent Director of the Company for a term of **Five (5)** consecutive years with effect from June 30, 2023.

In accordance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013, appointment of Independent Directors requires approval of the members of the Company. Further, in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), effective June 30, 2023, a listed entity shall ensure that approval of shareholders for appointment of a person on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Accordingly, the appointment of Mr. Utsav Himanshu Trivedi (DIN: 10185472) would require the approval of the members of the Company with effect from June 30, 2023.

Mr. Utsav Himanshu Trivedi (DIN: 10185472) is qualified to be appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given her consent to act as a Director. The Company has also received declaration from Mr. Utsav Himanshu Trivedi (DIN: 10185472) that he meets the criteria of independence as prescribed both under Section 149(6) of the Companies Act, 2013 and Listing Regulations.

The Company has also received notice under Section 160 of the Companies Act, 2013 from a shareholder proposing the candidature of Mr. Utsav Himanshu Trivedi (DIN: 10185472) for the office of a Director of the Company.

In the opinion of the Board, Mr. Utsav Himanshu Trivedi (DIN: 10185472) fulfil the conditions for appointment as an Independent Director as specified in the Companies Act, 2013 and the Listing Regulations. Mr. Utsav Himanshu Trivedi (DIN: 10185472) is independent of the management and possesses appropriate skills, experience and knowledge. Considering the extensive knowledge and experience of Mr. Utsav Himanshu Trivedi (DIN: 10185472) and his educational qualification, appointment of Mr. Utsav Himanshu Trivedi (DIN: 10185472) as an Independent Director is in the interest of the Company. In the opinion of the Nomination and Remuneration Committee and the Board, the appointment of Mr. Utsav Himanshu Trivedi (DIN: 10185472) would be beneficial to the Company considering her vast experience.

Details of Mr. Utsav Himanshu Trivedi (DIN: 10185472) are provided in the "Annexure to The Explanatory Statement" to the Notice, pursuant to the provisions of (i) Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India. He shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings.

Copy of the letter of appointment of Mr. Utsav Himanshu Trivedi (DIN: 10185472) setting out the terms and conditions of appointment shall be available for inspection by the members electronically. Members seeking to inspect the same can send an email to cs@axitacotton.com.

The Board of Directors of the Company at its Meeting held on **Saturday, September 04, 2023** has approved the above proposal and recommends passing of the proposed Special Resolution under **item no. 4** in the Notice, by Members of the Company.

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:

ALTERATION OF "MAIN OBJECT CLAUSE III (A)" OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY: SPECIAL RESOLUTION

The Company was incorporated on Tuesday, 16 July, 2013 and since the Directors of the Company are carrying on the business of manufacturing and trading (including export) of Cotton bales and other textile and agriculture products. The Company now wishes explore new horizons and wish to add new objects clause which it desires to carry out as set out in the resolution to be included in "Main Objects" of the Company under clause "A" of the Memorandum Association of the Company.

However, your Board has to consider from time to time proposals for diversification into areas which would be more sustainable and profitable to the stakeholders as well as the Company as part of diversification Plans. For this purpose, the Main Object Clause of the Company, which is presently restricted in scope, requires to be comprehensive so as to cover a wide range of activities to enable your Company to consider embarking upon new projects and activities. Accordingly, to pursue new businesses in addition to existing business object and make the foundation more stronger and sustainable for the future growth, your Company requires to obtain the approval of members by way of Special Resolution under Section 13 and other applicable provisions of Companies Act, 2013 read with Rule 22 of Companies (Management & Administration) Rules 2014, for the

alteration and addition of the Memorandum of Association of the Company in respect of change of object clause as well as the support of its stakeholder in addition to it.

The draft copy of the proposed Memorandum of Association of the Company is available for inspection at the Registered Office of the Company on all working days (except Saturdays) between 11.00 A.M. and 3.00 P.M. upto the date of the Annual General Meeting.

The Board of Directors of the Company at its Meeting held on **Saturday, September 04, 2023** has approved the above proposal and recommends the passing of the proposed Special Resolution under **item no. 6** in the Notice, by Members of the Company.

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. 7:

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: SPECIAL RESOLUTION

The Board of Directors of the Company has approved employee stock option plan with objective, amongst others, to retain its talented workforce, enhance employee performance, and incentivize employees for the overall growth of the Company.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee ("Committee"), in its meeting held on **September 04, 2023**, has approved the "**Axita Employee Stock Option Plan 2023**" ("Plan" or "ESOP 2023") for the benefit of Employees as defined in the Plan. In terms of Regulation 6(1) of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI (SBEB & SE) Regulations") and Section 62 and other applicable provisions of the Companies Act, 2013, the issue of Equity Shares under an Employee Stock Option Plan requires approval of the shareholders by way of a Special Resolution. The Special Resolution set out in **Item No. 7** is to seek your approval. Further, as per Regulation 6(3)(c) of the SEBI (SBEB & SE) Regulations, approval of the shareholders by way of separate Special Resolution is also required for grant of Options to Eligible Employees of Company, in India or outside India from time to time, if any, on such terms and in such manner as the Board of Directors may decide in accordance with the provisions of the applicable laws and the provisions of the Plan.

The main features and other details of the Plan as per the Regulation 6(2) of the SEBI (SBEB & SE) Regulations, are as under:

1. **Brief Description of the Plan: The Plan Shall be called as 'Axita Employee Stock Option Plan 2023'. The objectives of this Plan are as under:**

   a) Retention of Employees;
   b) Enhanced performance of Employees;
   c) Wealth creation for Employees;
   d) Rewarding performance of Employees;
   e) Incentivizing Employees;
   f) Encourage Employees to align their individual performance with the Company's objectives.

2. **The total number of Stock Options to be granted under the Plan:**

   The maximum number of Options that may be granted under the Plan shall be 9000000 (Ninety Lacs only), that, upon exercise, shall convert into one equity share of face value of Rs.1/- (Rupees One Only) each fully paid-up.Options lapsed or cancelled due to any reason including the reason of lapse of exercise period or

due to resignation of the employees / Directors or otherwise, would be available for being re-granted at a future date. The Board and/or Nomination and Remuneration Committee is authorized to re-grant such lapsed / cancelled options as per the plan. In case of any corporate action(s) such as rights issues, bonus issues, or any other reorganization of capital structure of the Company, as the case may be, the number of stock options and/or the shares to be allotted upon exercise of stock options shall be reasonably adjusted in accordance with the provisions of the plan and in case of subdivision or consolidation of shares then the number of shares and the exercise price shall automatically stand augmented or reduced, as the case may be, after such sub-division or consolidation, without affecting any other rights or obligations of the employees who have been granted stock options under the plan.

3. **Identification of classes of Employees entitled to participate in the Plan:**

Subject to the Applicable Laws and fulfilment of any other criteria as set forth by the Nomination and Remuneration Committee from time to time, more particularly elaborated under the ESOP Scheme – 2023, the following present and future Employee(s) shall be eligible for the issuance of Option(s) under the Scheme:

- Permanent Employee of the Company;

- Engaged as Head of Department of the Company

4. Requirement of Vesting and period of Vesting:

The Vesting Schedule subject to fulfilment of Vesting Conditions and compliance with the Applicable laws shall be **One (1) year** from the Grant date.

5. Nomination and Remuneration Committee (Compensation Committee):

The Nomination & Remuneration Committee of the Board constituted by the Company pursuant to the provisions of Section 178 of the Companies Act, 2013 is also referred as the 'Compensation Committee' for the administration and superintendence of the Scheme.

6. Maximum period within which the Options shall be vested:

All the Options granted on any date shall vest on fulfilment of Vesting Conditions and compliance with the Applicable laws on completion of a **One (1) year** from the date of grant of Options.

7. Exercise Price or Pricing Formula:

Exercise Price shall be as decided by the Committee, subject to a minimum of the face value per share and not more than the market price.

8. Exercise period and process of Exercise:

The vested Options shall be allowed for exercise on and from the date of vesting. The Exercise Period of Vested Options shall not exceed 30 (Thirty) days from the date of vesting of the OptionsProcess of Exercise - The Option Grantee may, at any time during the Exercise Period, and subject to fulfilment of conditions of Vesting, Exercise of the Options by submitting Exercise Application to the Company accompanied by payment of an amount equivalent to the Exercise Price and applicable tax amount, in respect of such Shares. The Exercise Application shall be in such form as may be prescribed in this regard and the Committee may determine the procedure for Exercise from time to time

9. Appraisal process for determining the eligibility of the Employees to the Plan:

The Nomination and Remuneration Committee takes into consideration the potential contribution of the employee to the critical aspects of the business, strength and competency of the employee.

10. The maximum number of Options to be granted per Employee and in aggregate:

The maximum number of Stock Options that can be granted to any eligible Employee during any **One (1) year** shall not be equal to or exceed 1% of the issued capital of the Company at the time of grant of the Stock Options or such limit as prescribed under regulation 6(3)(d) of the SEBI (SBEB) Regulations applicable for the in being in force. The Committee may decide to grant Stock Options exceeding the above limits, subject to the separate approval of the shareholders in a general meeting. The Committee shall determine the quantum of stock options to be granted under the plan per option holder and in aggregate subject to the ceiling under the plan.

11. The maximum quantum of benefits to be provided per Employee under the Plan:

The Maximum quantum of benefits underlying the options issued to an eligible employee shall be equal to the difference between the option exercise price and the market price of the shares as on the exercise date.

12. Whether the Plan(s) is to be implemented and administered directly by the Company or through a Trust:

Scheme is to be implemented and administered directly by the Company. This ESOP 2023 shall be administered by the Committee working under the powers delegated by the Board of Directors and Shareholders.

13. Whether the Plan involves new issue of shares by the Company or secondary acquisition by the Trust or both:

The Plan shall be implemented through direct route for extending the benefits to the Eligible Employees by the way of issuance of New Shares of the Company. The Plan shall be administered by the Compensation Committee.

14. The amount of loan to be provided for implementation of the Plan by the Company to the Trust, its tenure, utilisation, repayment terms, etc:

Not applicable since the Plan is proposed to be implemented through direct route.

15. The maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the Trust for the purposes of the Plan:

Not applicable under the Plan.

16. A **statement** to the effect that the company shall conform to the accounting policies specified**:**

The Company shall comply with the disclosures requirements and the accounting policies prescribed under Regulation 15 of the SEBI (SBEB & SE) Regulations or as may be prescribed by regulatory authorities from time to time.

17. The method which the Company shall use to value its Options:

To calculate the employee compensation cost, the Company shall 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.

18. Statement with regard to Disclosure in Director's Report:

The Board shall make all the relevant disclosures in the Director's Report in relation to this Plan as are required under the Companies Act, 2013 and as per Regulation 14 of SEBI (SBEB & SE) Regulations.

19. Period of lock-in:

Subject to Applicable Law, the Shares allotted pursuant to exercise of options, will be subject to lock-in period of **One (1) year** from the date of allotment.

20. Terms & conditions for buyback, if any, of specified securities:

None

21. Certificate from secretarial auditors:

The Board of Directors shall at each annual general meeting place before the shareholders a certificate from the secretarial auditors of the Company that the Scheme has been implemented in accordance with the prescribed regulations and in accordance with the resolution of the Company in the general meeting.

22. Conditions Under Which Option Vested in Employees May Lapse:

The conditions, circumstances under which options vested in an employee may lapse including termination from employment for misconduct or other reasons shall be decided by the Nomination and Remuneration Committee, more particularly elaborated under the Scheme.

23. The specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee:

(a.) In the event an Option Holder(s) ceases to be an Employee, by reason of resignation or termination (other than on account of Cause), the Unvested Option(s) and Unexercised Options held by the Option Holder(s) shall lapse forthwith, without any obligations whatsoever on the Company or the Nomination and Remuneration Committee.

(b.) In the event of the retirement of an Option Holder(s) from the employment of the Company or Group at the instance of or with the consent of the Company, as the case may be, then such Option Holder(s) shall continue to hold all Vested Option(s) and can exercise them anytime within the Exercise Period from the date of retirement. All Unvested Option(s) shall be lapse.

(c.) c)In the event an Option Holder(s) ceases to be an Employee by reason of termination of employment of the Employee for a Cause, as define in the scheme, then all Option(s) (Vested Option(s) and Unvested Option(s)) shall lapse immediately on the date of termination of employment of such Employee.

(d.) In the event of Permanent Disability of an Option Holder(s), whilst in the employment of the Company all Unvested Option(s) shall be lapse. All Vested Option(s) shall be exercised by the Option Holder(s) within the Exercise Period from the date of Permanent Disability.

(e.) In the event of the death of an Option Holder(s), whilst in the employment of the Company, Nominee/ legal heir(s)/successors as the case may be shall Exercise the Option(s) within the Exercise Period from the date of death or the date of Succession Proof whichever is later but not later than **One (1) year** from the date of death.

24. **Validity of the Plan:**

The Plan shall continue in effect unless terminated by the Company or the NRC. The Grant of Options under the Plan can be made for a period of **Three (3) years** from the plan effective date and/or for such further period as decided by the NRC & Board.

25. **Other Terms:**

The Compensation Committee shall have a right to amend, alter or terminate the ESOP 2023 ("Variation") at any time, in accordance with the regulations and guidelines as prescribed by the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021 or regulations that may be issued by any appropriate authority from time to time, unless such variation, modification or alteration is detrimental to the interest of the Optionees

The Board shall have the absolute authority to vary or modify the terms hereinabove in accordance with and subject to all applicable guidelines which may be stipulated by SEBI, RBI or otherwise.

The Board of Directors of the Company at its Meeting held on **Saturday, September 04, 2023** has approved the above proposal and recommends the passing of the proposed Special Resolution under **item no. 7** in the Notice, by Members of the Company.

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. 8:

TO RATIFY THE REMUNERATION OF THE COST AUDITORS OF THE COMPANY FOR THE FINANCIAL YEAR 2023-24: ORDINARY RESOLUTION

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 2023-24.

The Board of Directors in its meeting held on **September 04, 2023** based on the recommendation of the Audit Committee, has approved the appointment of 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) (the "**Proprietorship firm**"), as Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year 2023-24 at a remuneration of INR 35,000 (Indian rupees Thirty Five thousand) plus applicable taxes thereon besides reimbursement of out-of-pocket expenses on actuals incurred in connection therewith, payable to the Cost Auditor for Financial Year 2023-2024.

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.

The Board of Directors of the Company at its Meeting held on **Saturday, September 04, 2023** on basis the recommendation of the Audit Committee ("AC") and Nomination and Remuneration Committee ("NRC"), sought for ratification of the remuneration payable to the Cost Auditors and accordingly, consent of the members

is sought for passing an Ordinary Resolution as set out at **item no. 8** of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year 2023-24.

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. 9 to 13:

APPROVAL OF THE MATERIAL RELATED PARTY TRANSACTIONS: ORDINARY RESOLUTIONS

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

Although approval of the shareholders would not be required under the provisions of Section 188 of the Companies Act 2013 and the rules made thereunder and as amended from time to time due to the reason that transactions with related party are in the ordinary course of business and at the arm's length basis. However, pursuant to the amendment to Regulation 23 of the Listing Regulations, all related party transactions which exceeds Rs. 1,000 Crore or 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity shall require the approval of the shareholders by way of an ordinary resolution. Further, as the value of transaction(s) may exceed the materiality threshold limit, as provided under the SEBI (LODR) Regulations, 2015, your approval is being sought for the Related Party Transactions as set out in the resolutions.

Accordingly, following are entities / related parties with reference to the Company within the meaning of Clause (76) of section 2 of the Companies Act 2013 and/ or under applicable accounting standards with which the value of proposed aggregate transactions are likely to exceed the said threshold limit during the financial year 2023-2024

Hence approval of the shareholders is being sought by way of Ordinary Resolution as per our related party transactions policy for the said Related Party Transaction(s) proposed to be entered by our Company with following entities / related parties in the financial year 2023-2024.

Sl.	Particulars	Details of contracts / arrangements / transactions	
1.	Name of Related Parties	Axita Exports Private Limited	Aditya Oil Industries 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 Item No. 9 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 Exports Private Limited 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 Item No. 10 of the Notice, except Mr. Nitinbhai Govindbhai Patel are deemed to be concerned or interested in the transaction entered between this Company with Aditya Oil Industries Limited being common Promoter.

Sl.	Particulars	Details of contracts / arrangements / transactions	
1.	Name of Related Parties	Axita Exports Private Limited	Aditya Oil Industries Limited
3.	Nature of Relationship	Mr. Kushal Nitinbhai Patel is Promoter & Managing Director of Axita Cotton Limited as well as Axita Exports Private Limited. Mr. Kushal Nitinbhai Patel holds 57061087 number of Equity Shares in Axita Cotton Limited and holds 152000 number of Equity Shares in Axita Exports Private Limited Mr. Nitinbhai Govindbhai Patel is Promoter & Chairman Cum Managing Director of Axita Cotton Limited and Promoter & Managing Director of Axita Exports Private Limited. Mr. Nitinbhai Govindbhai Patel holds 70051487 number (Majority Stake) of Equity Shares in Axita Cotton Limited and holds 98000 number of Equity Shares in Axita Exports Private Limited.	Mr. Kushal Nitinbhai Patel is promoter & managing director of Axita Cotton Limited as well as promoter of Aditya Oil Industries Limited. Mr. Kushal Nitinbhai Patel holds 57061087 number of Equity Shares in Axita Cotton Limited and holds 1000 number of Equity Shares in Aditya Oil Industries Limited. Mr. Nitinbhai Govindbhai Patel is Promoter & Chairman Cum Managing Director of Axita Cotton Limited and Promoter in Aditya Oil Industries Limited. Mr. Nitinbhai Govindbhai Patel holds 70051487 number (Majority Stake) of Equity Shares in Axita Cotton Limited and holds 1000 number of Equity Shares in Aditya Oil Industries Limited. Mrs. Gitaben Nitinbhai Patel is Promoter Group and Whole Time Director of Axita Cotton Limited and Promoter in Aditya Oil Industries. Mrs. Gitaben Nitinbhai Patel holds 678528 number of Equity Shares in Axita Cotton Limited and holds 1000 number of Equity Shares in Aditya Oil Industries Limited.
4.	Monetary Value	The estimated aggregate value of contracts/arrangements value for the matters proposed in the resolution shall not exceed Rs. 100 Crores in the F.Y. 2023-2024 with Axita Exports Private Limited.	The estimated aggregate value of contracts/arrangements value for the matters proposed in the resolution shall not exceed Rs. 100 Crores in the F.Y. 2023-2024 with Aditya Oil Industries Limited.
5.	Nature materials terms and particulars of the Contracts/ arrangements	Purchase and Sale of Products and Raw Materials and these are dependent on the requirement of both Companies for its products and raw materials from time to time and the ability to supply. However, such transactions would be in ordinary course of the Company's business and at the arm's length basis.	Purchase and Sale of Products and Raw Materials and these are dependent on the requirement of both companies for its products and raw materials from time to time and the ability to supply. However, such transactions would be in ordinary course of the Company's business and at the arm's length basis.
6.	Any advance paid or received for the contracts/arrangements	As per industry norms customs and usages.	As per industry norms customs and usages.
7.	Tenure of contracts/arrangement	F.Y. 2023-2024	F.Y. 2023-2024
8.	The percentage of the Axita Cotton Limited's annual	0.00664% of 555 Cr. the total annual turnover of Company for the financial year 2022-2023.	4.073% of 555 Cr. the total annual turnover of Company for the financial year 2022-2023.

Sl.	Particulars	Details of contracts / arrangements / transactions	
1.	Name of Related Parties	Axita Exports Private Limited	Aditya Oil Industries Limited
	turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction		
9.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: i) details of the source of funds in connection with the proposed transaction; 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; iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	Not Applicable	Not Applicable
10.	Justification as to why the RPTs are in the interest of the listed entity	The proposed RPTs: 1. 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; 2. are in the business interest of the Company due to cost-effectiveness, close proximity of raw material, quality and just in time sourcing needs; The proposed transactions will aid the growth of the Company's business.	The proposed RPTs: 1. 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; 2. are in the business interest of the Company due to cost-effectiveness, close proximity of raw material, quality and just in time sourcing needs; The proposed transactions will aid the growth of the Company's business.
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.	Not applicable as the transactions do not contemplate any valuation.
12.	A statement that the valuation or other external report, if any,	Not applicable	Not applicable

Sl.	Particulars	Details of contracts / arrangements / transactions	
1.	Name of Related Parties	Axita Exports Private Limited	Aditya Oil Industries Limited
	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;		
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	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 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.

Sl.	Particulars	Details of contracts / arrangements / transactions	
1.	Name of Related Parties	Axita Industries 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 **Item No. 11** 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 Industries Private Limited 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 **Item No. 12** 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 NG Organics Private Limited being common directorship.
3.	Nature of Relationship	Mr. Kushal Nitinbhai Patel is promoter & managing director of Axita Cotton Limited as well as Promoter & Director of Axita Industries Private Limited. Mr. Kushal Nitinbhai Patel holds 57061087 number of Equity Shares in Axita Cotton Limited and holds 5000 number of Equity Shares in Axita Industries Private Limited. Mr. Nitinbhai Govindbhai Patel is Promoter & Chairman cum Managing Director of Axita Cotton Limited as well as	Mr. Kushal Nitinbhai Patel is promoter & managing director of Axita Cotton Limited as well as Promoter & Director of NG Organics Private Limited. Mr. Kushal Nitinbhai Patel holds 57061087 number of Equity Shares in Axita Cotton Limited and holds 25000 number of Equity Shares in NG Organics Private Limited. Mr. Nitinbhai Govindbhai Patel is Promoter & Chairman cum Managing Director of Axita

Sl.	Particulars	Details of contracts / arrangements / transactions	
1.	Name of Related Parties	Axita Industries Private Limited	NG Organics Private Limited
		Promoter & Managing Director in Axita Industries Private Limited. Mr. Nitinbhai Govindbhai Patel holds 70051487 number (Majority Stake) of Equity Shares in Axita Cotton Limited and holds 5000 number of Equity Shares in Axita Industries Private Limited.	Cotton Limited as well as Promoter & Director in NG Organics Private Limited. Mr. Nitinbhai Govindbhai Patel holds 70051487 number (Majority Stake) of Equity Shares in Axita Cotton Limited and holds 25000 number of Equity Shares in NG Organics Private Limited.
4.	Monetary Value	The estimated aggregate value of contracts/arrangements value for the matters proposed in the resolution shall not exceed Rs. 100 Crores in the F.Y. 2023-2024 with Axita Industries Private Limited.	The estimated aggregate value of contracts/arrangements value for the matters proposed in the resolution shall not exceed Rs. 100 Crores in the F.Y. 2023-2024 with NG Organics Private Limited.
5.	Nature materials terms and particulars of the Contracts/ arrangements	Purchase and Sale of Products and Raw Materials and these are dependent on the requirement of both companies for its products and raw materials from time to time and the ability to supply. However, such transactions would be in ordinary course of the Company's business and at the arm's length basis.	Purchase and Sale of Products and Raw Materials and these are dependent on the requirement of both companies for its products and raw materials from time to time and the ability to supply. However such transactions would be in ordinary course of the Company's business and at the arm's length basis.
6.	Any advance paid or received for the contracts/arrangements	As per industry norms customs and usages.	As per industry norms customs and usages.
7.	Tenure of contracts/arrangement	F.Y. 2023-2024	F.Y. 2023-2024
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	Nil	Nil
9.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: v) details of the source of funds in connection with the proposed transaction; vi) 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; vii) applicable terms, including covenants, tenure, interest	Not Applicable	Not Applicable

Sl.	Particulars	Details of contracts / arrangements / transactions	
1.	Name of Related Parties	Axita Industries Private Limited	NG Organics Private Limited
	rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and viii) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.		
10.	Justification as to why the RPTs are in the interest of the listed entity	The proposed RPTs: 1. 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; 2. are in the business interest of the Company due to cost-effectiveness, close proximity of raw material, quality and just in time sourcing needs; The proposed transactions will aid the growth of the Company's business.	The proposed RPTs: 1. 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; 2. are in the business interest of the Company due to cost-effectiveness, close proximity of raw material, quality and just in time sourcing needs; The proposed transactions will aid the growth of the Company's business.
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.	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	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	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	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

Sl.	Particulars	Details of contracts / arrangements / transactions	
1.	Name of Related Parties	Axita Industries Private Limited	NG Organics Private Limited
		arm's length principles is ensured based on the applicable transfer pricing regulations.	with arm's length principles is ensured based on the applicable transfer pricing regulations.

Sl.	Particulars	Details of contracts / arrangements / transactions
1.	Name of Related Parties	Yuranus Infrastructure 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 **Item No. 13** 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 Yuranus Infrastructure Limited being common directorship.
3.	Nature of Relationship	Mr. Kushal Nitinbhai Patel is Promoter & Managing Director of Axita Cotton Limited as well as Promoter & Director Yuranus Infrastructure Limited. Mr. Kushal Nitinbhai Patel holds 57061087 number of Equity Shares in Axita Cotton Limited and holds 609285 number of Equity Shares in Yuranus Infrastructure Limited. Mr. Nitinbhai Govindbhai Patel is Promoter & Chairman Cum Managing Director of Axita Cotton Limited as well as Promoter & Director Yuranus Infrastructure Limited. Mr. Nitinbhai Govindbhai Patel holds 70051487 number (Majority Stake) of Equity Shares in Axita Cotton Limited and holds 875714 number of Equity Shares in Yuranus Infrastructure Limited.
4.	Monetary Value	The estimated aggregate value of contracts/arrangements value for the matters proposed in the resolution shall not exceed Rs. 400 Crores in the F.Y. 2023-2024 with Yuranus Infrastructure Limited.
5.	Nature materials terms and particulars of the Contracts/ arrangements	Purchase and Sale of Products and Raw Materials and these are dependent on the requirement of both Companies for its products and raw materials from time to time and the ability to supply. However, such transactions would be in ordinary course of the Company's business and at the arm's length basis.
6.	Any advance paid or received for the contracts/arrangements	As per industry norms customs and usages.
7.	Tenure of contracts/arrangement	F.Y. 2023-2024
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	Nil
9.	If the transaction relates to any loans, inter-corporate deposits, advances or	Not Applicable

Sl.	Particulars	Details of contracts / arrangements / transactions
	investments made or given by the listed entity or its subsidiary: ix) details of the source of funds in connection with the proposed transaction; x) 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; xi) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and xii) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	
10.	Justification as to why the RPTs are in the interest of the listed entity	The proposed RPTs: 1. 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; 2. are in the business interest of the Company due to cost-effectiveness, close proximity of raw material, quality and just in time sourcing needs; The proposed transactions will aid the growth of the Company's business.
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.

The Board of Directors of the Company at its Meeting held on **Saturday, September 04, 2023** has approved the above proposal and recommends the passing of the proposed Ordinary Resolutions under **item no. 9 to 13** in the Notice, by Members of the Company.

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. 14

TO APPROVE REQUESTS RECEIVED FROM PERSON(S)/ENTITY(IES) BELONGING TO PROMOTER GROUP FOR RECLASSIFICATION FROM "/ PROMOTER GROUP" CATEGORY TO "PUBLIC" CATEGORY: ORDINARY RESOLUTION

The Promoter Group seeking re-classification does not hold any shares or voting rights or together do not hold more than ten per cent of the total Voting Rights as on date in the Company.

Sr. No	Name of the Promoter/ Promoter Group	Category	No. of Shares held	Percentage of the total equity capital of the Company (%)
1	Amitkumar Govindbhai Patel	Promoter	3006000	1.5293
2	Gitaben Amitbhai Patel	Promoter Group	45000	0.02289
3	Krunalbhai Girishkumar Patel	Promoter Group	3000	0.00153
4	Lilavati C Patel	Promoter Group	10	0.00001
5	Hemant Chandrakantbhai Patel	Promoter Group	10	0.00001
6	Pritiben Jitendrakumar Patel	Promoter Group	0	0
7	Patel Hinaben Bhupendrabhai	Promoter Group	0	0
8	Dineshkumar Sitarambhai Patel	Promoter Group	0	0
9	Rekhaben Dineshkumar Patel	Promoter Group	0	0
10	Hit Dineshkumar Patel	Promoter Group	0	0
11	Jimit Amitbhai Patel	Promoter Group	0	0
12	Riya Harshit Shah	Promoter Group	0	0
13	Nathalal B Patel	Promoter Group	0	0
14	Patel Champaben	Promoter Group	0	0
15	Kanaiyalal N Patel	Promoter Group	0	0
16	Aditya Oil Industries Limited	Promoter Group	0	0
17	Nature Organic Certification Private Limited	Promoter Group	0	0
18	Shuchi Developers	Promoter Group	0	0
19	Amitbhai Govindbhai Patel HUF	Promoter Group	0	0
20	Nalini Nayanbhai Patel	Promoter Group	0	0
	Total		**3054020**	**1.55374**

Pursuant to Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with amendments thereto, the Board of Directors of the Company shall analyze the request, place the same before the shareholders in a general meeting for approval and apply for stock exchanges' approval subsequently.

Letters dated August 29, 2023, from Promoter/Members of Promoter Group requesting for the re-classification of their category from "Promoter/ Promoter Group" of the Company to "Public" ("Request Letters") were place before the Board of Directors at its meeting held on August 29, 2023.

On the basis of the Request Letters received by the Company and pursuant to the provisions of Regulation 31A(3)(b) of the SEBI (LODR) Regulations, 2015, the Promoters seeking reclassification have confirmed that –

i) They, together do not hold more than ten per cent of the total Voting Rights in the Company;

ii) They do not exercise control over the affairs of the Company directly or indirectly;

iii) They do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;

iv) They do not represent on the Board of Directors (including not having a Nominee Director) of the Company;

v) They do not act as a Key Managerial Person in the Company;

vi) They are not 'wilful defaulters' as per the Reserve Bank of India Guidelines;

vii) They are not fugitive economic offenders.

Further, the aforesaid Promoter/Members of Promoter Group have confirmed that subsequent to reclassification, they would continue to comply with the requirements as mentioned in Regulation 31A of SEBI (LODR) Regulations, 2015 failing which, they shall automatically be reclassified as Promoter/ persons belonging to Promoter Group, as applicable.

The Board analyzed and noted, in accordance with Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations") that the Promoters have undertaken in the Request Letters that they satisfy all the conditions specified in sub-clause (i) to (vii) of clause (b) of sub-regulation (3) of Regulation 31A of SEBI (LODR) Regulations, as amended, and that they shall continue to comply with conditions mentioned Regulation 31A of SEBI (LODR) Regulations post reclassification from "Promoter/Promoter Group" to "Public".

The Company is in compliance with requirements of clause (c) of sub-regulation (3) of Regulation 31A of SEBI (LODR) Regulations.

The Board of Directors of the Company at its Meeting held on **Saturday, September 04, 2023** has approved the above proposal and recommends the passing of the proposed Ordinary Resolution under **item no. 14** in the Notice, by Members of the Company.

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.

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 04, 2023
Place: Kadi, Mahesana

Nitinbhai Govindbhai Patel
Chairman and Managing Director
DIN: 06626646

ANNEXURE TO THE EXPLANATORY STATEMENT:

Name of Director	Nitinbhai Govindbhai Patel	Kushal Nitinbhai Patel	Mr. Utsav Himanshu Trivedi
Directors Identification Number (DIN)	06626646	06626639	10185472
Date of Birth	January 27, 1965	November 27, 1988	May 01, 1995
Age	58 Years	34 Years	28 Years
Qualification	S.S.C (Senior Secondary Class)	holds Degree of Bachelor of Pharmacy from Gujarat University.	Mr. Utsav Himanshu Trivedi is qualified Company Secretary and Associate Member of Institute of Company Secretary of India.
Nature of his expertise in specific functional areas	Experience of More than 14 years into Oil Industries and more than 11 years in Cotton Industries	Experience of More than 13 years in the family business with respect to production, planning, and sales	He is Company Secretary by profession and has rich experience in the field of Company Law, Security Laws & Accounting.
Date of first Appointment on the Board of the Company	July 16, 2013	July 16, 2013	June 30, 2023
Date of Appointment / Re-appointment (at current term)	To be reappointed w.e.f September 04, 2023 subject to approval of shareholders	Change in designation w.e.f September 04, 2023 subject to approval of shareholders in the ensuing AGM	June 30, 2023
Shareholding in Axita Cotton Limited	70051487 number of Equity Shares	57061087 number of Equity Shares	Nil
Listed entities form which the person has resigned in the past three years	Nil	Nil	Nil
Terms and conditions of re-appointment	As per resolution at item no. 3 of this Notice convening 10th Annual General Meeting (AGM) to be held on September 30, 2023.	As per resolution at item no. 4 of this Notice convening 10th Annual General Meeting (AGM) to be held on September 30, 2023.	As per resolution at item no. 5 of this Notice convening 10th Annual General Meeting (AGM) to be held on September 30, 2023.
Remuneration last drawn	Rs. 60,00,000/- in the financial year 2022-2023.	Rs. 60,00,000/- in the financial year 2022-2023.	Nil
Number of Meetings of the Board attended during the year	11 out of 11 Board Meeting attended during the financial year 2022-2023.	11 out of 10 Board Meeting attended during the financial year 2022-2023.	Not Applicable
List of Directorship held in Listed Companies	Axita Cotton Limited, Yuranus Infrastructure Limited	Axita Cotton Limited, Yuranus Infrastructure Limited	NIL

Name of Director	Nitinbhai Govindbhai Patel	Kushal Nitinbhai Patel	Mr. Utsav Himanshu Trivedi
(including this Company)			
Membership / Chairmanship in Committees of Listed Companies as on date (As per Regulation 17A and 26(1) of Listing Regulations)	**Name of Company** / **Chairman** AC SRC / **Member** AC SRC Axita Cotton Limited - - - - Yuranus Infrastructure Limited - - 1 -	**Name of Company** / **Chairman** AC SRC / **Member** AC SRC Axita Cotton Limited - - - - Yuranus Infrastructure Limited - - - -	NIL
Relationships between Directors inter-se	With Directors & KMP of the Company: Father of our Promoter, Director Mr. Kushal Nitinbhai Patel	With Directors & KMP of the Company: Son of our Promoter, Chairman cum Managing Director Mr. Nitinbhai Govindbhai Patel	Not related to any Directors & KMP of the Company.

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 04, 2023
Place: Kadi, Mahesana

Nitinbhai Govindbhai Patel
Chairman and Managing Director
DIN: 06626646

Notes