

Annual Report

Period of Reporting

F.Y. 2021-22

Gajanand Cottex Private Limited

CIN: U17111GJ2009PTC057251

Registered Office

Sur. No. 1257, Bypass Circle, Bh. Maruti Oil Industries, Atkot
Jasdan Road, Jasdan - 360050

Statutory Auditors

H. B. Kalaria & Associates

Chartered Accountants

A-601/602, The Imperial Heights, Opp. Big Bazaar, 150 ft. Ring Road, Rajkot -
360005

GAJANAND COTTEX PRIVATE LIMITED

CIN: U17111GJ2009PTC057251

Regd. Office: Survey No. 1257, Bypass Circle, Behind Maruti Oil Industries, Atkot - Jasdán
Road Jasdán

Board's Report

Dear Shareholders,

Your Directors have pleasure in presenting their Annual Report on the business and operations of the Company and the Audited Financial Statements for the financial year ended March 31, 2022.

1. Performance Highlights (Standalone)

Your Company has performed during the reporting period as follows:

Particulars	(In Rs.)	
	FY 2021-22	FY 2020-21
Revenue from operations	61,73,93,112.00	58,45,59,887.00
Other income	2,28,123.00	95,746.00
Total revenue	61,76,21,235.00	58,46,55,633.00
EBIDTA	1,26,50,457.00	1,33,91,441.00
EBIDTA margin %	2.05%	2.29%
Less:		
Finance Costs	1,13,56,584.00	1,23,91,449.00
Depreciation	8,57,820.00	7,62,535.00
Profit before tax, exceptional and extraordinary items	4,36,053.00	2,41,047.00
Add/(Less): Exceptional/Extraordinary income/(expense)	0.00	0.00
Profit before tax	4,36,053.00	2,41,047.00
Less: Taxes on income	1,21,017.00	69,570.00
Profit after tax	3,15,036.00	1,71,477.00
PAT margin %	0.05%	0.02%
EPS – Basic	0.75	0.41
EPS – Diluted	0.75	0.41

Note: Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/disclosure.

2. Transfer to Reserves

The Company has not transferred any amounts to Reserves during the period under review.

3. Share Capital

The paid-up equity share capital of the Company as at 31st March, 2022 is Rs. 41,87,320/- [Rs. Forty one lakh eighty seven thousand three hundred twenty Rupees] consisting of 4,18,732/- Equity Shares of Rs. 10.00 each.

4. Dividend

The Company has not proposed any dividend during the period under review.

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5. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Conservation of energy:

(i)	The steps taken or impact on conservation of energy	Company has already installed tools/equipment for conservation of Electricity.
(ii)	The steps taken by the Company for utilizing alternate sources of energy	There is no need to take additional measure in this regard
(iii)	The capital investment on energy conservation equipment's	The Company does not have any proposal for additional investment in this regard.

Technology absorption:

The research and experiments are carried on as part of the normal business activities and as such no separate figures are available.

(i)	The efforts made toward technology absorption	Company is not required to make any efforts towards the technologies absorption during the year
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution	Company is not required to acquire any technologies during the year
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)–	Company has not imported any technologies during the year
	(a) The details of technology imported	Nil
	(b) The year of import;	Nil
	(c) Whether the technology been fully absorbed	Nil
	(d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof	Nil
(iv)	The expenditure incurred on Research and Development	Nil

Foreign Exchange Earnings and Outgo

Particulars	Amount in Rs.
Earnings	Nil
Outgo	Nil

6. Subsidiaries, Joint Ventures and Associates

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

7. Significant Events After Balance Sheet Date

There have been no significant events after the Balance Sheet date which require any disclosure.

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8. Change in the nature of business

There has been no change in the nature of business of the Company in the period under review.

9. Deposits

The Company has not accepted any deposits in the period under review.

10. Auditors' Qualifications, Reservations, Adverse Remarks in the Auditors' Report

The Company has not recognized government grants on accrual basis in accordance with the Accounting Standard-12 (AS-12), Also the Company has not complied with the provisions of AS 15 – Employee Benefits with respect to creating a provision for gratuity and leave encashment expense payable to its employees. The Company determines the liability for defined benefit plans on actual payment basis only.

11. Corporate Social Responsibility

As the Company does not fall under the criteria as mentioned under Section 135 of the Companies Act, 2013, the provisions of Corporate Social Responsibility do not apply to the Company

12. Extract of Annual Return

The extract of the Annual return in Form MGT-9 is annexed herewith to the Board's Report.

13. Declaration given by Independent Directors

Provisions of Section 149 of the Companies Act, 2013 does not apply to the Company.

14. Details of Directors and Key Managerial Personnel Appointed/Resigned during the year

There has been no change in the composition of Board of Directors in the period under review.

15. Number of Meetings of the Board of Directors

During the year 06 Board meetings were convened and held, details of which are as follows:

Sr. No.	Date of Board meeting	No. of Directors entitled to attend the meeting	No. of Directors present
01	28.06.2021	02	02
02	30.09.2021	02	02
03	27.11.2021	02	02
04	27.01.2022	02	02
05	11.02.2022	02	02
06	26.03.2022	02	02

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16. Particulars of Loans, Guarantees or Investments

Reference may be made to the financial statements of the Company in this regard.

17. Related Party Transactions

During the reporting period, the Company had entered into transaction with related parties which were on arm's length basis or which could be considered material in accordance with the policy of the Company on materiality of related party transactions. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC 2 is applicable.

Systems are in place for obtaining prior omnibus approval of the Audit Committee on an annual basis for transactions with related parties which are of a foreseeable and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted and a statement giving details of all transactions with related parties are placed before the Audit Committee for their review on a periodic basis.

18. Managerial Remuneration

a. Remuneration to Directors and Key Managerial Personnel

The remuneration of the Board of Directors during the period under review is as follows:

Sr. no.	Name of Director/KMP	Amount in Rs.
1	Ashok Bhagvanbhai Monsara	3,00,000.00
	Total	3,00,000.00

b. Employee Particulars

There are no employees who have remuneration in excess of the remuneration stated in Section 197 of the Companies Act, 2013.

19. Reporting of Fraud

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

20. Risk Management Policy

The Company has a robust Risk Management framework to identify measure and mitigate business risks and opportunities. This framework seeks to create transparency, minimise adverse impact on the business objective and enhance the Company's competitive advantage. This risk framework thus helps in managing market, credit and operations risks and quantifies exposure and potential impact at a Company level.

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21. Director's Responsibility Statement

Your Directors state that:

- a. in the preparation of the annual financial statements for the year ended March 31, 2022, the applicable accounting standards have been followed with no material departures, except AS – 12.
- b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit of the Company for the year ended on that date;
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors have prepared the annual financial statements on a going concern basis;
- e. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and
- f. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

22. Statutory Auditors

The Company's auditors M/s. H. B. Kalaria & Associates (Firm Registration Number 104571W) have been appointed as Statutory Auditors of the Company.

In accordance with provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014.

M/s H. B. Kalaria & Associates have informed the Company that their appointment if made would be within the limits prescribed under Section 141 of the Companies Act, 2013.

The Auditors have also furnished a declaration confirming their independence as well as their arm's length relationship with the Company as well as declaring that they have not taken up any prohibited non-audit assignments for the Company.

23. Cost Audit

The Company is not required to appoint a cost auditor for conducting the cost audit in respect of the products manufactured by the Company as per the provisions of Section 148 of the Companies Act, 2013 for the period under review.

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24. Others

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

1. Details relating to issue of equity shares including sweat equity shares and shares with differential rights as to dividend, voting or otherwise, since there was no such issue of shares.
2. None of the Whole-Time Directors of the Company received any remuneration or commission from any of its subsidiaries.
3. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
4. Your Directors further state that during the period under review, there were no cases filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

25. Acknowledgements

We take this opportunity to thank the employees for their dedicated service and contribution to the Company.

We also thank our banks, business associates and our shareholders for their continued support to the Company.

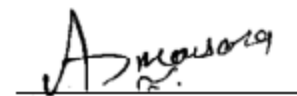
Date: 03.09.2022

Place: Jasdan.

For and on behalf of the Board,
GAJANAND COTTEX PRIVATE LIMITED



Director



Director

GAJANAND COTTEX PRIVATE LIMITED

CIN: U17111GJ2009PTC057251

Regd. Office: Survey No. 1257, Bypass Circle, Behind Maruti Oil Industries, Atkot - Jasdán
Road Jasdán**Annexure to the Board's Report – Form AOC-2**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the
Companies (Accounts) Rules, 2014)**Form for disclosure of particulars of contracts/arrangements entered into by the Company
with related parties referred to in sub-section (1) of section 188 of the Companies Act,
2013 including certain arms-length transactions under third proviso thereto**

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

a.	Name(s) of the related party and nature of relationship	Not applicable
b.	Nature of contracts/arrangements/transactions	Not applicable
c.	Duration of the contracts/arrangements/transactions	Not applicable
d.	Salient terms of the contracts or arrangements or transactions including the value, if any	Not applicable
e.	Justification of entering into such contracts or arrangements or transactions	Not applicable
f.	Date of approval by the Board	Not applicable
g.	Amount paid as advances, if any	None
h.	Date on which the special resolution was passed in general meeting as required under first proviso to sec. 188	Not applicable

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

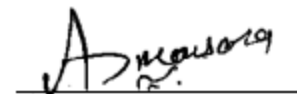
Sr. No.	Name	Nature	PAN	Amount (in Rs.)
1	Hetansh Tradelink	Sales	AAIFH2766A	15,79,18,283.00
2	Hetansh Tradelink	Lease Rent Received	AAIFH2766A	1,08,000.00
			Total	15,80,26,283.00

Date of Board approval, if any:

Amount paid as advances: Nil

Date: 03.09.2022

Place: Jasdán.

For and on behalf of the Board,
GAJANAND COTTEX PRIVATE LIMITED
Director
Director

Gajanand Cottex Private Limited
Annexure to the Board's Report - Form MGT-9

Extract of Annual Return as on the financial year ended March 31, 2022
(Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014)

I. Registration and other details

1	CIN	U17111GJ2009PTC057251
2	Registration date	June 15, 2009
3	Name of the Company	Gajanand Cottex Private Limited
4	Category/Sub-category of the Company	Company limited by shares Indian non-government company
5	Address of the registered office and contact details	Sur. No. 1257, Bypass Circle, Bh. Maruti Oil Industries, Atkot Jasdan Road, Jasdan - 360050 Contact: 9426954400 Email: gajanandcottex@gmail.com
6	Whether listed company?	No
7	Name, address and contact details of Registrar and Share Transfer Agent if any	Not Applicable

II. Principal business activities of the Company

All the business activities contributing 10% or more of the total turnover of the Company are given below:

Sr.	Name and description of main products/services	NIC code of product/service	% to total turnover of the Company*
1	Cotton Bales	2432	87.13%
2	Cotton Seeds	2432	10.85%

*on the basis of gross turnover

III. Particulars of Holding, Subsidiary and Associate Companies

The Company does not have any holding, subsidiary, associate or joint venture during the reporting period.

IV. Shareholding pattern (Equity share capital breakup as % of total Equity)

i. Category-wise shareholding

Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	%	Demat	Physical	Total	%	
A. Promoters									
1. Indian									
a. Individual/HUF	-	406,223	406,223	97.01%	-	406,223	406,223	97.01%	0.00%
b. Central Govt.	-	-	-	0.00%	-	-	-	0.00%	0.00%
c. State Govt.(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d. Bodies Corporates	-	12,500	12,500	2.99%	-	12,500	12,500	2.99%	0.00%
e. Banks/FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
f. Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total A.1.	-	418,723	418,723	100.00%	-	418,723	418,723	100.00%	0.00%
2. Foreign									
a. NRIs - Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b. Other - Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c. Bodies Corporates	-	-	-	0.00%	-	-	-	0.00%	0.00%
d. Banks/FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
e. Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total A.2.	-	-	-	0.00%	-	-	-	0.00%	0.00%
Total shareholding of Promoters A. = A.1. + A.2.	-	418,723	418,723	100.00%	-	418,723	418,723	100.00%	0.00%
B. Public shareholding									
1. Institutions									
a. Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b. Banks/FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
c. Central Govt.	-	-	-	0.00%	-	-	-	0.00%	0.00%

Gajanand Cottex Private Limited
Annexure to the Board's Report - Form MGT-9

d. State Govt (s)	-	-	0.00%	-	-	-	0.00%	0.00%
e. Venture Capital Funds	-	-	0.00%	-	-	-	0.00%	0.00%
f. Insurance Companies	-	-	0.00%	-	-	-	0.00%	0.00%
g. FIs	-	-	0.00%	-	-	-	0.00%	0.00%
h. Foreign Venture Capital Funds	-	-	0.00%	-	-	-	0.00%	0.00%
<u>i. Others (specify)</u>								
-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total B.1.	-	-	0.00%	-	-	-	0.00%	0.00%
2. Non-institutions								
a. Bodies Corporates								
i. Indian	-	-	0.00%	-	-	-	0.00%	0.00%
ii. Overseas	-	-	0.00%	-	-	-	0.00%	0.00%
b. Individuals								
i. Individuals holding nominal share capital up to Rs. 1 lakh	-	-	0.00%	-	-	-	0.00%	0.00%
ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	0.00%	-	-	-	0.00%	0.00%
<u>c. Others (specify)</u>								
-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total B.2.	-	-	0.00%	-	-	-	0.00%	0.00%
Total public shareholding B. = B.1. + B.2.	-	-	0.00%	-	-	-	0.00%	0.00%
C. Shares held by custodian for GDRs and ADRs								
-	-	-	0.00%	-	-	-	0.00%	0.00%
Total C.	-	-	0.00%	-	-	-	0.00%	0.00%
D. Non-promoter Non-public								
-	-	-	0.00%	-	-	-	0.00%	0.00%
Total D.	-	-	0.00%	-	-	-	0.00%	0.00%
Grand Total A. to D.	-	418,723	418,723	100.00%	-	418,723	418,723	100.00%

ii. Shareholding of Promoters

Shareholder's name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
	No. of shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	
Ashish Dhirajlal Monasara	131,598	31.43%	0.00%	131,598	31.43%	0.00%	0.000%
Ashokbhai B. Monsara	150,875	36.03%	0.00%	150,875	36.03%	0.00%	0.000%
Total	282,473	67.46%	0.00%	282,473	67.46%	0.00%	0.000%

iii. Change in Promoters' shareholding

There is no change in shareholding by promoters during the reporting period.

iv. Shareholding of top ten shareholders (other than directors, promoters and holders of GDRs and ADRs)

Sr.	Name and Details of Share Holding	Shareholding at the beginning of the year	Cumulative shareholding during the year
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Gajanand Cottex Private Limited
Annexure to the Board's Report - Form MGT-9

	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1 Kishor Bhagvanji Monsara				
As at the beginning of the reporting period	29,250	6.99%	29,250	6.99%
As at the end of the reporting period	29,250		29,250	6.99%
2 Bhagvanji Bhanabhai Monsara				
As at the beginning of the reporting period	24,500	5.85%	24,500	5.85%
As at the end of the reporting period	24,500		24,500	5.85%
3 Gaurav Dhirajlal Monsara				
As at the beginning of the reporting period	27,500	6.57%	27,500	6.57%
As at the end of the reporting period	27,500		27,500	6.57%
4 Minaxi Dhirajlal Monsara				
As at the beginning of the reporting period	17,500	4.18%	17,500	4.18%
As at the end of the reporting period	17,500		17,500	4.18%
5 Trupti Ashok Monsara				
As at the beginning of the reporting period	25,000	5.97%	25,000	5.97%
As at the end of the reporting period	25,000		25,000	5.97%
6 Rishi Automation Private Limited				
As at the beginning of the reporting period	12,500	2.99%	12,500	2.99%
As at the end of the reporting period	12,500		12,500	2.99%

v. Shareholding of directors and key management personnel

Same as clause IV.iii.

V. Indebtedness of the Company including interest outstanding/accrued but not due for payment

(in Rs.)

	Secured loans excluding deposits	Unsecured loans	Deposits	Total indebtedness
Indebtedness at the beginning of the period				
i. Principal amount	118,304,475	24,176,651	-	142,481,126
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total i.+ii.+iii.	118,304,475	24,176,651	-	142,481,126
Change in indebtedness during the reporting period				
Addition	702,355,284	16,400,000	-	718,755,284
Reduction	697,598,948	17,110,000	-	714,708,948
Net change	4,756,336	(710,000)	-	4,046,336
Indebtedness at the end of the financial year				
i. Principal amount	129,727,477	23,466,651	-	153,194,128
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total i.+ii.+iii.	129,727,477	23,466,651	-	153,194,128

VI. Remuneration of directors and key managerial personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Managers

(in Rs.)

No remuneration was paid to Managing Director, Whole-time Director or Manager during the reporting period.

B. Remuneration to other directors:

(in Rs.)

Particulars of remuneration	Name of other Executive director			Total amount
	Ashok Bhagvanbhai Monsara			
Other Executive directors				
1. Fee for attending board committee meetings	-	-	-	-
2. Commission	-	-	-	-
3. Others (specify)				
Remuneration	300,000	-	-	300,000
Total 2.	300,000	-	-	300,000

Gajanand Cottex Private Limited
Annexure to the Board's Report - Form MGT-9

Grant total B. = 1.+2.	300,000	-	-	-	-	-	300,000
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C. Remuneration to KMPs other than MD/Manager/WTDs

(in Rs.)

No remuneration was paid to KMPs other than MD/Manager/WTDs.

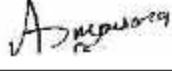
VII. Penalties/Punishment/Compounding of offences

There were no penalties/punishment/compounding of offences for breach of any section of the Companies Act against the Company or its Directors or other officers in default, if any, during the reporting period.

For and on behalf of the Board of Directors,
Gajanand Cotex Private Limited



Ashish D Monsara
Director
DIN: 02668120



Ashok B Monsara
Director
DIN: 02788077

Jasdan, September 03, 2022

Independent Auditor's Report

To the Members of Gajanand Cottex Pvt. Ltd.

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Gajanand Cottex Pvt. Ltd. ("**the Company**") which comprises the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and profit, and its cash flows for the year ended on that date.

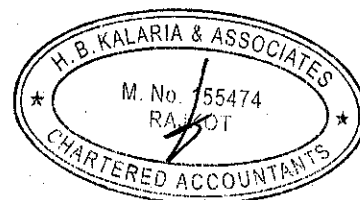
Basis for Opinion

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

Emphasis of Matter

We draw your attention to Note 2.6 of the section Summary of Significant Accounting Policies where the Company has not complied with the provisions of AS 15 – Employee Benefits with respect to creating a provision for gratuity and leave encashment expense payable to its employees. The Company determines the liability for defined benefit plans on actual payment basis only.

The Company's management is responsible for carrying out the balance confirmation and reconciliations with various debtors, creditors and advances. These have not been independently verified by us during the year under review. Any adjustment to the value of such balances as appearing in the balance sheet of the Company may have an effect on the profit and net assets of the Company for the period and year ended March 31, 2022.



Our opinion is not modified in respect of this matter.

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

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

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

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

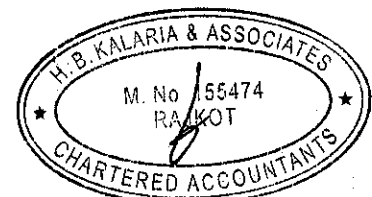
If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

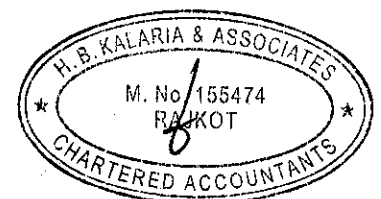


Auditor's Responsibility for the Audit of the Financial Statements

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

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

1. 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.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. 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.
5. 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.



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.

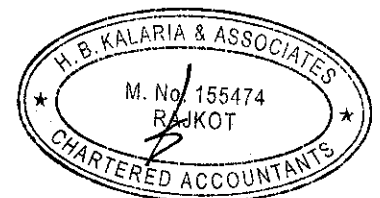
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

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 Companies Act, 2013, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account .
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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".
- g. In our opinion and to the best of our information and according to the explanations given to us, the provisions of section 197 of the Act are not applicable to Company.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



- a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 19 to the financial statements;
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
- d.
 1. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 2. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 3. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (1) and (2) above, contain any material misstatement.
- e. The Company has not paid any dividends during the year and hence, the provisions of Section 123 of the Act are not applicable to the Company.

Place: Rajkot

Date: 03/09/2022

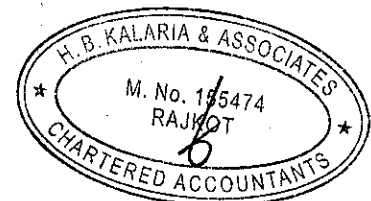
For,
HB Kalaria and Associates
Firm Reg. No. 104571W
Chartered Accountants



Hardik Kalaria
Partner

Mem. No. 155474

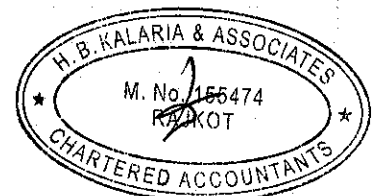
UDIN: 22155474AWXFFE3149



Annexure A

Referred to in the section Report on Other Legal and Regulatory Requirements on of the Independent Auditors' Report of even date to the members of Gajanand Cottex Pvt. Ltd. on the financial statements as of and for the year ended March 31, 2022

- (i)
- (a) In respect of its property, plant, and equipment:
- (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (B) The Company has maintained proper records showing full particulars of its intangible assets.
- (b) The Company has a programme of verification of property, plant and equipment to cover all the items in a phased manner over a period of 2 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain property, plant and equipment and investment property were physically verified by the Management during the current reporting period. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed/transfer deed/conveyance deed, we report that, the title deeds, comprising all the immovable properties of land and acquired buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued its property, plant and equipment and intangible assets during the reporting period and hence, clause (i)(d) of the Order is not applicable.
- (e) As explained to us by the management of the Company, there have not been any proceedings initiated or pending against the Company under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder during the current reporting period or as at the balance sheet date.
- (ii)
- (a) As per the information and explanation given to us physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion, the coverage and procedure of such verification by the management is appropriate and discrepancies of 10% or more in aggregate for each of the class of inventory were not noticed on physical verification.
- (b) The Company has 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. As we have not received the required information from the Company to form an opinion, we are unable to comment under clause (ii)(b) of the Order.

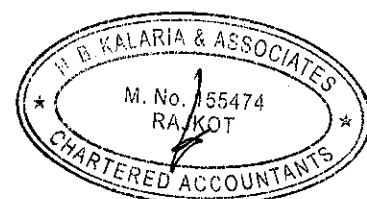


- (iii) According to the information and explanations given to us, the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, hence clause (iii) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not made any loans, investments or provided any guarantees and hence, the provisions of Sections 185 and 186 of the Companies Act, 2013 are not applicable to the Company.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits during the current reporting period in terms of provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) In our opinion, the provisions for maintenance of cost records under section 148(1) of the Companies Act, 2013 are not applicable to the Company. Hence, reporting under clause (vi) of the Order is not applicable.
- (vii) In our opinion and according to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities .

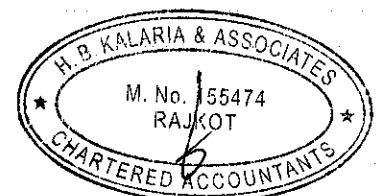
- (b) Details of statutory dues which have not been deposited as at the balance sheet date on account of disputes are given below:

Name of statute	Nature of dues	Forum where dispute pending	Period to which the amount relates	Gross amount due (in Rs. Hundreds)	Amount unpaid (in Rs. Hundreds)
The Gujarat Value Added Tax Act, 2003	Value Added tax	Appeal Vibhag 10, Rajkot	2015-16	91,957.96	89,447.96
The Gujarat Value Added Tax Act, 2003	Value Added tax	Appeal Vibhag 10, Rajkot	2016-17	45,492.50	40,688.70

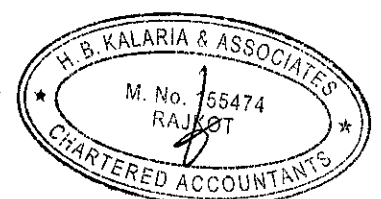
- (viii) According to the information and explanations given to us, the Company does not have any transactions, which were not recorded in the books of accounts and which have been surrendered or disclosed as income during the current reporting period in the tax assessments under the Income-tax Act, 1961.



- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions or banks. The Company has not taken any loans or borrowings from the government.
- (b) In our opinion and according to the information and explanations given to us, the Company has not been declared as a willful defaulter by any bank or financial institution or other lender during the reporting period.
- (c) The Company has obtained term loans during the current reporting period which, in our opinion and according to the information and explanations given to us, have been utilized for their stated purpose(s).
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we believe that no funds raised on short-term basis have been used for long-term purposes by the Company. We have however not made a detailed examination of the same.
- (e) The Company does not have any associate, subsidiary or joint venture and hence, clause (ix)(e) of the Order is not applicable.
- (f) The Company does not have any associate, subsidiary or joint venture and hence, clause (ix)(f) of the Order is not applicable.
- (x) (a) During the current reporting period, the Company has not raised funds by way of initial public offer or further public offer (including debt instruments) and hence reporting under clause (x)(a) of the Order is not applicable to the Company.
- (b) During the current reporting period, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the current reporting period.
- (b) To the best of our knowledge and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) To the best of our knowledge and according to the information and explanations given to us, the Company has not received any whistle-blower complaints during the current reporting period.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.



- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv)
- (a) In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013.
- (b) In our opinion, the Company is not required to maintain an internal audit system and hence, clause (xiv)(b) of the Order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, during the current reporting period the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company, if any or persons connected with them and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.
- (xvi)
- (a) The Company is not required to be registered under Section 45-I of the Reserve Bank of India Act, 1934.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the current reporting period and hence, is not required to obtain a Certificate of Registration 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.
- (d) The Company does not have any Group companies and hence, clause (xvi)(d) of the Order is not applicable to the Company.
- (xvii) In our opinion, the Company has not incurred any cash losses during the current reporting period and in the immediately preceding reporting period.
- (xviii) There has not been any resignation of the statutory auditors during the current reporting period under review.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.



- (xx) In our opinion section 135 of the Companies Act, 2013 is not applicable to the Company and hence clause (xx) of the Order is not applicable.
- (xxi) Clause (xxi) of the Order is not applicable in the report on the standalone financial statements of the Company.

Place: Rajkot
Date: 03/09/2022

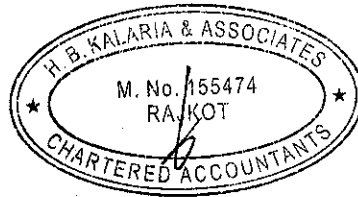
For,
HB Kalaria and Associates
Firm Reg. No. 104571W
Chartered Accountants



Hardik Kalaria
Partner

Mem. No. 155474

UDIN: 22155474AWXFFE3149



Annexure B

Referred to in point f. of the section Report on Other Legal and Regulatory Requirements of the Independent Auditors' Report of even date to the members of Gajanad Cottex Pvt. Ltd. on the financial statements for the year ended March 31, 2022

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

In conjunction with our audit of the financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over the financial reporting of Gajanad Cottex Pvt. Ltd. ("the Company") as of that date.

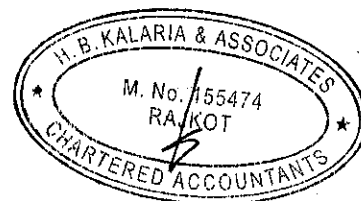
Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on 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 ("ICAI"). 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 respective 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with the 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 controls system 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 assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations 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 of 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 control 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, 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, 2022, 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 issued by ICAI.

Place: Rajkot

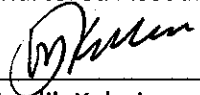
Date: 03/09/2022

For,

HB Kalaria and Associates

Firm Reg. No. 104571W

Chartered Accountants

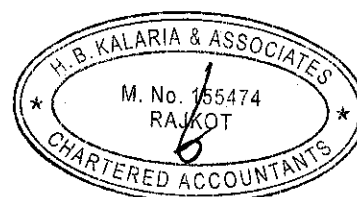


Hardik Kalaria

Partner

Mem. No. 155474

UDIN: 22155474AWXFFE3149



Gajanand Cottex Pvt Ltd

Notes to Financial Statements for the period ended March 31, 2022

1. General Information

Gajanand Cottex Pvt Ltd (the "Company") is engaged in the business of cotton ginning & pressing and trading of other products. The Company is a private limited company.

2. Summary of Significant Accounting Policies

2.1. Basis of Preparation

The financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. The financial statements have been prepared to comply in all material aspects with the accounting standards notified under Companies (Accounts) Rules, 2014, as amended from time to time and other relevant provisions of the Companies Act, 2013 except as stated in the notes below.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

2.2. Presentation of Financial Statements

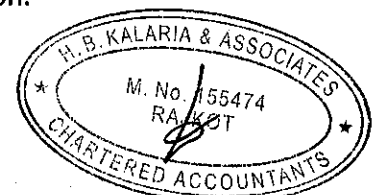
The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The Cash Flow Statement has been prepared and presented as per the requirements of Accounting Standard (AS) 3 "Cash Flow Statements. The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards.

2.3. Plant, Property and Equipment and Depreciation

2.3.1. Plant, Property and Equipment

a. Tangible Assets

All tangible assets are stated at cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any. Direct costs are capitalised until the assets are ready for use and includes freight, duties, taxes and expenses to acquisition and installation.



Gajanand Cottex Pvt Ltd

Notes to Financial Statements for the period ended March 31, 2022

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Losses arising from the retirement of, and gains or losses arising from disposal of tangible assets which are carried at cost are recognised in the Statement of Profit and Loss.

2.3.2. Depreciation

a. Tangible Assets

Depreciation is provided on a pro-rata basis on the straight-line method ('SLM') over the useful lives of the assets specified in Schedule II of the Companies Act, 2013.

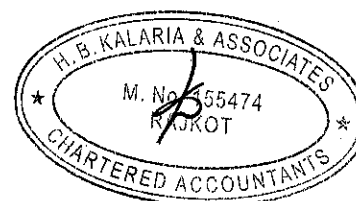
The following tangible asset classes have a useful life different from the useful life stated in Schedule II of the Companies Act, 2013:

Tangible Asset	Useful life (in years) *
Plant & Equipment	22.5
Vehicles	50
Building	36.5
Office equipment	14.3
Computer	10
Furniture and Fixtures	15.7

*Based on future projections, the Company has estimated the economic life of these assets as stated above and accordingly these assets have been amortized.

b. Impairment

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. For the purposes 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. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists or may have decreased, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount.



Gajanand Cottex Pvt Ltd

Notes to Financial Statements for the period ended March 31, 2022

2.4. Investments

Investments that are readily realisable and intended to be held for not more than a year from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments.

Long-term investments are stated at cost, except where there is a diminution in value (other than temporary) in which case the carrying value is reduced to recognise such a decline. Current investments are carried at lower of cost and fair value, computed separately in respect of each category of investment.

2.5. Inventories

Inventories comprise of raw materials, packing materials, finished goods (manufactured and traded). Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost is determined on First-In-First-Out basis. Cost includes all charges in bringing the goods to their present location and condition, including octroi and other levies, transit insurance and receiving charges. The cost of manufactured finished goods comprises of materials, direct labour, other direct costs and related production overheads as applicable.

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

2.6. Employee Benefits

a. Defined Contribution Plans

The Company's contribution to provident fund (in case of contributions to the Regional Provident Fund office), pension and employee state insurance scheme are considered as defined contribution plans, as the Company does not carry any further obligations apart from the contributions made on a monthly basis and are charged as an expense based on the amount of contribution required to be made.

b. Defined Benefit Plans

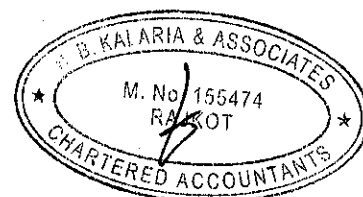
The Company contributes to Defined Benefit Plans comprising of Gratuity Fund and Leave Encashment.

Gratuity

The Company provides for gratuity on actual payment basis only.

Leave Encashment,

The Company provides for leave encashment on actual payment basis only.



Gajanand Cottex Pvt Ltd

Notes to Financial Statements for the period ended March 31, 2022

c. Short-term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised in the year during which the employee rendered the services.

2.7. Provisions and Contingent Liabilities

Provisions are recognised when there is a present obligation 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 there is a reliable estimate of the amount of the obligation.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

2.8. Revenue Recognition

Sale of goods: Sales are recognised when the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and are recognised net of trade discounts, rebates, sales taxes and excise duties.

Sale of services: In contracts involving the rendering of services, revenue is measured using the proportionate completion method and is recognised net of taxes.

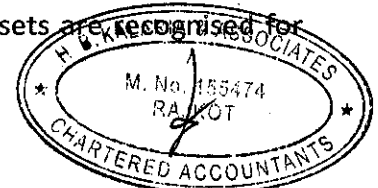
Dividend income is recognised when the right to receive dividend is established.

Revenue in respect of other types of income is recognised when no significant uncertainty exists regarding realisation of such income.

2.9. Taxes on Income

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

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



Gajanand Cottex Pvt Ltd

Notes to Financial Statements for the period ended March 31, 2022

timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there is unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise the assets. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternate Tax credit is recognised as an asset only when and to the extent that there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit is written down to the extent that there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.10. Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

2.11. Borrowing Costs

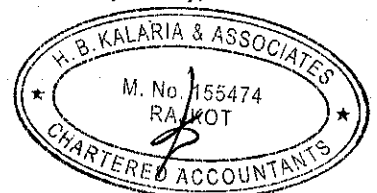
Borrowing costs, if any, directly attributable to acquisition or construction of qualifying assets (i.e. those fixed assets which necessarily take a substantial period of time to get ready for their intended use) are capitalised. Other borrowing costs are recognised as an expense in the period in which they are incurred.

2.12. Segment Reporting

The Company operates under a single operating segment in accordance with Accounting Standard 17 - 'Segment Reporting' and hence, segment reporting is not applicable to the Company.

2.13. Prior Period Items, Exceptional and Extraordinary Items

The Company follows the practice of making adjustments through 'prior year adjustments' in respect of all material transactions pertaining to the period prior to the current accounting year. The prior period adjustments, if any, are shown by way of notes to financial statements.



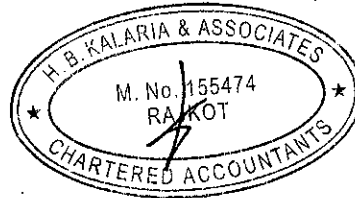
Gajanand Cottex Pvt Ltd

Notes to Financial Statements for the period ended March 31, 2022

Exceptional and Extra Ordinary Items, if any, are shown separately as per applicable accounting standards.

2.14. Earnings per Share

The Company reports basic and diluted Earnings per Share (EPS) in accordance with Accounting Standard 20.



Gajanand Cottex Private Limited

Notes to Financial Statements for the period ended March 31, 2022

3. Share capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds
Authorised				
4,60,000 (4,60,000) Equity shares of Rs. 10 each		46,000.00		46,000.00
Issued, subscribed and paid up				
4,18,723 (4,18,723) Equity shares of Rs. 10 each		41,872.30		41,872.30

3.1 Reconciliation of shares outstanding at the beginning and end of the period

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	in Rs. hundreds	No. of shares	in Rs. hundreds
At the commencement of the period	418,723	41,872.30	418,723	41,872.30
<u>Addition during the period</u>				
Total addition during the period	-	-	-	-
<u>Reduction during the period</u>				
Total reduction during the period	-	-	-	-
At the end of the period	418,723	41,872.30	418,723	41,872.30

3.2 Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% holding	No. of shares	% holding
Ashokbhai B. Monsara	150,875	36.03%	150,875	36.03%
Ashishbhai D. Monsara	131,598	31.43%	131,598	31.43%
Kishorbhai B. Monsara	29,250	6.99%	29,250	6.99%
Bhagvanjibhai B. Monsara	24,500	5.85%	24,500	5.85%
Gauravbhai D. Monsara	27,500	6.57%	27,500	6.57%
Truptiben A. Monsara	25,000	5.97%	25,000	5.97%

3.3 Details of shares held by promoters at the end of the year

Name of Promoter	As at March 31, 2022			As at March 31, 2021		
	No. of shares	%	% change	No. of shares	%	% change
Ashish Dhirajlal Monasara	131,598	31.43%	0.00%	131,598	31.43%	0.00%
Ashokbhai B. Monsara	150,875	36.03%	0.00%	150,875	36.03%	0.00%

3.4 Aggregate no. of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years (or lesser) immediately preceding the reporting date - not applicable

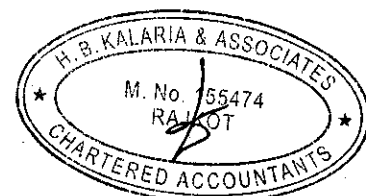
3.5 Rights, preferences and restrictions attached to shares

Equity shares

The Company has one class of equity shares having a face value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

4. Reserves and surplus

Particulars	As at March 31, 2022		As at March 31, 2021	
	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds
Securities Premium Account				
As per last Balance Sheet	294,127.86		294,127.86	
		294,127.86		294,127.86
Surplus/(Deficit) in Statement of Profit and Loss				
As per last Balance Sheet	68,441.25		66,726.48	
Profit/Loss for the period	3,150.36		1,714.77	
		71,591.61		68,441.25
Total		365,719.47		362,569.11



Gajanand Cottex Private Limited

Notes to Financial Statements for the period ended March 31, 2022

5. Long-term borrowings

Particulars	As at March 31, 2022		As at March 31, 2021	
	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds
Secured				
Working capital loans from banks		206,888.90		200,000.00
Unsecured				
<u>Loans and advances from related parties</u>				
from directors/promoters	234,666.51		241,766.51	
		234,666.51		241,766.51
Total		441,555.41		441,766.51

5.1 Terms of repayment, nature of security and rate of interest in case of secured loans

Financier/ Category	Nature of security	Terms of repayment	Personal security of promoters, shareholders, third parties etc.	Rate of interest	Guaranteed by	
					Directors	Others
Working capital loans from banks	Hypothecation of the current and movable assets of the Company	Information not available	No	0%	Yes	No

5.2 Amount of secured loans outstanding

Secured financier	Outstanding (in Rs. hundreds)*	
	As at March 31, 2022	As at March 31, 2021
UBI	273,555.56	200,000.00
Total	273,555.56	200,000.00

*includes current portion of long-term borrowings, if any. See note 7 of the financial statements.

5.3 Terms of repayment and rate of interest in case of unsecured loans

Financier/ Category	Terms of repayment	Personal security of promoters, shareholders, third parties etc.	Rate of interest	Guaranteed by		Outstanding (in Rs. hundreds)*	
				Directors	Others	As at March 31, 2022	As at March 31, 2021
Loans from directors	Repayment schedule is not specified	No	0-4%	No	No	234,666.51	241,766.51
Total						234,666.51	241,766.51

*includes current portion of long-term borrowings, if any. See note 7 of the financial statements.

6. Deferred tax liabilities (net)

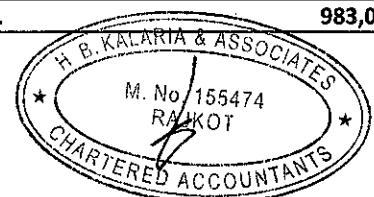
Particulars	As at March 31, 2022		As at March 31, 2021	
	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds
Deferred tax liabilities on account of timing differences				
Depreciation	13,784.18		14,806.25	
		13,784.18		14,806.25
Total		13,784.18		14,806.25

6.1 Notes

1. Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.

7. Short-term borrowings

Particulars	As at March 31, 2022		As at March 31, 2021	
	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds
Secured				
Current maturities of long-term debt (see note 5)		66,666.66		
Working capital loans from banks		957,052.55		983,044.75
Total		1,023,719.21		983,044.75



Gajanand Cottex Private Limited
Notes to Financial Statements for the period ended March 31, 2022

7.1 Terms of repayment, nature of security and rate of interest in case of secured loans

Financier/ Category	Nature of security	Terms of repayment	Personal security of promoters, shareholders, third parties etc.	Rate of interest	Guaranteed by	
					Directors	Others
Working capital loans from banks	Hypothecation of the current and movable assets of the Company	Repayable on demand	Yes	12.35%	Yes	Yes

7.2 Amount of secured loans outstanding

Secured financier	Outstanding (in Rs. hundreds)*	
	As at March 31, 2022	As at March 31, 2021
UBI	957,052.55	983,044.75
Total	957,052.55	983,044.75

8. Trade payables

Particulars	As at March 31, 2022		As at March 31, 2021	
	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds
Total outstanding dues of MSMEs		-		-
Total outstanding dues of creditors other than MSMEs		22,214.09		68,646.22
Total		22,214.09		68,646.22

8.1 Trade payables ageing schedule

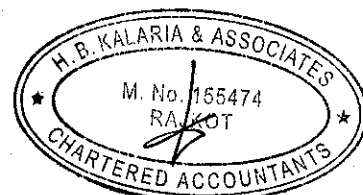
Particulars	As at March 31, 2022		As at March 31, 2021	
	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds
(Outstanding for the following periods from the date of transaction)				
<u>Undisputed trade payables - other than MSMEs</u>				
Less than 1 year	20,760.14		51,109.12	
1-2 years	1,453.95		17,537.10	
2-3 years	-		-	
More than 3 years	-		-	
	<u>22,214.09</u>		<u>68,646.22</u>	
		22,214.09		68,646.22
Total		22,214.09		68,646.22

9. Other current liabilities

Particulars	As at March 31, 2022		As at March 31, 2021	
	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds
Statutory dues (including withholding taxes)		5,717.00		19,309.40
Accrued expenses payable		650.00		652.54
Advances from customers		-		335.92
Creditors for fixed assets		19,765.00		-
Employee related liabilities		9,359.34		8,199.98
Others		-		342.88
Total		35,491.34		28,840.72

10. Short-term provisions

Particulars	As at March 31, 2022		As at March 31, 2021	
	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds
Provision for income-tax (net)		-		1,094.92
Total		-		1,094.92



Gajanand Cottex Private Limited
Notes to Financial Statements for the period ended March 31, 2022

12. Non-current investments

Particulars	Face Value (in Rs. except stated otherwise)	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
		Nos.	Nos.	in Rs. hundreds	in Rs. hundreds
Non-trade investments					
Govt./Trust securities					
(At cost) (Fully paid up) (Unquoted) (Others)					
National Savings Certificate	10,000.00	1.00	1.00	100.00	100.00
Total				100.00	100.00

12.1 Aggregate value of quoted and unquoted investments

Particulars	As at March 31, 2022		As at March 31, 2021	
	Cost (in Rs. hundreds)	Market Value (in Rs. hundreds)	Cost (in Rs. hundreds)	Market Value (in Rs. hundreds)
Aggregate value of quoted investments				
Aggregate value of unquoted investments	100.00		100.00	
Total	100.00		100.00	

13. Other non-current assets

Particulars	As at March 31, 2022		As at March 31, 2021	
	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds
Unsecured				
Security deposits				
Considered good	799.74		1,040.07	
	<u>799.74</u>		<u>1,040.07</u>	
Long-term deposits with banks having maturity period more than 12 months				
Considered good	7,226.49		6,832.83	
	<u>7,226.49</u>		<u>6,832.83</u>	
		8,026.23		7,872.90
Total		8,026.23		7,872.90

14. Inventories

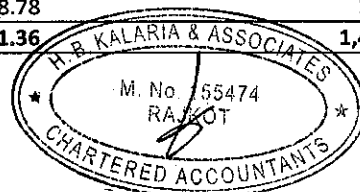
Particulars	As at March 31, 2022		As at March 31, 2021	
	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds
Raw materials		118,478.80		296,079.55
Finished goods		995,518.03		786,639.00
Stock-in-trade		267,378.78		354,880.78
Total		1,381,375.61		1,437,599.33

14.1 Details of inventories

Particulars	As at March 31, 2022		As at March 31, 2021	
	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds
Raw materials				
Raw cotton	118,478.80		296,079.55	
		118,478.80		296,079.55
Finished goods				
Cotton seeds	288,273.53		318,309.00	
Cotton bales	682,720.22		468,330.00	
Jute Bag (Khol)	954.00		-	
Soap Bagdu	1,176.03		-	
		973,123.78		786,639.00
Stock-in-trade				
Cotton seed cake	48,082.25		-	
Chana	218,779.20		352,203.75	
Bardan	517.34		2,677.03	
		267,378.78		354,880.78
Total		1,358,981.36		1,437,599.33

14.2 Notes

1. Inventories have been certified by the management of the Company.



Gajanand Cottex Private Limited

Notes to Financial Statements for the period ended March 31, 2022

15. Trade receivables

Particulars	As at March 31, 2022		As at March 31, 2021	
	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds
Outstanding for a period exceeding six months from the date they are due for payment				
<u>Unsecured</u>				
Considered good	1,099.92		6,609.63	
	<u>1,099.92</u>		<u>6,609.63</u>	
		1,099.92		6,609.63
Others				
<u>Unsecured</u>				
Considered good	372,722.07		360,947.60	
	<u>372,722.07</u>		<u>360,947.60</u>	
		372,722.07		360,947.60
Total		373,821.99		367,557.24

15.1 Trade receivables ageing schedule

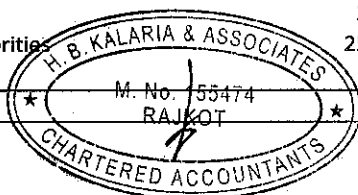
Particulars	As at March 31, 2022		As at March 31, 2021	
	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds
(Outstanding for the following periods from the date of transaction)				
<u>Unsecured</u>				
<u>Undisputed trade receivables - considered good</u>				
Less than 6 months	372,722.07		360,947.60	
6 months -1 year	-		500.00	
1-2 years	1,099.92		6,109.63	
2-3 years	-		-	
More than 3 years	-		-	
	<u>373,821.99</u>		<u>367,557.24</u>	
Total		373,821.99		367,557.24

16. Cash and bank balances

Particulars	As at March 31, 2022		As at March 31, 2021	
	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds
Cash and cash equivalents				
<u>Balances with banks</u>				
Other bank balances	-		1,412.03	
	<u>-</u>		<u>1,412.03</u>	
Cash on hand	46,285.62		13,409.85	
		46,285.62		14,821.88
Total		46,285.62		14,821.88

17. Short-term loans and advances

Particulars	As at March 31, 2022		As at March 31, 2021	
	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds
<u>Unsecured</u>				
<u>Advances recoverable in cash or in kind or for value to be received</u>				
Considered good	990.00		1,233.91	
	<u>990.00</u>		<u>1,233.91</u>	
<u>Prepaid expenses</u>				
Considered good	1,014.31		1,096.98	
	<u>1,014.31</u>		<u>1,096.98</u>	
<u>Others</u>				
<u>Advance tax</u>				
Advance income-tax paid	1,000.00		-	
Tax deducted at source	1,374.12		-	
	<u>2,374.12</u>		<u>-</u>	
Balances with statutory authorities	25,594.19		16,061.49	
		29,972.62		18,392.38
Total		29,972.62		18,392.38



Gajanand Cottex Private Limited
Notes to Financial Statements for the period ended March 31, 2022

18. Contingent liabilities and commitments

Particulars	As at March 31, 2022		As at March 31, 2021	
	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds
A. Contingent liabilities				
Sales tax/GST		130,136.66		-

19. Revenue from operations

Particulars	Period ended March 31, 2022		Period ended March 31, 2021	
	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds
Revenue from sale of products	6,170,831.12		5,845,598.87	
Revenue from sale of services	3,100.00		-	
		6,173,931.12		5,845,598.87
Total		6,173,931.12		5,845,598.87

19.1 Disclosure of categories of products/services

Revenue from products (net of taxes, if any)

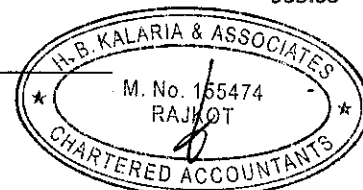
Particulars	Period ended March 31, 2022		Period ended March 31, 2021	
	Manufactured (in Rs. hundreds)	Traded (in Rs. hundreds)	Manufactured (in Rs. hundreds)	Traded (in Rs. hundreds)
Revenue from export sales				
Sub-total (A)	-	-	-	-
Revenue from domestic sales				
<u>Finished goods</u>				
Cotton seeds	408,430.59	-	211,199.56	-
Cotton bales	4,935,333.98	-	4,499,490.19	-
<u>Stock-in-trade</u>				
Cotton seeds	-	228,111.40	-	48,530.40
Cotton seed cake	-	32,924.32	-	300,000.70
Wheat	-	-	-	90,491.04
Chana	-	125,308.55	-	118,137.12
<u>Raw materials</u>				
Raw cotton	-	446,307.37	-	585,576.58
Sub-total (B)	5,343,764.57	832,651.64	4,710,689.75	1,142,735.83
Total (A)+(B)	5,343,764.57	832,651.64	4,710,689.75	1,142,735.83
Total gross sales (export + domestic)		6,176,416.21		5,853,425.58
Less: Discounts/Rebates on sale of products		1,409.80		308.45
Less: Other allowances and deductions from sale of products		4,175.30		7,518.26
Revenue from sale of products		6,170,831.12		5,845,598.87

Revenue from services (net of taxes, if any)

Particulars	Period ended March 31, 2022		Period ended March 31, 2021	
	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds
Revenue from domestic sales				
Job work services		3,100.00		-
Sub-total (B)		3,100.00		-
Total (A)+(B)		3,100.00		-
Total gross sales (export + domestic)		3,100.00		-
Revenue from sale of services		3,100.00		-

20. Other income

Particulars	Period ended March 31, 2022		Period ended March 31, 2021	
	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds
<u>Interest income</u>				
From non-current sources	484.29		312.60	
From current sources	716.94		622.48	
		1,201.23		935.08
<u>Rental income</u>				
From current sources	1,080.00			
		1,080.00		



Gajanand Cottex Private Limited

Notes to Financial Statements for the period ended March 31, 2022

Other non-operating income			
Misc. other non-operating income		22.38	22.38
Total		2,281.23	957.46

21. Cost of materials consumed

Particulars	Period ended March 31, 2022		Period ended March 31, 2021	
	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds
Opening inventory		296,079.55		337,002.60
Add: Purchases (net)		5,317,183.74		5,194,910.76
Less: Closing inventory		118,478.80		296,079.55
Total		5,494,784.48		5,235,833.82

21.1 Materials consumed consist of

Particulars	Period ended March 31, 2022		Period ended March 31, 2021	
	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds
Loose root, raw cotton and packing material		-		4,004,303.04
Raw cotton		5,494,784.48		1,231,530.78
Total		5,494,784.48		5,235,833.82

22. Purchase of stock-in-trade

Particulars	Period ended March 31, 2022		Period ended March 31, 2021	
	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds
Stock-in-trade		631,638.47		643,370.05
Total		631,638.47		643,370.05

22.1 Purchase of stock-in-trade consists of

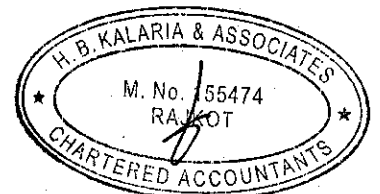
Particulars	Period ended March 31, 2022		Period ended March 31, 2021	
	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds
Cotton seeds		478,318.37		60,220.90
Cotton seed cake		22,680.00		300,745.27
Chana		128,872.60		281,016.93
Bardan		1,767.50		1,386.96
Total		631,638.47		643,370.05

23. Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	Period ended March 31, 2022		Period ended March 31, 2021	
	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds
Opening inventory				
Finished goods	786,639.00		752,546.87	
Stock-in-trade	354,880.78		181,171.77	
		1,141,519.78		933,718.64
Closing inventory				
Finished goods	995,518.03		786,639.00	
Stock-in-trade	267,378.78		354,880.78	
		1,262,896.81		1,141,519.78
Total		(121,377.03)		(207,801.14)

24. Employee benefit expense

Particulars	Period ended March 31, 2022		Period ended March 31, 2021	
	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds
Salaries and wages		17,093.73		7,369.40
Contribution to provident fund and other funds		249.85		220.05
Total		17,343.58		7,589.45



Gajanand Cottex Private Limited
Notes to Financial Statements for the period ended March 31, 2022

25. Finance costs

Particulars	Period ended March 31, 2022		Period ended March 31, 2021	
	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds
Interest expense				
<u>On long-term loans</u>				
from banks	16,564.27		9,446.99	
from others	-		10,521.28	
	<u>16,564.27</u>		<u>19,968.27</u>	
<u>On short-term loans</u>				
from banks	95,064.52		99,721.03	
	<u>95,064.52</u>		<u>99,721.03</u>	
On other borrowings and/or late payments	<u>252.95</u>		<u>282.19</u>	
		111,881.74		119,971.49
Other borrowing costs		1,684.10		3,943.00
Total		113,565.84		123,914.49

26. Other expenses

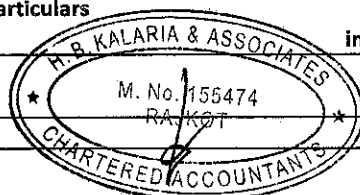
Particulars	Period ended March 31, 2022		Period ended March 31, 2021	
	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds
Electricity expense		6,875.58		6,153.64
<u>Repairs and maintenance</u>				
Plant and machinery	10,229.63		15,509.86	
Others	<u>688.03</u>		<u>520.99</u>	
		10,917.66		16,030.86
Insurance		1,599.27		1,652.26
Rates and taxes		24.00		24.40
Subscription and membership fees		40.50		-
Telephone and postage		-		9.80
Printing and stationery		-		16.50
Registration and filing fees		36.25		10.00
Legal and professional charges		2,264.40		2,349.60
Bank charges		231.62		773.07
Catering and canteen expenses		-		1,363.31
Vehicle running expenses		1,127.04		2,871.24
Information technology expenses		-		68.35
<u>Payment to auditors</u>				
Audit services	390.00		390.00	
Taxation matters	130.00		130.00	
Company law matters	<u>130.00</u>		<u>130.00</u>	
		650.00		650.00
Payments for technical services		15.24		83.31
Commission to selling agents (other than sole selling agents)		378.50		127.00
Miscellaneous expenses		3,158.21		1,430.50
Total		27,318.27		33,613.84

27. Earnings per share

Particulars	Period ended March 31, 2022		Period ended March 31, 2021	
Net profit/(loss) for basic EPS calculation (in Rs. hundreds)		3,150.36		1,714.77
Weighted average no. of equity shares for basic EPS calculation		418,723		418,723
Basic EPS (in Rs. per share)		0.75		0.41
Basic EPS from continuing operations (in Rs. per share)		0.75		0.41
Diluted EPS (in Rs. per share)		0.75		0.41
Diluted EPS from continuing operations (in Rs. per share)		0.75		0.41

28. Source wise bifurcation of materials, stores and spares consumed

Particulars	Period ended March 31, 2022		Period ended March 31, 2021	
	in Rs. hundreds	%	in Rs. hundreds	%
Materials consumed				
Indigenous	5,494,784.48	100.00%	5,235,833.82	100.00%
	5,494,784.48	100.00%	5,235,833.82	100.00%



Gajanand Cottex Private Limited
Notes to Financial Statements for the period ended March 31, 2022

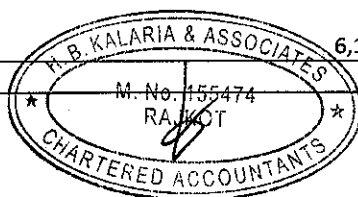
29. Additional regulatory information

29.1 Security of current assets against borrowings

The Company has not compiled the requisite information under this clause.

29.2 Analytical ratios

Particulars	As at March 31, 2022	As at March 31, 2021	% change
Current ratio			
Current assets (in Rs. hundreds) (A)	1,831,455.84	1,838,370.83	
Current liabilities (in Rs. hundreds) (B)	1,081,424.64	1,081,626.60	
Ratio (times) = (A)/(B)	1.69	1.70	-0.36%
Debt-equity ratio			
Total debt (in Rs. hundreds) (A)	1,465,274.62	1,424,811.26	
Shareholders' funds (in Rs. hundreds) (B)	407,591.77	404,441.41	
Ratio (times) = (A)/(B)	3.59	3.52	2.05%
Debt service coverage ratio			
Net profit/(loss) before tax (in Rs. hundreds)	4,360.53	2,410.47	
Add: Finance cost (in Rs. hundreds)	113,565.84	123,914.49	
Add: Depreciation and amortisation expense (in Rs. hundreds)	8,578.20	7,625.35	
Earnings available for debt services (in Rs. hundreds) (A)	126,504.57	133,950.31	
Interest expense (in Rs. hundreds)	113,565.84	123,914.49	
Principal repayment (in Rs. hundreds)	44,444.44	9,446.99	
Debt service (in Rs. hundreds) (B)	158,010.28	133,361.48	
Ratio (times) = (A)/(B)	0.80	1.00	-20.29%
Return on equity			
Net profit/(loss) after tax (in Rs. hundreds) (A)	3,150.36	1,714.77	
Average shareholders' funds (in Rs. hundreds) (B)	406,016.59	403,584.03	
Ratio (%) = (A)/(B)	0.78%	0.42%	82.62%
Inventory turnover ratio			
Cost of goods sold (in Rs. hundreds) (A)	6,005,045.93	5,671,402.73	
Average inventory (in Rs. hundreds) (B)	1,409,487.47	1,354,160.28	
Ratio (times) = (A)/(B)	4.26	4.19	1.73%
Trade receivables turnover ratio			
Revenue from operations (in Rs. hundreds) (A)	6,173,931.12	5,845,598.87	
Average trade receivables (in Rs. hundreds) (B)	370,689.62	329,058.74	
Ratio (times) = (A)/(B)	16.66	17.76	-6.24%
Trade payables turnover ratio			
Total purchase (in Rs. hundreds) (A)	5,948,822.21	5,838,280.81	
Average trade payables (in Rs. hundreds) (B)	45,430.15	43,980.51	
Ratio (times) = (A)/(B)	130.94	132.75	-1.36%
Net capital turnover ratio			
Revenue from operations (in Rs. hundreds) (A)	6,173,931.12	5,845,598.87	
Current assets (in Rs. hundreds)	1,831,455.84	1,838,370.83	
Less: Current liabilities (in Rs. hundreds)	1,081,424.64	1,081,626.60	
Net working capital (in Rs. hundreds)	750,031.20	756,744.23	
Average net working capital (in Rs. hundreds) (B)	753,387.71	652,977.59	
Ratio (times) = (A)/(B)	8.19	8.95	-8.46%
Net profit ratio			
Net profit/(loss) after tax (in Rs. hundreds) (A)	3,150.36	1,714.77	
Revenue from operations (in Rs. hundreds) (B)	6,173,931.12	5,845,598.87	
Ratio (%) = (A)/(B)	0.05%	0.03%	73.95%



Gajanand Cottex Private Limited

Notes to Financial Statements for the period ended March 31, 2022

Return on capital employed

Net profit/(loss) before tax (in Rs. hundreds)	4,360.53	2,410.47	
Add: Finance cost (in Rs. hundreds)	113,565.84	123,914.49	
Earning before interest and taxes (in Rs. hundreds) (A)	117,926.37	126,324.96	
Average capital employed (in Rs. hundreds) (B)	861,972.76	760,581.52	
Ratio (%) = (A)/(B)	13.68%	16.61%	-17.63%

Return on investment

Net profit/(loss) after tax (in Rs. hundreds) (A)	3,150.36	1,714.77	
Average shareholders' funds (in Rs. hundreds) (B)	406,016.59	403,584.03	
Ratio (%) = (A)/(B)	0.78%	0.42%	82.62%

Reason for change for more than 25%

1 Return on equity

Return on equity has increased on account of increased profitability of the Company's operations in the current year.

2 Net profit ratio

Net profit ratio has increased on account of increased profitability of the Company's operations in the current year.

3 Return on investment

Return on investment has increased on account of increased profitability of the Company's operations in the current year.

30. Disclosures as required by the Micro, Small and Medium Enterprises Development Act, 2006 are as under

The Company has requested its suppliers to give information about their status as Micro, Small or Medium Enterprises as defined under the MSMED Act, 2006. In absence of this information, the Company is unable to provide the details regarding the over dues to such enterprises.

31. Related party transactions

31.1 List of related parties

Other related parties where common control exists

Hetansh Tradelink

Key Management Personnel ("KMP") and their relatives

Whole-time directors ("WTDs")/Executive directors etc.

Ashokbhai B Monsara

Ashish D Monsara

Relative of WTDs/Executive directors

Kishorbhai B Monsara

Fenil A Monsara

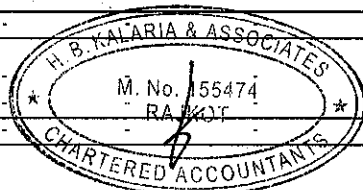
Dhirajlal B Monsara

There are no transactions during the year with the above entities

31.2 Details of transactions with related parties

(in Rs. hundreds)

Details of transactions	Subsidiaries/ICES/Asso./ Controlling Co./Intermediates		Other related parties		Key Management Personnel and relatives		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
Purchase of goods								
Hetansh Tradelink	-	-	-	2,188,136.55	-	-	-	2,188,136.55
Total	-	-	-	2,188,136.55	-	-	-	2,188,136.55
Revenue from sale of goods								
Hetansh Tradelink	-	-	1,579,182.83	-	-	-	1,579,182.83	-
Total	-	-	1,579,182.83	-	-	-	1,579,182.83	-
Services received								
Fenil A Monsara	-	-	-	-	2,079.94	1,986.64	2,079.94	1,986.64
Total	-	-	-	-	2,079.94	1,986.64	2,079.94	1,986.64
Lease rent received								
Hetansh Tradelink	-	-	1,080.00	-	-	-	1,080.00	-
Total	-	-	1,080.00	-	-	-	1,080.00	-
Interest paid								
Ashokbhai B Monsara	-	-	-	-	-	10,521.28	-	10,521.28
Total	-	-	-	-	-	10,521.28	-	10,521.28
Reimbursement of expenses paid								
Dhirajlal B Monsara	-	-	-	-	-	990.00	-	990.00
Kishorbhai B Monsara	-	-	-	-	-	990.00	-	990.00
Total	-	-	-	-	-	1,980.00	-	1,980.00



Gajanand Cottex Private Limited
Notes to Financial Statements for the period ended March 31, 2022

Loans/Advances accepted								
Ashokbhai B Monsara	-	-	-	-	145,000.00	211,908.49	145,000.00	211,908.49
Ashish D Monsara	-	-	-	-	19,000.00	-	19,000.00	-
Total	-	-	-	-	164,000.00	211,908.49	164,000.00	211,908.49
Accepted loans/advances repaid								
Ashokbhai B Monsara	-	-	-	-	150,100.00	221,500.00	150,100.00	221,500.00
Ashish D Monsara	-	-	-	-	21,000.00	-	21,000.00	-
Total	-	-	-	-	171,100.00	221,500.00	171,100.00	221,500.00
Remuneration to KMPs								
Ashokbhai B Monsara	-	-	-	-	3,000.00	2,000.00	3,000.00	2,000.00
Total	-	-	-	-	3,000.00	2,000.00	3,000.00	2,000.00

31.3 Details of account balances with related parties

(in Rs. hundreds)

Account balances	Subsidiaries/ICES/Asso./ Controlling Co./Intermediates		Other related parties		Key Management Personnel and relatives		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
Loans from related parties								
Ashokbhai B Monsara	-	-	-	-	216,666.51	220,776.51	216,666.51	220,776.51
Ashish D Monsara	-	-	-	-	18,000.00	20,000.00	18,000.00	20,000.00
Total	-	-	-	-	234,666.51	240,776.51	234,666.51	240,776.51
Remuneration payable to KMPs								
Ashokbhai B Monsara	-	-	-	-	5,705.19	3,705.19	5,705.19	3,705.19
Total	-	-	-	-	5,705.19	3,705.19	5,705.19	3,705.19
Trade receivables								
Hetansh Tradelink	-	-	-	-	143,335.42	178,127.85	143,335.42	178,127.85
Total	-	-	-	-	143,335.42	178,127.85	143,335.42	178,127.85
Consideration receivable								
Ashokbhai B Monsara	-	-	-	-	990.00	990.00	990.00	990.00
Total	-	-	-	-	990.00	990.00	990.00	990.00
Other balances								
Fenil A Monsara (Salary Payable)	-	-	-	-	319.94	2,781.58	319.94	2,781.58
Total	-	-	-	-	319.94	2,781.58	319.94	2,781.58

32. Segment reporting

The Company operates under a single reporting segment and hence, segment reporting is not applicable to the Company as per AS 17 - Segment Reporting.

33. Employee benefits

The Company accounts for defined benefit plans on actual payment basis only which is not in accordance with AS 15 - Employee Benefits.

33.1 Contribution to defined contribution plans

Particulars	Period ended March 31, 2022		Period ended March 31, 2021	
	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds	in Rs. hundreds
Provident Fund		249.85		220.05
Total		249.85		220.05

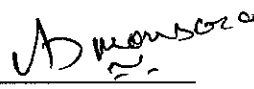
34. Other notes

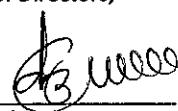
1. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.


Signature to notes 1 to 34 of the financial statements.

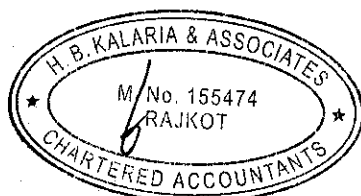
For, **H. B. Kalaria & Associates**
Chartered Accountants
Firm Registration No. 104571W

For and on behalf of the Board of Directors,


Ashish D Monsara
Director
DIN: 02668120


Ashok B Monsara
Director
DIN: 02788077


Hardik H. Kalaria
Partner
Mem. No. 155474



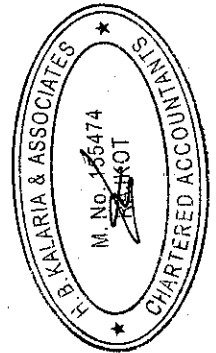
Rajkot, September 03, 2022

Jasdan, September 03, 2022

Gajanand Cottex Private Limited

Notes to Financial Statements for the period ended March 31, 2022

Particulars	(In Rs. hundreds)										
	Opening as at 01/04/2021	Additions	Gross Block Deductions	Other adjustments	As at 31/03/2022	Opening as at 01/04/2021	Depreciation/ Amortization	Deductions	Other adjustments	As at 31/03/2022	Net Block As at 31/03/2021
11. Property, plant and equipment and intangible assets											
Property, plant and equipment											
Land											
Freehold	8,462.12	-	-	-	8,462.12	-	-	-	-	8,462.12	8,462.12
Sub-total	8,462.12	-	-	-	8,462.12	-	-	-	-	8,462.12	8,462.12
Buildings											
Owned	104,724.07	-	-	-	104,724.07	43,731.23	-	-	48,537.28	60,992.84	60,992.84
Sub-total	104,724.07	-	-	-	104,724.07	43,731.23	-	-	48,537.28	60,992.84	60,992.84
Plant and equipment											
Owned	90,225.54	16,750.00	-	-	106,975.54	65,497.25	3,433.31	-	68,930.56	38,044.98	24,728.29
Sub-total	90,225.54	16,750.00	-	-	106,975.54	65,497.25	3,433.31	-	68,930.56	38,044.98	24,728.29
Furniture and fixtures											
Owned	12,637.13	-	-	-	12,637.13	11,762.91	151.86	-	11,914.77	722.36	874.22
Sub-total	12,637.13	-	-	-	12,637.13	11,762.91	151.86	-	11,914.77	722.36	874.22
Motor vehicles											
Owned	6,915.51	-	-	-	6,915.51	6,409.04	29.45	-	6,438.49	477.02	506.47
Sub-total	6,915.51	-	-	-	6,915.51	6,409.04	29.45	-	6,438.49	477.02	506.47
Computer equipment											
Owned	1,589.10	-	-	-	1,589.10	1,496.74	23.91	-	1,520.65	68.45	92.36
Sub-total	1,589.10	-	-	-	1,589.10	1,496.74	23.91	-	1,520.65	68.45	92.36
Office equipment											
Owned	985.72	305.08	-	-	1,290.80	344.98	133.62	-	478.60	812.20	640.74
Sub-total	985.72	305.08	-	-	1,290.80	344.98	133.62	-	478.60	812.20	640.74
Total (i)	225,539.18	17,055.08	-	-	242,594.26	129,242.14	8,578.20	-	137,820.34	104,773.93	96,297.05
Intangible assets											
Total (ii)	-	-	-	-	-	-	-	-	-	-	-
Grand total (i)+(ii)	225,539.18	17,055.08	-	-	242,594.26	129,242.14	8,578.20	-	137,820.34	104,773.93	96,297.05



Gajanand Cottex Private Limited

Notes to Financial Statements for the period ended March 31, 2022

Particulars	(in Rs. hundreds)										
	Gross Block			Depreciation/Amortization			Net Block				
	Opening as at 01/04/2020	Additions	Deductions	Other adjustments	As at 31/03/2021	Opening as at 01/04/2020	Depreciation/ Amortization	Deductions	Other adjustments	As at 31/03/2021	As at 31/03/2020
Property, plant and equipment											
Land											
Freehold	8,462.12	-	-	-	8,462.12	-	-	-	-	8,462.12	8,462.12
Sub-total	8,462.12	-	-	-	8,462.12	-	-	-	-	8,462.12	8,462.12
Buildings											
Owned	104,724.07	-	-	-	104,724.07	41,014.39	2,716.84	-	-	43,731.23	63,709.68
Sub-total	104,724.07	-	-	-	104,724.07	41,014.39	2,716.84	-	-	43,731.23	63,709.68
Plant and equipment											
Owned	90,225.54	-	-	-	90,225.54	61,699.11	3,798.14	-	-	65,497.25	28,526.43
Sub-total	90,225.54	-	-	-	90,225.54	61,699.11	3,798.14	-	-	65,497.25	28,526.43
Furniture and fixtures											
Owned	12,637.13	-	-	-	12,637.13	11,001.10	761.81	-	-	11,762.91	1,636.03
Sub-total	12,637.13	-	-	-	12,637.13	11,001.10	761.81	-	-	11,762.91	1,636.03
Motor vehicles											
Owned	6,915.51	-	-	-	6,915.51	6,276.21	132.83	-	-	6,409.04	639.30
Sub-total	6,915.51	-	-	-	6,915.51	6,276.21	132.83	-	-	6,409.04	639.30
Computer equipment											
Owned	1,589.10	-	-	-	1,589.10	1,346.56	150.17	-	-	1,496.74	242.54
Sub-total	1,589.10	-	-	-	1,589.10	1,346.56	150.17	-	-	1,496.74	242.54
Office equipment											
Owned	985.72	-	-	-	985.72	279.42	65.55	-	-	344.98	706.30
Sub-total	985.72	-	-	-	985.72	279.42	65.55	-	-	344.98	706.30
Total (I)	225,539.18	-	-	-	225,539.18	121,616.79	7,625.35	-	-	129,242.14	103,922.40
Intangible assets											
Total (II)	-	-	-	-	-	-	-	-	-	-	-
Grand total (I)+(II)	225,539.18	-	-	-	225,539.18	121,616.79	7,625.35	-	-	129,242.14	103,922.40

