



**Date: September 5, 2024**

To,  
**National Stock Exchange of India Limited**  
Exchange Plaza, Plot No. C-1,  
Block G, Bandra — Kurla Complex,  
Bandra (East), Mumbai — 400 051

**SYMBOL- SHRITECH**  
**SERIES: SM**  
**ISIN: INE00MF01015**

Dear Sir/Madam,

**Sub: Intimation of 6<sup>th</sup> Annual General Meeting, Cut-off Date and other relevant information**

We are pleased to inform you that the 6<sup>th</sup> Annual General Meeting of Members of the Company ("AGM") is scheduled to be held on Saturday, September 28, 2024, at 05:30 P.M. IST through Video Conference ("VC") / Other Audio Visual Means ("OAVM") in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India from time to time.

The important dates relevant to the AGM are as under:

<b>Particulars</b>	<b>Day/ Date</b>
Day, Date and Time of AGM	Saturday, September 28, 2024, at 05:30 P.M.
Deemed venue of AGM	Registered office- Harmony, 2 <sup>nd</sup> Floor, 15/A, Shree Vidhyanagar Co. Op. Hsg Soc. Ltd., Opp. NABARD, Nr. Usmanpura Garden, Ahmedabad- 380014, Gujarat
Date of book closure	Sunday, September 22, 2024, to Saturday, September 28, 2024
Cut- off date for e-voting	Saturday, September 21, 2024
Start of Remote e-voting period	Wednesday, September 25, 2024 (09:00 A.M.)
End of Remote e-voting period	Friday, September 27, 2024 (05:00 P.M.)

Kindly take the same on records.

**FOR SHRI TECHTEX LIMITED**  
**(Formerly Known as Shri Techtex Private Limited)**

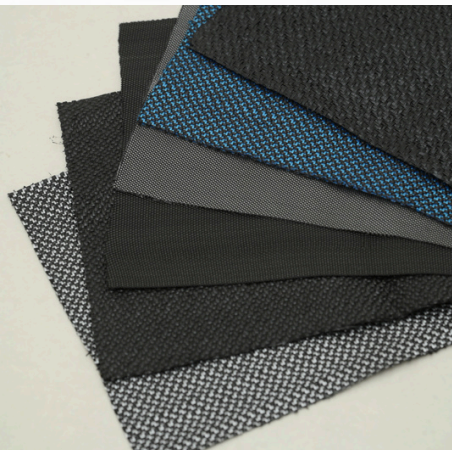
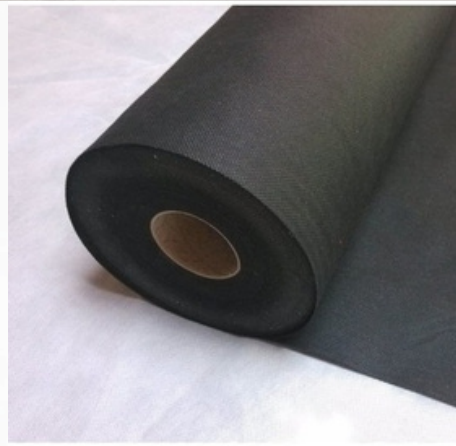
**SHRADHA HANSKUMAR AGARWAL**  
**MANAGING DIRECTOR**  
**DIN: 02195281**



# SHRI TECHTEX LIMITED

## ANNUAL REPORT 2023-2024

TRANSFORMING  
THREADS INTO  
TRIUMPHS



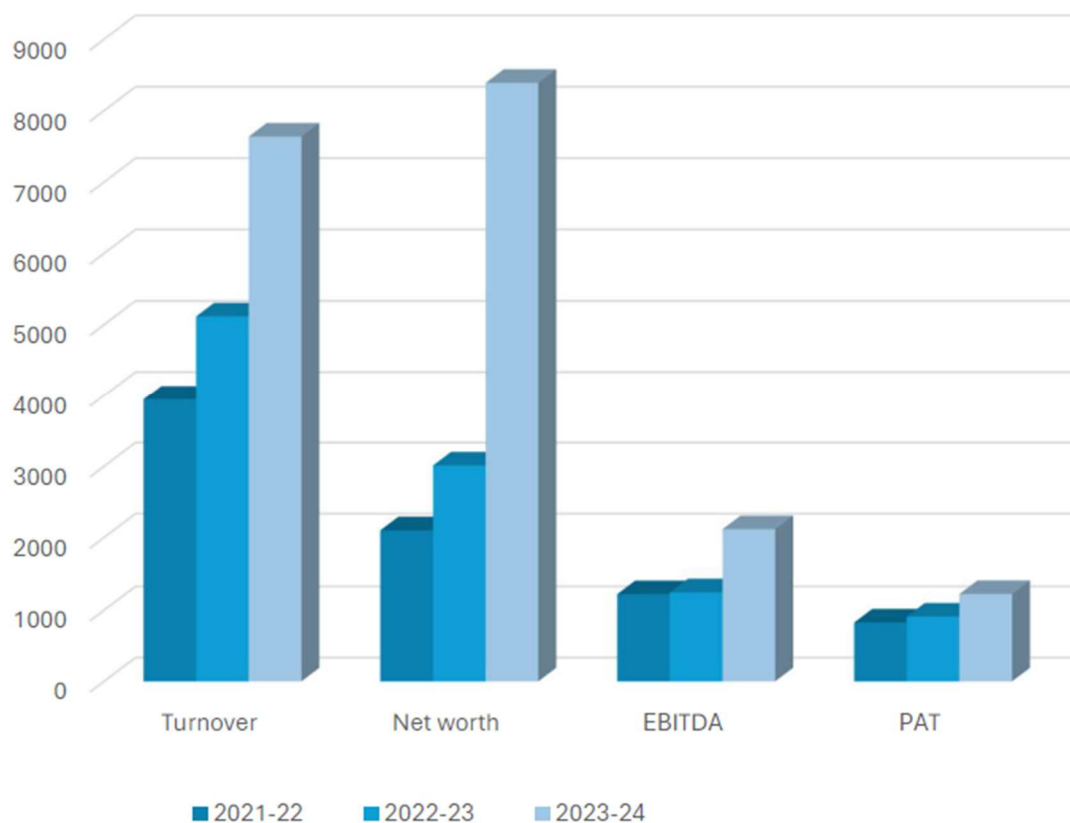


### CORPORATE INFORMATION

<b>BOARD OF DIRECTORS:</b>	
Mrs. Shradha Hanskumar Agarwal	Chairman cum Managing Director
Mr. Hanskumar Ramakant Agarwal	Executive Director
Mr. Vikas Srikishan Agarwal	Non-Executive Director
Mr. Vimal Shah	Independent Director
Mr. Anup Gopalka	Independent Director
<b>CHIEF FINANCIAL OFFICER</b>	<b>COMPANY SECRETARY</b>
Mr. Ashish Ashok Bhaiya	Ms. Akanksha Aswani
<b>STATUTORY AUDITORS</b>	<b>SECRETARIAL AUDITORS</b>
M/s. S V J K And Associates (formerly known as M/s ASRV & Co.), Chartered Accountants (Appointed with effect from December 12, 2022)	M/s. G. R. Shah & Associates, Practicing Company Secretary
<b>BANKERS</b>	<b>PLANT</b>
HSBC Limited	Survey No. 165p, 166p, 167p, Simej Rupgadh Road, Post Simej, Taluka Dholka, Simej, Ahmedabad, Gujarat, 382265
<b>REGISTERED OFFICE</b>	<b>REGISTRAR &amp; TRANSFER AGENTS</b>
Harmony, 2 <sup>nd</sup> Floor, 15/A Shree Vidhyanagar Co. Op. Housing Soc. Ltd, Opp. NABARD, Near Usmanpura Garden, Usmanpura, Ahmedabad, Gujarat, 380014 Tel: +91- 7874132777 Email: <a href="mailto:cs@shritechtex.co.in">cs@shritechtex.co.in</a> Website: <a href="http://www.shritechtex.com">www.shritechtex.com</a>	<b>LINK INTIME (INDIA) PRIVATE LIMITED</b> C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai (Maharashtra)- 400 083 Cont No. +91 22 49186270 Email: <a href="mailto:ahmedabad@linkintime.co.in">ahmedabad@linkintime.co.in</a> Website: <a href="https://www.linkintime.co.in/">https://www.linkintime.co.in/</a>
<b>ANNUAL GENERAL MEETING</b>	<b>INDEX</b>
<b>Date:</b> Saturday, September 28, 2024. <b>Time:</b> 05:30 P.M. <b>Deemed Venue:</b> Registered office	1. Notice.....3 2. Director Report..... 14 3. Independent Auditors Report.....52 4. Financial Statements.....63



## Growth at a Glance



	(₹. In Lakhs)		
	2021-22	2022-23	2023-24
<b>Turnover</b>	3946.76	5117.63	7637.6
<b>Net worth</b>	2100.98	3011.61	8388.8
<b>EBITDA</b>	1226.21	1250.78	2115.95
<b>PAT</b>	826.55	910.63	1227.63



**NOTICE OF 6<sup>TH</sup> ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the 6<sup>th</sup> Annual General Meeting (AGM) of the Members of SHRI TECHTEX LIMITED (Previously known as Shri Techtex Private Limited) will be held at 05:30 P.M. on Saturday, September 28, 2024, through Video Conferencing (VC) or Other Audio-Visual Means (OAVM), to transact the following businesses:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the financial statements of the Company for the year ended March 31, 2024, including the Audited Balance Sheet, the Statement of Profit and Loss for the year ended on that date and the reports of the Directors and Auditors thereon.
2. To appoint a director in place of Mrs. Shradha Hanskumar Agarwal (DIN: 02195281), who retires by rotation and being eligible, offers herself for re-appointment.

**Registered Office:**

**Harmony, 2nd Floor,15/A, Shree Vidhyanagar  
Co. Op. Hsg Soc. Ltd., Opp. Nabard, Nr.  
Usmanpura Garden, Ahmedabad- 380014,  
Gujarat**

**For and on behalf of Board of Directors**

**Shri Techtex Limited  
(Previously known as Shri Techtex Private Limited)**

**Sd/-**

**Shradha Hanskumar Agarwal  
Managing Director**

**Date: September 5, 2024**

**Place: Ahmedabad**

**NOTES****Notes for Members' Attention:**

1. The AGM has been planned to convene through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 02/2021 dated January 13, 2021, and 21/2021 dated December 14, 2021 Circular No 3/2022 dated May 5, 2022 and General Circular No. 11/2022 dated December 28, 2022 and Circular No. 09/2023 dated September 25, 2023 issued by Ministry of Corporate Affairs (MCA), Government of India (hereinafter referred to as "MCA Circulars") and the SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023, SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 issued by the Securities and Exchange Board of India (referred to as 'SEBI Circulars'), Government of India. The forthcoming AGM will thus be held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on a first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
4. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
5. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.shritechtex.com](http://www.shritechtex.com). The Notice can also be accessed from the website of the Stock Exchange i.e. National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
6. The Company will also be publishing an advertisement in newspapers containing the details about the AGM i.e., date and time of AGM, venue of the AGM, availability of notice of AGM at the Company's website, manner of registering the email IDs of those shareholders who have not registered their email addresses, manner of providing mandate for Declared dividends, and other matters as may be required.



## 7. Electronic dispatch of Annual Report and process for registration of e-mail id and for obtaining copy of Annual Report

On receiving various representations, the Securities and Exchange Board of India ('SEBI') also issued Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023, provided relaxation from requirements under Regulation 36(1)(b) of Listing Regulations up to September 30, 2024, in respect of sending hard copies of Annual Reports to the shareholders. Accordingly, the Notice of the 6<sup>th</sup> AGM along with the Annual Report for the Financial Year (FY) 2023-24 is being sent by electronic mode to Members whose e-mail ids are registered with the Company or the Depository Participants (DPs).

Members holding shares in dematerialized (demat) mode are requested to register/update their e-mail ids with their relevant DPs. In case of any queries/ difficulties in registering the e-mail ids, Members may write to the Company/RTA at [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in) or [cs@shritechtex.co.in](mailto:cs@shritechtex.co.in).

The Notice of the 6th AGM along with Annual Report for the FY 2023-24, is available on the website of the Company at <https://www.shritechtex.com/>, on the website of Stock Exchange i.e. NSE and on the website of CDSL at [www.cdslindia.com](http://www.cdslindia.com).

A physical copy of the Annual Report for FY 2023-24 (including the Notice of the 6th AGM) shall be sent only to those Members who specifically request the same. Accordingly, Members who wish to obtain a physical copy of the Annual Report for the FY 2023-24, may write to the Company at [cs@shritechtex.co.in](mailto:cs@shritechtex.co.in) requesting for the same by providing their holding details.

## 8. Details of Directors seeking appointment/ re-appointment

Details as required in Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of the Directors seeking re-appointment at the AGM is annexed hereto.

Requisite declarations have been received from the Directors seeking appointment/re-appointment. The Independent Directors of the Company are not liable to retire by rotation.

## 9. Procedure for inspection of documents

Members desiring any information as regards to Accounts are requested to send an Email to [cs@shritechtex.co.in](mailto:cs@shritechtex.co.in) 14 days in advance before the date of the AGM to enable the Management to keep full information ready on the date of AGM.

Members who wish to inspect the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under Section 189 of the Companies Act, 2013 and relevant documents referred to in this Notice of AGM and explanatory statement on the date of AGM can send an Email to [cs@shritechtex.co.in](mailto:cs@shritechtex.co.in).

## 10. Procedure for remote e-voting and e-voting during the AGM

I. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of the Listing Regulations (as amended) and applicable Circulars, the Company is pleased to provide to its Members, the facility to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. For this purpose, the Company has entered into an agreement with CDSL, as the authorised agency for facilitating voting through electronic means. The facility



of casting votes by Members using remote e-voting system as well as e-voting on the date of the AGM will be provided by CDSL.

**II.** The Board has, pursuant to Rule 22(5) of the Rules, appointed Mr. Gaurang Shah, proprietor of M/s G.R. Shah & Associates, Practicing Company Secretaries, (COP No. 14446), to act as the Scrutinizer, to Scrutinize the entire e-voting process in a fair and transparent manner.

**III. Authorized Representative**

Institutional/ Corporate Members are entitled to appoint authorized representatives to attend, participate in the AGM through VC/ OAVM and cast their votes through e-voting. Institutional/ Corporate Members are requested to send a scanned copy (PDF/ JPEG format) of the Board Resolution authorizing its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act, to the Scrutinizer on the Email Id at [csgaurang7@gmail.com](mailto:csgaurang7@gmail.com).

**IV. Remote e-voting - Key Dates:**

<b>Cut-off date</b> The date, one day prior to the commencement of book closure, for determining the Members who are entitled to vote on the resolutions set forth in this Notice	Saturday, September 21, 2024
<b>Book closure dates</b> Period during which the Register of Members and Share Transfer Books of the Company shall remain closed	Sunday, September 22, 2024, to Saturday, September 28, 2024 (both days inclusive)
Period during which Members, as on the cut-off date, may cast their votes on electronic voting system from any location	
Start Date and Time	9.00 A.M. (IST) on Wednesday, September 25, 2024
End Date and Time	5.00 P.M. (IST) on Friday, September 27, 2024

**V.** The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date. A person who is not a member as on the cut-off date should treat this Notice of AGM for information purposes only.

**VI.** The facility for voting through an e-voting system shall also be made available during the AGM. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the AGM.

**VII. The Instructions of Shareholders for remote e-voting:**

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on Wednesday, September 25, 2024, at 9.00 AM (IST), and ends on Friday, September 27, 2024, at 5.00 PM (IST). During this period shareholders of the Company, holding shares as on the cut-off date Saturday, September 21, 2024, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.





- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been Observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.
- Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

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

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020**, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<p>1)Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. The users to login to Easi / Easiest are requested to visit cdsl website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</p> <p>2)After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>3)If the user is not registered for Easi/Easiest, option to register is available at cdsl website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>4)Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system</p>



	<p>will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p>Individual Shareholders holding securities in demat mode with NSDL Depository</p>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>

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

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



Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09911.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at: 022 - 4886 7000 and 022 - 2499 7000.

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for Remote e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
<b>PAN</b>	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

(vi) After entering these details appropriately, click on “SUBMIT” tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.



- (ix) Click on the EVSN for **Shri Techtex Limited (Previously known as Shri Techtex Private Limited)** on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot entering the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [cs@shritechtex.co.in](mailto:cs@shritechtex.co.in) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE E-AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e- voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [cs@shritechtex.co.in](mailto:cs@shritechtex.co.in). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [cs@shritechtex.co.in](mailto:cs@shritechtex.co.in). These queries will be replied to by the company suitably by email. The Company reserves the right to restrict the number of questions and speakers, as appropriate for smooth conduct of the AGM.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Demat shareholders- Please update your email id & mobile no. with your respective Depository Participant (DP)



2. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 21 09911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call at toll free no. 1800 21 09911

### **11.E-voting results**

The results of the e-voting shall be declared to the Stock Exchanges after the conclusion of AGM. The results along with the Scrutinizer's Report, shall also be available on the website of the Company at <https://www.shritechtex.com/>.

### **12.General Information**

a. Since the meeting will be conducted through VC/OAVM facility, the route map is not annexed to this Notice.

It is reiterated that Members take utmost care to keep their password confidential and not to share their password with any other person.



**Details for re-appointment of Directors {Disclosure under Regulation 36(3) of the of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Secretarial Standard-2 issued by the Institute of Company Secretaries of India is as per details mentioned below:**

At the Meeting, Mrs. Shradha Hanskumar Agarwal (DIN: 02195281) retires by rotation and being eligible, offer herself for re-appointment. The Board of Directors of the Company recommends his re-appointment. The information required to be given for the Directors seeking appointment/ reappointment at the Annual General Meeting as per regulation 36 (3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 are as under:

<b>Name</b>	Mrs. Shradha Hanskumar Agarwal
<b>Director Identification Number (DIN)</b>	02195281
<b>Date of Birth &amp; Age</b>	March 3, 1979
<b>Nationality</b>	Indian
<b>Qualification</b>	Bachelor of Science
<b>Experience &amp; Expertise</b>	Mrs. Shradha Hanskumar Agarwal is associated as a Director and Promoter of the Company and holds a Bachelor of Commerce degree from Osmania University. She commands over 15 years of experience in the Technical Textile field. She has played a vital role in the Company's expansion by making significant policy decisions, formulating effective business strategies, and providing responsible management. The growth of the Company has been manifold under her management.
<b>Date of first Appointment on the Board of the Company</b>	September 9, 2018
<b>Shareholding in Shri Techtex Limited (Previously known as Shri Techtex Private Limited)</b>	6392100 Equity Shares
<b>Directorship held in other Listed Companies as on March 31, 2024</b>	Nil
<b>Membership / Chairmanships held in Committees of other Companies as on March 31, 2024</b>	Nil
<b>Relationship with other Directors / Key Managerial Personnel</b>	Mrs. Shradha Hanskumar Agarwal is related to Mr. Hanskumar Agarwal.
<b>Number of meetings of the Board of Directors of the Company as attended during the Financial Year 2023-2024</b>	13 out of 13
<b>Terms &amp; Conditions</b>	Continuation: Same terms and conditions apply.
<b>Remuneration Last Drawn</b>	₹ 60.00 lacs for the Financial Year 2023-24

**Registered Office:**

Harmony, 2nd Floor, 15/A, Shree Vidhyanagar Co. Op. Hsg Soc. Ltd. Opp. Nabard, Nr. Usmanpura Garden, Ahmedabad- 380014, Gujarat.

**Date: September 5, 2024**

**Place: Ahmedabad**

**For and on behalf of Board of Directors  
Shri Techtex Limited  
(Previously known as Shri Techtex Private Limited)**

**Sd/-**

**Shradha Hanskumar Agarwal  
Managing Director**



## DIRECTOR'S REPORT

### Dear Members,

With an immense pleasure, the Board of Directors of your Company presents the 6<sup>th</sup> Annual Report of the Company together with the Audited Financial Statements for the Financial Year ended March 31, 2024.

### 1. FINANCIAL HIGHLIGHTS

The financial statements of the Company have been prepared in accordance with the provisions under section 133 of the Companies Act, 2013 read with Rule 7 of the (Companies Accounts) Rules, 2014.

The financial performance of the Company, for the financial year ended on March 31, 2024, are summarized below:

(₹ in Lakhs)

PARTICULARS	Year Ended 31.03.2024	Year Ended 31.03.2023
Operational Income	7,637.60	5,692.39
Other Income	167.32	115.19
<b>Total Income</b>	<b>7,804.92</b>	<b>5,807.58</b>
Profit/loss before depreciation, Finance, Costs, Exceptional items and Tax Expense	2115.95	1365.97
<b>Less: Depreciation</b>	<b>193.45</b>	<b>124.12</b>
Profit/loss before Finance, Costs, Exceptional items and Tax Expense	1922.50	1241.85
<b>Less: Finance Cost</b>	<b>230.62</b>	<b>80.72</b>
Profit/Loss before Exceptional Items and Tax Expense	1,691.88	1,161.13
Less: Exceptional Items	-	-
<b>Profit/ (Loss) before tax</b>	<b>1,691.88</b>	<b>1,161.13</b>
Current Tax Provision	357.45	233.60
Short/(Excess) provision of tax for earlier years	3.34	(0.23)
Deferred Tax Provision	103.46	17.14
<b>Profit / (Loss) for the year</b>	<b>1,227.63</b>	<b>910.63</b>

### OPERATIONS

#### Total Income

During the Financial Year ended on March 31, 2024, it is noted that the total income amounted to ₹ 7804.92 Lakhs, representing an increase of 34.39% compared to the total income of ₹ 5807.58 Lakhs for the previous financial year ended on March 31, 2023.

#### Profit Before Tax

The profit before tax for the financial year ended on March 31, 2024, amounted to ₹ 1691.88 Lakhs, representing an increase of 45.71% compared to the profit before tax of ₹ 1161.13 Lakhs for the previous financial year ended on March 31, 2023.



**Profit After Tax**

The profit after tax for the financial year ended on March 31, 2024, amounted to ₹ 1227.63 Lakhs, representing an increase of 34.81% compared to the profit after tax of ₹ 910.63 Lakhs for the previous financial year ended on March 31, 2023.

The Company's earnings per share for the financial year 2023-2024 was ₹ 5.48 as compared to ₹ 5.19 in the financial year 2022-2023.

**2. DIVIDEND**

Pursuant to Section 134 (3) of the Companies Act, 2013 read with Secretarial Standard (SS4) Report of the Board of Directors, after considering holistically the relevant circumstances and current financial positions, has decided that it would be prudent not to recommend any dividend for the year under review.

**3. TRANSFER TO RESERVES**

Your Board does not propose to transfer any amount to any reserves of the Company for year under Review.

**4. CHANGE IN NATURE OF BUSINESS**

During the year, there is no change in nature of Business during the financial year 2023-24.

**5. NUMBER OF BOARD MEETINGS**

During the financial year 2023-24, your Company held 13 meetings of the Board of Directors as per Section 173 of Companies Act, 2013. The provisions of Companies Act, 2013 were adhered to while considering the time gap between two meetings.

**6. ANNUAL RETURN**

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

**7. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management Discussion and Analysis Report for the year under review as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section which forms part of this Annual Report as ANNEXURE- A.

**8. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The CSR policy of the Company is based on concept of giving back to the society from which it draws its resources. The Company's CSR Committee monitors the implementation of CSR policy and ensures that the CSR activities as mentioned in policy are in line with relevant Schedule of the Act and undertaken accordingly by the Company. The CSR Policy is available on the Company's website.

The brief outline of the CSR Policy of the Company and the activities undertaken by the Company on CSR during the year under review and relevant details are set out in "ANNEXURE-B" which forms part of this Board Report.



## 9. AUDITORS

### Statutory Auditor

At the 5<sup>th</sup> Annual General Meeting held on Monday, July 31, 2023, the members approved appointment of M/s. S V J K And Associates (formerly known as M/s ASRV & Co.), Chartered Accountant, (Registration No. 135182W) as the Statutory Auditors of the Company and to hold the office from the conclusion of the 5<sup>th</sup> Annual General Meeting till the conclusion of Annual General Meeting of the Company to be held in the financial year 2028, at a remuneration to be decided by the Board of Directors in consultation with the Auditors and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.

The Board has taken note and M/s. S V J K And Associates (formerly known as M/s ASRV & Co.), Chartered Accountants, have confirmed their eligibility under section 141 of the Companies Act, 2013 and the Rules framed thereunder as Statutory Auditors of the Company. As required under Listing Regulations, the Auditors have also confirmed that they hold a valid certificate issued by the peer review Board of the Institute of Chartered Accountants of India. There are no qualifications, reservations or adverse remarks or disclaimers made by the auditors in their report on the financial statements of the Company for the financial year ended March 31, 2024. The notes on the Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any comments or explanations.

There was no instance of fraud during the year under review, which was required by the Statutory Auditors to report to the Audit Committee and/or Board under Section 143(12) of the Act and Rules framed thereunder.

### Internal Auditor

The Board of Directors has officially appointed Ms. Shakshi Shah, Chartered Accountant, an employee of the Company as an Internal Auditor of the Company for the Financial year 2023-2024 to conduct the Internal Audit of the Company. This strategic decision demonstrates our commitment to upholding and enhancing proper and effective internal financial control. With her expertise and experience, Ms. Shakshi Shah plays a crucial role in evaluating and improving our internal financial processes and systems.

No instance of fraud has been reported by the Internal Auditor.

### Secretarial Auditor

The Board of Directors has officially appointed M/s. G. R. Shah & Associates, Practicing Company Secretary to serve as the Secretarial Auditor for out esteemed Company for Financial Year 2023-24.

The procurement of Secretarial Compliance Report for FY 2023-24 from Company Secretaries in Practice in relation to compliance of all applicable SEBI Regulations / circulars / guidelines issued thereunder, pursuant to requirement of Regulation 24A of the Listing Regulations isn't applicable to your Company being listed at NSE SME Exchange in accordance with exemption provided under Regulation 15(2)(b).

The Secretarial Audit Report received from M/s. G. R. Shah & Associates, Practicing Company Secretary, is attached herewith as ANNEXURE – C.

The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer and Observations made in the Auditors' Report is self-explanatory and therefore do not call for any further comments.

No instance of fraud has been reported by the Secretarial Auditor.

## 10. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information in terms of Section 134(3)(m) of the Companies Act, 2013, read with relevant rules is annexed herewith as "ANNEXURE-D" and forms integral part of this report.



### 11. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions entered by the Company during the Financial Year with related parties were in the ordinary course of business and on an arm's length basis. The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at <https://www.shritechtex.com/>.

Pursuant to provisions of Section 134 (3)(h) of the Act, a statement showing particulars of contracts and arrangements with related parties under Section 188(1) of the Act in the prescribed Form-AOC-2 is annexed to the Board Report as ANNEXURE – E.

The related party disclosures as specified in Para A of Schedule V read with Regulation 34(3) of the SEBI Listing Regulations are given in the Financial Statements.

### 12. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANY

There is no Subsidiary Company, Associate Company and Joint Venture as per the provisions of Companies Act, 2013, for the financial Year 2023-24 and hence, no particulars are required to be mentioned in form AOC-1.

### 13. BOARD OF DIRECTORS

Since the Company is listed on the NSE SME exchange, it is exempt from the corporate governance provisions specified in Regulation 17 of the Listing Regulations, as per Regulation 15(2)(b). Instead, the governance of the Company's Board composition will be governed by the Companies Act, 2013, and any other applicable laws, including any amendments or re-enactments thereof.

The Company's Board of Directors is dedicated to guiding the organization towards long-term success. They do this by setting strategies, assigning responsibilities, and providing overall direction to the business. They also prioritize effective risk management and maintain a high standard of governance to ensure the Company's sustainable growth and development.

During the year under review no changes took place in the Board and Key Managerial Personnel of your Company.

The Board comprises of 5 directors during the period under review, out of which Two are Independent Directors.

Accordingly, pursuant to Section 149(4) of Companies Act, 2013 and other applicable provisions (including any modification or re-enactment thereof), every listed public company shall have at least one-third of the total number of Directors as Independent Directors, and hence our Company shall have at least two Independent Directors

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mrs. Shradha Hanskumar Agarwal (DIN: 02195281), Managing Director of the Company retires by rotation at the ensuing AGM and being eligible, offers herself for re-appointment. Her brief resume as required under the Regulations 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards is provided in the Notice of the 6<sup>th</sup> AGM of the Company. The requisite resolution pertaining to the re-appointment appears at the respective item of the Notice along with the Statement and is recommended to the Members for approval. Further, all the Directors submitted declaration of non-disqualification pursuant to section 164(2) and interest in other entities pursuant to section 184(1) in the first meeting of Board of Directors in the FY 2024-25, and thereby taken note of.



#### 14. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(3)(c) of the Act in relation to financial statements of the Company for the year ended March 31, 2024, the Board of Directors states that:

- a) in the preparation of the annual accounts for the financial year ended March 31, 2024, the applicable accounting standards have been followed and there is no material departure from the same;
- b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors have prepared the annual accounts for the financial year ended March 31, 2024, 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 were operating effectively; and
- f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### 15. KEY MANAGERIAL PERSONNEL

The Company boasts a team of dynamic, highly qualified, experienced, committed, and versatile persons in its management. These persons hold the designation of 'Key Managerial Personnel (KMPs)' in compliance with the applicable provisions. We present below the details of the Key Managerial Personnel for the year under review:

Sr. No	Name	Designation
1	Mrs. Shradha Hanskumar Agarwal	Chairman cum Managing Director
2	Mr. Hanskumar Ramakant Agarwal	Whole Time Director
3	Mr. Ashish Ashok Bhैया	Chief Financial Officer
4	Ms. Akanksha Aswani	Company Secretary

#### 16. COMMITTEES OF BOARD

The Board of Directors has various committees that focus on specific areas and make informed decisions within their delegated authority. These committees also provide recommendations to the Board on matters within their purview. All decisions and recommendations made by the committees are presented to the Board for information or approval.

The committees play a crucial role in managing the day-to-day affairs and governance structure of the Company. For more details about the composition of these committees, meetings held, attendance, and other information, please refer to the Corporate Governance Report, which is included in this Annual Report.

The Board of Directors has in accordance with the Section 177, 178 and 135 of the Companies Act, 2013, constituted the following committees:

##### Audit Committee

Name of the directors	Designation	Nature of Directorship
Mr. Vimalkumar Shah	Chairman	Independent Director
Mr. Anup Mahendra Gopalka	Member	Independent Director
Mrs. Shradha Hanskumar Agarwal	Member	Managing Director

**Stakeholders Relationship Committee**

Name of the directors	Designation	Nature of Directorship
Mr. Anup Mahendra Gopalka	Chairman	Independent Director
Mr. Vimalkumar Shah	Member	Independent Director
Mr. Vikas Srikishan Agarwal	Member	Non-executive Director

**Nomination and Remuneration Committee**

Name of the directors	Designation	Nature of Directorship
Mr. Vimalkumar Shah	Chairman	Independent Director
Mr. Anup Mahendra Gopalka	Member	Independent Director
Mr. Vikas Srikishan Agarwal	Member	Non-executive Director

**Corporate Social Responsibility Committee**

Name of the directors	Designation	Nature of Directorship
Mrs. Shradha Hanskumar Agarwal	Chairman	Managing Director
Mr. Hanskumar Ramakant Agarwal	Member	Executive Director
Mr. Vimalkumar Shah	Member	Independent

**17. ANNUAL EVALUATION**

Pursuant to the provisions of Sections 178(2) of the Companies Act, 2013 and Regulation 17(10) of the Listing Regulations, the Nomination and Remuneration Committee / Board has carried out evaluation of the performance of the Board, its Committees and Independent Directors. A structured evaluation feedback form was prepared after taking into consideration the inputs received from the Directors, covering various aspects such as board composition, flow of board process, information and functioning, establishment and determination of responsibilities of Committees, and quality of relationship between the Board and the management. The performance of Individual Directors and the Board Chairman was also carried out in terms of attendance, contribution at the meetings, circulation of sufficient documents to the Directors, timely availability of the agenda, etc. Further, pursuant to Schedule IV of the Companies Act, 2013, the performance evaluation of the Independent Directors was carried out by the entire Board of Directors of the Company, except the one being evaluated.

**18. DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES**

The details of remuneration of Directors, Key Managerial Personnel and Particulars of Employees and other information required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is set out in ANNEXURE – F which forms part of this Board Report.

**19. NOMINATION AND REMUNERATION POLICY**

In compliance with the provisions of Section 178 of the Act, the Nomination and Remuneration Policy of the Company has been designed to keep pace with the dynamic business environment and market linked positioning. The Policy has been duly approved and adopted by the Board pursuant to recommendations of Nomination and Remuneration Committee of the Company and is placed on the website of the Company.

**20. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company has an adequate system of internal controls in place. It has documented policies and procedures covering all financial and operating functions. These controls have been designed to provide reasonable assurances



with regard to the maintenance of proper accounting controls. This will ensure reliability of financial reporting, monitoring of operations, protecting assets from unauthorized use or losses, and compliance with regulations. The Company has continued its efforts to align all its processes and controls with global best practices and they are reviewed at periodic intervals to ensure relevance and comprehensiveness, and compliance is ingrained into the management review process.

The Company believes that every employee has a role to play in fostering an environment in which compliance with regulations, and ethical behavior are accorded due importance.

#### **21. VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

The Company has implemented Vigil Mechanism. For details, the Vigil Mechanism Policy is also available on the Company's website i.e. [www.shritechtex.com](http://www.shritechtex.com).

#### **22. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND ("IEPF")**

Since your Company hasn't declared the Dividend in the previous year, there is no unpaid/ unclaimed Dividend declared and paid last year.

Hence, provisions of Section 125 of the Companies Act, 2013 does not apply to your company.

#### **23. DEPOSITS**

During the Financial Year 2023-2024, the Company has not accepted, renewed or pending any deposits under Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the financial year and as such, no amount on account of principal or interest on deposits from public was outstanding as on March 31, 2024.

#### **24. INDEPENDENT DIRECTORS AND DECLARATION**

Your Company has received declarations from all Independent Directors confirming that they meet the criteria of independence and regarding their registration in the Independent Directors Databank maintained by the Indian Institute of Corporate Affairs as prescribed under Section 149 of the Act and Regulations 25 of the Listing Regulations.

There has been no change in the circumstances affecting their status as Independent Directors of the Company.

#### **25. CODE OF CONDUCT**

Your Company has formulated the code of conduct for directors and the senior management personnel who are the members of your Company's core management team comprising all the members of management one level below the executive non-independent director, including the functional basis.

#### **26. SHARE CAPITAL**

During the financial year under review, the Company has made an Initial Public Offer (IPO) of Equity Shares of 74,00,000 (Seventy-Four Lakh) equity shares of face value of ₹ 10/- each fully paid-up for cash at a price of ₹ 61 each, aggregating up to ₹ 4,514.00 Lakhs. The Company successfully completed the IPO process, and the equity shares of the Company were listed on SME platform of National Stock Exchange of India Limited ("NSE SME") on August 4, 2023.



Accordingly, the Equity Share Capital of the Company as of March 31, 2024, has changed as per the details below:

<b>Share Capital Structure (including Capital &amp; No. of Shares)</b>			
<b>Type of Capital</b>	<b>No. of Shares</b>	<b>Face Value (in ₹)</b>	<b>Total Share Capital (in ₹)</b>
Authorized Share Capital	2,50,00,000 (Two Crore Fifty Lakhs)	10 (Ten)	25,00,00,000 (Twenty- Five Crore)
Issued, Paid Up and Subscribed Capital	2,49,50,000 (Two Crore Forty-Nine Lakhs Fifty Thousand)	10 (Ten)	24,95,00,000 (Twenty- Four Crores Ninety- Five Lakhs)

## 27. INITIAL PUBLIC OFFER AND UTILISATION OF PROCEEDS

The Company had raised funds through Initial Public Offer (IPO) during the Financial Year under review where the equity shares were listed on SME Platform of National Stock Exchange of India Ltd on August 4, 2023. The proceeds of aforesaid issue are being utilized, for the purpose for which it was raised by the Company in accordance with the terms of the issue.

The details of the proceeds of the Fresh Issue are set forth below:

<b>Particulars</b>	<b>Amount ((₹ in Lakhs)</b>
<b>Gross Proceeds of the Issue</b>	4514.00
<b>(less) Issue related Expenses</b>	364.48
<b>Net Issue Proceeds</b>	<b>4,149.52</b>

The Utilization of Gross Issue Proceeds is as follows:

				<b>(₹ in Lakhs)</b>
<b>No.</b>	<b>Object of the Issue</b>	<b>Amount to be Utilised</b>	<b>Utilised up to 31/03/2024</b>	<b>Balance*</b>
1	Construction of Factory Shed	371.25	107.15	264.10
2	Purchase of Machineries	630.83	597.82	33.01
3	Commissioning of Solar Plant	489.70	-	489.70
4	To Meet Working Capital Requirements	1,531.46	1,531.46	-
5	General Corporate Purpose	1,126.28	1,126.28	-
6	Public Issue Related Expenses	364.48	364.48	-
	<b>Total IPO Proceeds</b>	<b>4,514.00</b>	<b>3,727.19</b>	<b>786.81</b>

Note: \* The Unutilised amount of ₹ 786.81 lakhs is being kept separately as under:

1. In Escrow IPO A/c - ₹ 13.83 lakhs
2. In Liquid Fund A/c - ₹ 772.98 lakhs

## 28. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186

Details of loans granted, investments undertaken, guarantees extended, and securities furnished, along with any specified utilization purposes by the beneficiaries if any, are comprehensively outlined in the Financial Statements' accompanying notes. This documentation forms an integral segment of this Annual Report.

## 29. RISK MANAGEMENT

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



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

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

### **RISK MANAGEMENT POLICY**

The Company has a structured risk management policy. The Risk management process is designed to safeguard the organisation from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business. The potential risks are inventoried and integrated with the management process such that they receive the necessary consideration during decision making. The Risk Management Policy is also available on the Company's website i.e. [www.shritechtex.com](http://www.shritechtex.com).

### **30. STATEMENT OF DEVIATION(S) OR VARIATION**

As per the report submitted to the National Stock Exchange on 28.05.2024, there is no deviation or variations observed in the utilisation of funds raised.

### **31. INSIDER TRADING DISCLOSURE**

The Board of Directors of the Company has duly adopted Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Conduct for Prohibition of Insider Trading, pursuant to the provisions of Regulation 8 (Code of Fair Disclosure) and Regulation 9 (Code of Conduct), respectively, of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

The aforesaid codes have been adopted with a view to regulate trading in securities by the Directors and designated employees of the Company.

The Code requires pre-clearance for dealing in the Company's shares, in excess of limits prescribed and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

### **32. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL**

No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

### **33. APPLICATION UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016**

During the year under review, your Company has neither made any application, nor any proceedings were initiated/pending against the Company under the Insolvency and Bankruptcy Code, 2016 as at the year ended March 31, 2024.





### 34. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company is committed to creating a safe and healthy work environment, where every employee is treated with respect and is able to work without fear of discrimination, prejudice, gender bias, or any form of harassment at the workplace.

The Company has in place a policy on prevention, prohibition and redressal of sexual harassment at workplace and has complied with the provisions relating to the constitution of Internal Complaints Committee in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (as amended). During the year under review, no complaints on sexual harassment was received.

### 35. SEBI AND STOCK EXCHANGES' INVESTOR GRIEVANCE REDRESSAL SYSTEM

SCORES platform of SEBI, 'Investor Complaints' sections of NSE websites facilitate investors to file complaints online and get end-to-end status update of their grievances. The Company endeavors to redress the grievances of the Investors as soon as it receives the same from the respective forums.

Link Intime (India) Private Limited serves as the Registrar and Transfer Agent for our Company. An email ID for registering shareholders' complaints/ grievance has been formed as [cs@shritechtex.co.in](mailto:cs@shritechtex.co.in).

During the year under review, the Company has received Nil queries/complaints from the shareholders.

### 36. OTHER DISCLOSURES

(i) The Company is in compliance with all mandatory applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

(ii) Maintenance of Cost Record

During the Financial Year 2023-24, the Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

(iii) Non-applicability of certain Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time:

As per Regulation 15 of the SEBI (LODR) Regulations, 2015 the compliance with the corporate governance provisions as specified in regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V shall not apply to the Company.

(iv) Corporate Governance

Report on Corporate Governance Practices and the Auditors Certificate regarding compliance of conditions of Corporate Governance and certification by CEO & CFO is not applicable to your Company as per regulation 15(2)(b) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

(v) Disclosures with respect to Demat suspense account/ unclaimed suspense account:

During the year under review no such shares in the Demat suspense account or unclaimed suspense account which required to be reported as per Para F of Schedule V of the SEBI (LODR) Regulations, 2015.

(vi) Disclosure of certain types of agreements binding listed entities:

As all the agreements entered into by the Company are in normal course of business are not required to be disclosed as they either directly or indirectly or potentially or whose purpose and effect will not impact the management or control of the Company.



(vii) Cautionary Statement:

The annual report including those which relate to the directors' report, management discussion and analysis report may contain certain statements on the Company's intent expectations or forecasts that appear to be forward looking within the meaning of applicable securities laws and regulations while actual outcomes may differ materially from what is expressed herein

**Acknowledgement & Appreciation**

The Board expresses their deep sense of gratitude to the Banks, Financial Institutions, Central and State Governments Ministry of Corporate Affairs, Securities and Exchange Board of India, Stock Exchanges, Registrar and Share Transfer Agent, Statutory and other Regulatory Authorities for their continued guidance, assistance and co-operation. The Board also places on record its sincere appreciation to the Management, Directors, its valued customers, Business Associates, Consultants, vendors, service providers, shareholders, investors and all the stakeholders for their persistent faith, unstinted commitment, co-operation and support and look forward to their continued support.

Further, the Board also appreciates every member of the Company for their contribution to Company's performance and applauds them for their superior level of competence, continuous dedication and commitment towards Company. Their enthusiasm and untiring efforts have enabled the Company to scale new heights and to build a stronger tomorrow.

**Registered Office:**

Harmony, 2<sup>nd</sup> Floor, 15/A, Shree Vidhyanager Co. Op. Hsg Soc. Ltd., Opp. NABARD, Nr. Usmanpura Garden, Ahmedabad- 380014, Gujarat

**For and on behalf of Board of Directors  
Shri Techtex Limited  
(Previously known as Shri Techtex Private Limited)**

**Date: September 5, 2024**

**Place: Ahmedabad**

**Sd/-  
Shradha Hanskumar Agarwal  
Managing Director  
DIN: 02195281**

**Sd/-  
Hanskumar Ramakant Agarwal  
Executive Director  
DIN: 00013290**



**ANNEXURE- A  
MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Board of Directors is pleased to share with you the ‘Management Discussion and Analysis Report’ for the Financial Year ended on March 31, 2024.

**COMPANY SYNOPSIS**

Shri Techtex Limited is engaged in the business of manufacturing of Polypropylene (PP) Non-Woven Fabric of different sizes, and density depending upon the client’s requirement. The practical use of non-woven fabric is more ecological for certain applications, especially in fields and industries where disposable or single use products are important, such as organic farming, hospitals, health care, nursing homes, home furnishing, vehicle upholstery seat fabrication, Mattress & furniture covering, ecological packaging, industrial and consumer goods. We manufacture PP non-woven fabric in variety of sizes and density.

Below are the products of our company:



**APPLICATION OF OUR PRODUCTS IN MAJOR INDUSTRIES**

Based on its application, our product portfolio can be majorly classified in following categories:

- |  |
|--|
| <p>1. Non-Woven Geotextile- The Non-Woven Geotextile is made from 100% Virgin Polypropylene or Polyester staple fibres which are mechanically needle punched to form a fabric of randomly entangles fibres giving the fabric multi-dimensional strength and stability. This fabric when used for separation and stabilization gives an outstanding performance. The specialized weave pattern helps to hold the soil and gravel in its place while letting the water to pass through preventing soil erosion, or displacement.</p> |
| <p>2. Non-Woven Synthetic Roofing Underlayment- The Spun bond non-woven synthetic roofing underlayment is produced using specialized polymers and additives processed on our state-of-the-art plant and machinery. The specialised coating lines gives our underlayment special characteristics so it can easily and effectively replace the traditional tar paper roofing underlayment. This can be used in making a wide range of Synthetic roofing underlayment suitable for both Metal and Shingle roofs.</p>                  |
| <p>3. Insulation Non-woven Fabric- The non-woven fabrics, also called mats or felts, are a network of discontinuous fire -retardant fibres, oriented and deposited randomly on a surface, and mechanically joined together by needles that interlace them to be able to be manipulated together, as if it were a normal and ordinary fabric.</p>   |



4. Furniture Industry- Our wide range of non-woven fabric can be used as backing of carpets and wall coverings, and also as low-quality blankets, hidden layers in furniture systems, and wadding/padding. Non-woven materials are used in furnishing and bedding, as coverings and sheets. Spunbonded non-woven are applied as a backing layer for wallcoverings, carpets, curtains, and furniture. They are also used as upholstery layers, filters, and tablecloths.

5. Horticulture Industry- Our product has variety of applications in Horticulture Industry, such as Row Cover, Crop cover, Plant Protection, Landscape Fabric, Mulch Fabric, Paving Underlay Fabric etc.

6. Healthcare Industry- Nonwoven medical textiles have become indispensably important in surgery and medicine, these days. The range of uses for this material is a testament to its incredible versatility and adaptability

Our manufacturing facility is situated at Simaj of Dholka Taluka in Ahmedabad District of Gujarat. The manufacturing facility is well connected with near about transport hubs. Our manufacturing facility is spread across 41548 sq. meters.

The main focus of the Company is on the export market, although we also cater to domestic sales. Our focus on exports enables us to expand our market reach and establish strong relationships with international clients. We continuously explore new opportunities and markets to further grow our export business and contribute to the economic growth of our country.



The Company continues to prioritize quality and innovation while we continue to strive towards delivering superior textile products that meet the diverse needs of our customers. Our extensive range of fabric offerings allows us to cater to various industries and applications.

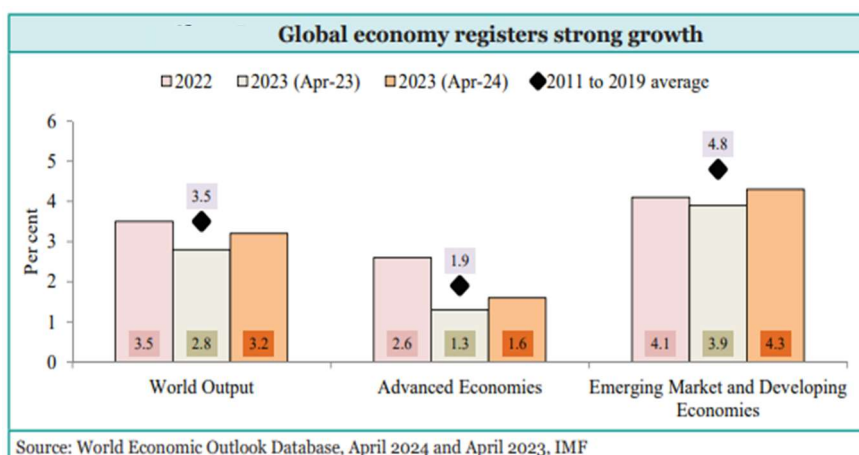
In addition to manufacturing, we also engage in job work activities, providing customized solutions and services to our clients. This allows us to leverage our expertise and capabilities to meet specific requirements and deliver value-added solutions.



At Shri Techtex, we are committed to maintaining high standards of customer satisfaction, product quality, and operational efficiency. With a dedicated team of professionals and state-of-the-art manufacturing facilities, we ensure that our customers receive reliable and superior products.

Overall, Shri Techtex Limited is a dynamic and customer-centric company that excels in manufacturing and exporting textile fabrics impregnated, coated, covered, or laminated with plastic. Our commitment to quality, innovation, and customer satisfaction sets us apart in the industry.

### GLOBAL ECONOMY OVERVIEW



After a year marked by global uncertainties and volatilities, the global economy achieved greater stability in 2023. While uncertainty stemming from adverse geopolitical developments remained elevated, global economic growth was surprisingly robust. As per the World Economic Outlook (WEO), April 2024 of the International Monetary Fund (IMF), the global economy registered a growth of 3.2 per cent in 2023, though marginally lower than in 2022 and average

for 2011-19 but higher compared to the projection of 2.8 per cent as per the April 2023 WEO. The context in which the growth of 3.2 per cent in 2023 has been achieved is markedly different compared to the 2011-19 period. Inflationary pressures have been significantly higher on account of the persistence of core inflation. Global trade moderated due to rising geopolitical tensions, cross-border restrictions and slower growth in advanced economies (AEs). The muted trade growth occurred despite the easing of supply chain pressures. Further, geopolitical developments and monetary policy changes across countries resulted in increased caution among investors, culminating in moderation in foreign direct investment (FDI) flows.

Despite strong global economic growth, as per the WEO data, the global volume of exports of goods and services registered a modest growth of 0.5 per cent in 2023 compared to 2022. The slow growth was driven by lower demand in developed economies and weaker trade in East Asia and Latin America (UNCTAD March Update 2024). High energy prices and inflation weighed heavily on the demand for manufactured goods, resulting in a decline in world merchandise trade volume for 2023. On the other hand, developments in the services trade were more upbeat, partly offsetting the decline in goods trade (WEO, IMF Database, April 2024). Recurring disruptions, especially since the Russia-Ukraine crisis and increased concerns about supply-chain resilience also contributed to the slowdown. There is a reallocation of trade along geopolitical lines, with rising cross-border trade restrictions. About 3,000 new restrictions on trade were introduced in 2023, according to Global Trade Alert data (IMF, WEO, April 2024).

Concerns regarding geopolitical conflicts, high borrowing costs and global economic fracturing were also reflected in weakening FDI flows. Global FDI flows declined in 2023 compared to 2022.



Both emerging market economies (EMEs) and AEs achieved higher growth in 2023 than projected a year ago.

Almost all major economies have surpassed the pre Covid-19 pandemic (hereinafter as pandemic) real gross domestic product (GDP) levels in 2023. However, growth has been diverse across countries, raising prospects of increasing divergences. Some economies, including India and China, have attained GDP levels 20 per cent higher in 2023 compared to 2019 levels. Among AEs, the US witnessed continued growth momentum. However, economic activity remains subdued in the Euro area, although the magnitude of the downturn has eased. economic performance of countries has been on account of domestic structural issues, uneven exposure to geopolitical conflicts and the impact of monetary policy tightening. The economic shocks resulting from the Russia-Ukraine conflict had an outsized impact on Europe, leading to subdued growth in large countries like Germany and France.

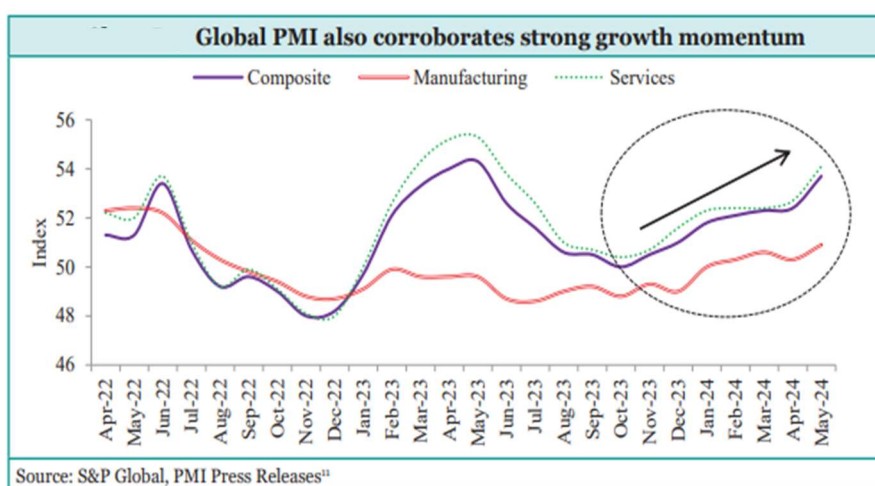
**All major economies have surpassed pre-pandemic GDP levels**

	Year in which crossed pre pandemic GDP (constant prices, national currency)	Ratio of GDP (constant prices, national currency) in 2023 to corresponding level in 2019
Brazil	2021	107
China	2020	120
France	2022	102
Germany	2022	101
India	2021	120
Indonesia	2021	112
Italy	2022	103
Japan	2023	101
Mexico	2022	104
South Africa	2022	101
Thailand	2023	100
United Kingdom	2022	102
United States	2021	108

Source: World Economic Outlook Database, April 2024, IMF, National Accounts Statistics, Ministry of Statistics and Programme implementation; Note: In IMF data, for India 2021 represents 2021-22 (FY22)

The US also faced high inflationary pressures and consequently raised the policy rates substantially. But the pass-through to outstanding household mortgages was limited on account of the high share of fixed-rate mortgages and corporate debt being termed out at fixed rates, limiting the impact of higher policy rates on economic activity. India registered a steep decline in economic growth during the pandemic but recovered swiftly, aided by strong private consumption and government impetus to infrastructure investment. China, on the other hand, had only a slight moderation in growth during the pandemic on account of swift policy actions, including a high vaccination rate<sup>8</sup>, but growth has slowed subsequently due to structural issues. Japan, post-pandemic, went through subdued growth but is expected to turn around in 2024, driven by a weak yen and improved consumer spending.

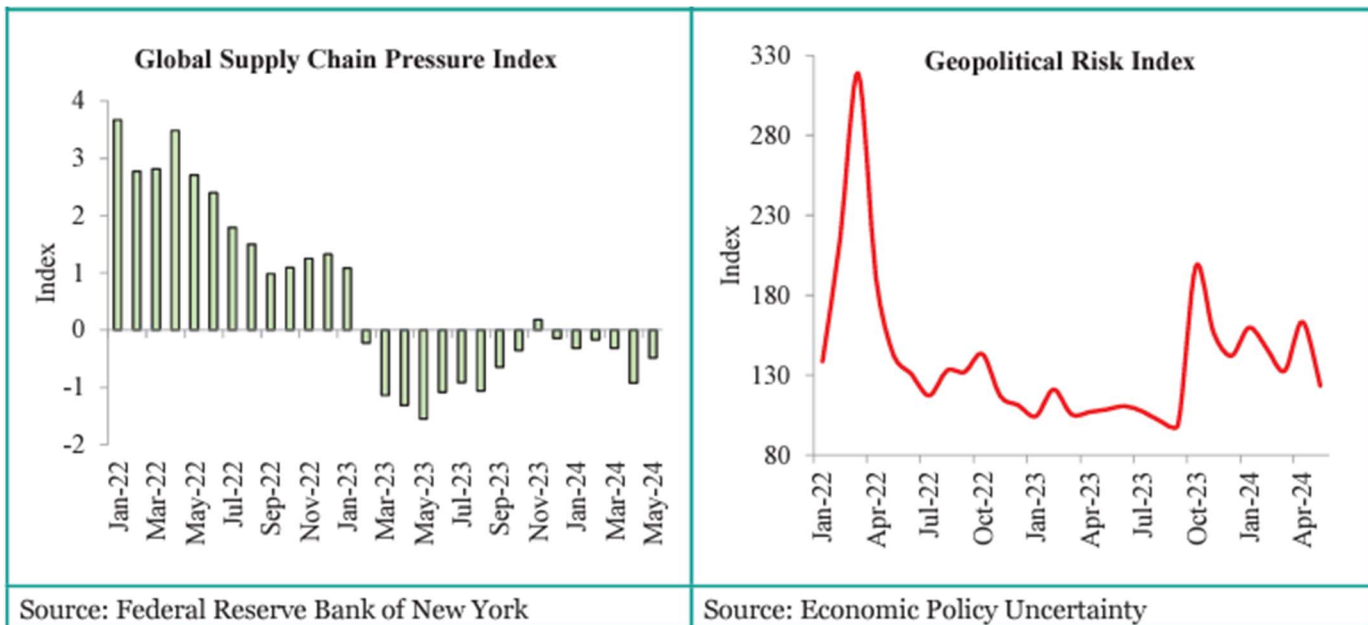
Apart from GDP estimates, other indicators tracking the performance of the economy also point towards growth resilience. Leading indicators suggest an upturn in global economic activity. The JP Morgan global composite Purchasing Managers' Index (PMI) registered an uptick since October 2023 with quicker expansion across both manufacturing and service sectors. The JP Morgan global manufacturing PMI has been improving and stood at a 23-month high in May 2024.



The escalation of the Red Sea crisis amid heightened geopolitical tensions in the Middle East in October 2023 led to supply chain disruptions, sending ripples to global trade and operations. The attacks on commercial shipping in the Red Sea led to increased global transportation costs, reflecting the rerouting of cargo. However, the increase in supply



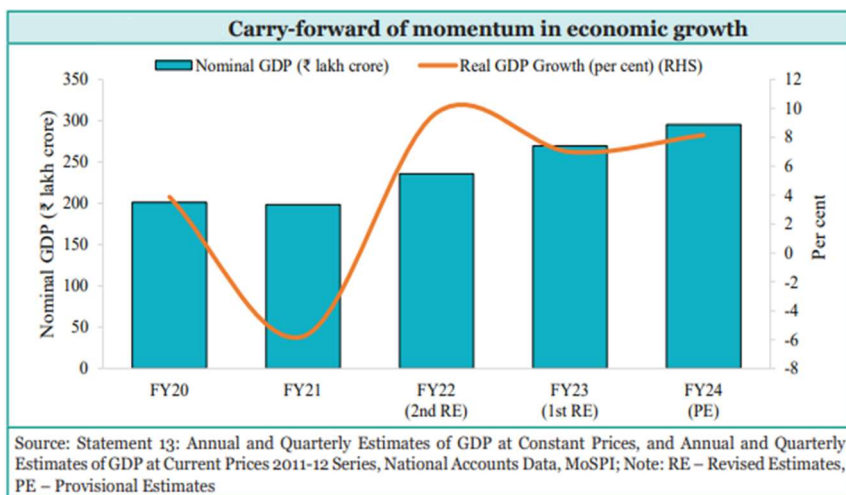
chain pressures was transient and modest. Similar sentiments were reflected in the softening of risk perceptions. The geopolitical risk index, which spiked after the escalation of the conflict, declined thereafter.



Easing of global supply chain pressure

Geopolitical risk perceptions have softened since Oct 2023

**INDIAN ECONOMY- A RESILIENT DOMESTIC ECONOMY**



India’s economy carried forward the momentum it built in FY23 into FY24 despite a range of global and external challenges. The focus on maintaining macroeconomic stability ensured that these challenges had minimal impact on India’s economy. As a result, India’s real GDP grew by 8.2 per cent in FY24, posting growth of over 7 per cent for a third consecutive year, driven by stable consumption demand and steadily improving investment demand. On the supply side, Gross Value Added (GVA)

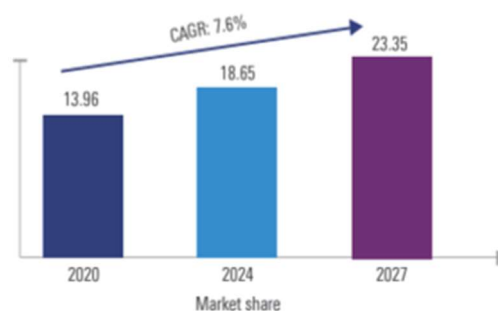
at 2011-12 prices grew by 7.2 per cent in FY24, with growth remaining broad-based. Net taxes at constant (2011-12) prices grew by 19.1 per cent in FY24, aided by reasonably strong tax growth, both at the centre and state levels and rationalisation of subsidy expenditure. This led to the difference between GDP and GVA growth in FY24.

**Indian Economy Outlook:** The Indian economy recovered swiftly from the pandemic, with its real GDP in FY24 being 20 per cent higher than the pre-COVID, FY20 levels. This meant a CAGR of 4.6 per cent from FY20, despite a 5.8 per cent decline in FY21 inflicted by the pandemic. The current GDP level is close to the pre-pandemic trajectory in Q4FY24. During the decade ending FY20, India grew at an average annual rate of 6.6 per cent, more or less reflecting the long-run growth prospects of the economy. However, the growth comes with challenges and risks.



## INDIAN TECHNICAL TEXTILE OVERVIEW AND OUTLOOK

Marking the third straight year of healthy performance after the pandemic, the Indian economy has achieved an estimated growth of 8% in FY24. It shows the resilience and potential of the Indian economy amid external headwinds when global economies are still struggling to grow at even 2%. This growth in the world's fifth largest economy is underpinned by domestic demand, adequate private and public investment in infrastructure and policy reforms. Inflation softened in FY24, although food inflation remains a worry, climbing by 9.5% in December 2023. However, headline inflation remained within the tolerance band of RBI for most of the Financial Year, thanks to the tight monetary policy of the central bank and timely government measures to curb the price rise.



Indian Technical textile market share (USD Bn)

Indian Economy Outlook: India's GDP growth rate for the Financial Year 2024-25 receives a positive revision (close to or equal to 7%) by most global agencies and RBI while estimates annual inflation to remain at 4.5%. However, the growth comes with challenges and risks. For instance, the slowdown in global growth could dampen the country's export momentum. The ongoing geopolitical tensions in Eastern Europe; troubles at the Red Sea and other geopolitical issues could disrupt supply chains and impact commodity prices again. A sudden spike in inflation can further delay the interest rate cut by RBI.

The Indian technical textile accounts for approximately 13% of India's total textile and apparel market and contributes to India's GDP at 0.7%. There is a huge potential to fulfil a large demand gap as the consumption of technical textiles in India is still only at 5-10% against 30-70% in some of the advanced countries. Hence, garnering direct attention from Prime Minister Narendra Modi and his Cabinet Committee on Economic Affairs (CCEA), a National Technical Textiles Mission has been set up that aims at an average growth rate of 15-20% to increase the domestic market size of technical textiles to \$ 40-50 Bn by the year 2024 through market development, market promotion, international technical collaborations, investment promotions and Make in India initiative.

## GOVERNMENT INITIATIVES

The Government of India has introduced various schemes for modernization and infrastructure development. Additionally, budget allocation to the Ministry of Textiles for fiscal 2025 has been raised by about 28%, amounting to ₹ 44 billion. The government has also launched initiatives like The Scheme for Capacity Building in Textiles Sector (SAMARTH) and Free Trade Agreement to enhance the textile sector's economies of scale, export potential, and competitiveness.

### National Technical Textiles Mission (NTTM): India's Vision for 2030

Launched with a budget of INR 1,480 crores, this mission aims to promote R&D, market development, and the adoption of technical textiles in various sectors. The government's focus on building a strong manufacturing base, coupled with initiatives to promote R&D and innovation, is expected to drive growth in this sector. The growing demand for technical textiles, both domestically and globally, presents a significant opportunity for Indian manufacturers to expand their presence in the market. By 2030, India aims to become a global leader in technical textiles, with a focus on increasing the share of high-value-added products in its export basket. The NTTM envisions a holistic approach, encompassing skill development, research and development (R&D), and infrastructure enhancement. The mission also seeks to reduce dependency on imports of speciality fibres by fostering a robust R&D ecosystem and encouraging domestic production.





Various states, including Gujarat, Tamil Nadu, and Maharashtra, have introduced schemes to support the establishment of technical textile manufacturing units, providing incentives such as subsidies, tax exemptions, and infrastructure support.

The technical textiles sector in India offers immense potential for growth, driven by increasing demand in various industries and government support. However, to fully capitalize on this opportunity, India needs to address challenges related to technology, R&D, and fiscal policies.

**Road Ahead**

Technical textiles industry is at a nascent stage in India and hence, holds a vast potential for growth. With the government’s aim to create world class infrastructure in the country, in addition to the implementation of several policies and schemes to boost the textile sector, technical textiles are poised for growth.

**Why Technical Textiles is the future of Textiles?**



<p>World is shifting from Natural fabrics to MMF</p>	<p>Degree of Freedom to engineer a product is extensively high</p>	<p>High-growth potential in Specialized fibres such as Glass fibre, Carbon Fibre, &amp; Metallic Fibres</p>	<p>Potential for quick adoption in applications &amp; becoming a manufacturing hub</p>
<p>Specialized workforce generating capacity</p>	<p>Potential to drive India's overall exports</p>	<p>Drive Innovation and Research &amp; Development at a robust pace</p>	<p>Attract high quality FDI in niche and thrust areas</p>

Useful physical properties such as durability, elasticity and versatility make technical textiles even more useful in times of changing climate, global warming, and complex industrial processes. Presence of large and global and domestic players has influenced the growth in technical textiles and has helped build sector prominence.

The overall development of the infrastructure, coupled with the availability of skilled and low-cost labour, focus of research and development activities and strong manufacturing capabilities make India increasingly preferable as an attractive investment destination.

India is redefining its position in the world as a formidable destination for FDI in textiles and apparel industry attracting \$ 3.1 Bn worth FDI during 2018-19, hence, there is an enormous potential for technical textiles too, to achieve a fast-paced growth and capture the rising markets. The Indian government has recognized the potential of technical textiles and has launched several initiatives to support the sector. With a favourable policy ecosystem in place, India is already on its way to capitalise the fullest potential of this sector.



## REVIEW OF FINANCIAL PERFORMANCE

The operating performance of the Company has been detailed in the Directors' Report under the heads 'Financial Highlights'.

**Revenue from Operations:** The Company reported total revenue from operations of ₹7,637.60 Lakhs for the year ended March 31, 2024, compared to ₹5,692.39 Lakhs in the previous year. This represents an increase in revenue.

**Other Income:** The Company generated other income of ₹167.32 Lakhs, compared to ₹115.19 Lakhs in the previous year. This indicates a decrease in other income.

**Expenses:** The Company's total expenses for the year were ₹6,113.04 Lakhs, compared to ₹4,646.45 Lakhs in the previous year. This suggests a decrease in expenses.



**Profit Before Tax:** The Company reported a profit before tax of ₹4,433.52 Lakhs, compared to ₹4,108.51 Lakhs in the previous year. This indicates an increase in profitability.

**Tax Expenses:** The Company incurred total tax expenses of ₹464.25 Lakhs, compared to ₹250.50 Lakhs in the previous year.

**Profit After Tax:** The Company reported a profit after tax of ₹1,227.63 Lakhs for the year ended March 31, 2024, compared to ₹910.63 Lakhs in the previous year. This represents an increase in profitability.

**Earnings per Share (EPS):** The basic earnings per share (EPS) for the year was ₹5.48, compared to ₹5.19 in the previous year. This indicates an increase in line with the increased profitability of the Company.

Shri Techtex Limited experienced an increase in revenue, profitability, and earnings per share in the financial year ended March 31, 2024. The Company's expenses increased alongside and reported consequent increase in profit before tax and profit after tax compared to the previous year.

### Exports Performance:

- In the financial year 2023-24, the Company's total sales increased to ₹7,637.60 Lakhs, with export sales amounting to ₹4,298.81 Lakhs.
- In financial year 2022-23, the Company had total sales of ₹5,692.39 Lakhs, out of which ₹2,065.02 Lakhs were attributed to export sales.

These figures indicate that the Company's export sales augmented from ₹2,065.02 Lakhs in 2023 to ₹4,298.81 Lakhs in 2024.

## SEGMENT-WISE PERFORMANCE

The Company's main business activity is manufacturing of Technical Textiles.



## OUTLOOK

As Shri Techtex Limited embarks to the Financial Year 2024-25, our outlook is shaped by a combination of strategic investments, market dynamics, and evolving industry trends in the technical textile sector.

The global technical textile market is experiencing robust growth, driven by increasing demand across various sectors such as automotive, healthcare, construction, and sports. The rising emphasis on high-performance, durable, and specialized materials presents significant opportunities for the Company. Our strategic focus on enhancing our technical textile offerings positions us to capitalize on these trends and expand our market share.

### Growth Strategies

- Expansion of Product Range:** The Company is committed to broadening its product portfolio by incorporating advanced materials and technologies. We plan to introduce innovative products designed to meet the evolving needs of our international clientele, including textiles with enhanced durability, moisture resistance, and high-performance characteristics.
- International Market Penetration:** Our export strategy is a key focus for FY 2024-25. We aim to strengthen our presence in high-growth markets such as North America, Europe, and Southeast Asia. By leveraging strategic partnerships and distribution networks, we plan to increase our export revenue and establish the Company as a global leader in technical textiles.
- Sustainability Initiatives:** Environmental sustainability remains a core priority. As part of our ongoing commitment to sustainability and environmental stewardship, Shri Techtex Limited announced a significant development in our energy strategy.

### Risk Management

We are mindful of potential risks, including fluctuations in raw material prices, regulatory changes, and geopolitical uncertainties. The Company has implemented robust risk management strategies to mitigate these challenges, including strategic sourcing, diversification of supply chains, and proactive compliance measures.

### Financial Projections

For FY 2024-25, we anticipate a continued positive trajectory by operational efficiency improvements, expansion into new markets, Innovation and Product Development, expanded export activities, and a diversified product range. We expect our net profit margins to improve due to enhanced operational efficiencies and higher-value product offerings.

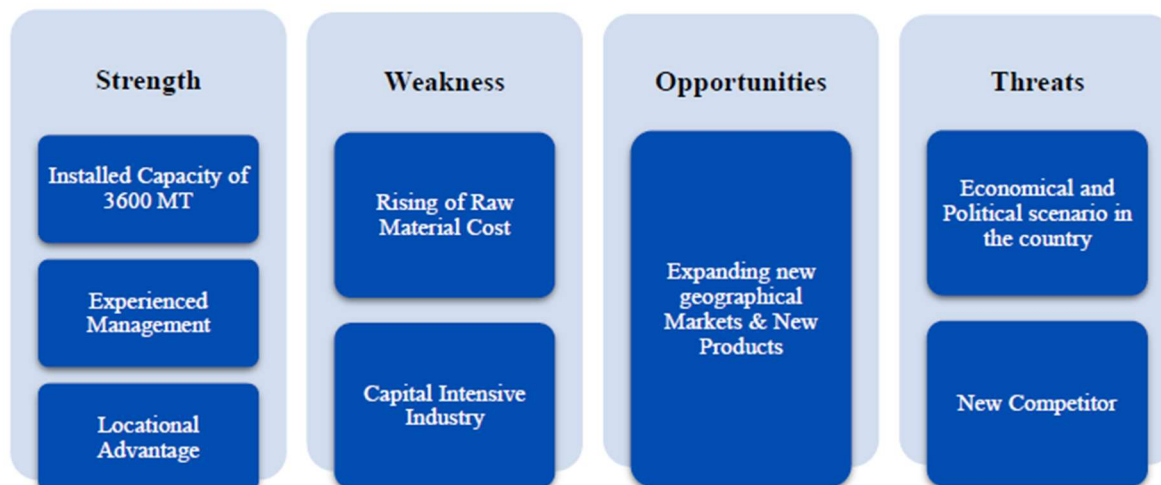
### Conclusion

As we look towards FY 2024-25, the Company is well-positioned to leverage its strengths in the technical textile sector. Our commitment to innovation, capacity expansion, and international growth will be pivotal in driving our success. We are confident that our strategic initiatives and proactive approach will enable us to achieve our goals and deliver value to our stakeholders.



## OPPORTUNITIES AND THREATS

### SWOT ANALYSIS



## HUMAN RESOURCES AND INDUSTRIAL RELATIONS

At Shri Techtex Limited, our human resources are the cornerstone of our success in the technical textiles sector. Our commitment to fostering a positive work environment, ensuring employee well-being, and maintaining strong industrial relations is central to our operational excellence and long-term growth.

### Talent Acquisition and Development:

- **Recruitment:** We continue to attract top talent through strategic recruitment initiatives, focusing on individuals with expertise in technical textiles and related fields.
- **Training and Development:** The Company is dedicated to the professional development of our employees. Training of employees to maintain high level of motivation is an ongoing process.

### Workplace Safety:

- **Safety Measures:** Ensuring a safe working environment is a top priority. The Company adheres to stringent safety protocols and conducts regular safety audits and training sessions. Our commitment to safety is reflected in our low accident rates and proactive health measures.

### Compliance and Regulations:

- **Regulatory Adherence:** The Company is committed to complying with all labor laws and regulations. We ensure that our HR practices align with legal requirements and industry standards, including fair labor practices, wage regulations, and employee rights.
- **Policy Updates:** Our HR policies are regularly reviewed and updated to reflect changes in labor laws and best practices. We provide training to ensure that all employees are aware of and adhere to these policies.

The Company remains dedicated to nurturing our human resources and maintaining positive industrial relations. Through strategic talent management, robust safety measures, and effective employee engagement, we are committed to supporting our workforce and driving our continued success in the technical textiles industry.

The total number of employees as on March 31, 2024, is 50 (Previous Year the number of employees was 37).



### INTERNAL CONTROL

The Company has an adequate internal control system for safeguarding the assets and financial transactions of the Company. The strong internal control systems have been designed in such a way that, not only it prevents fraud and misuse of the Company's resources but also protect shareholder's interest.

### ACCOUNTING POLICIES

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year. The financial statements have been prepared under the historical cost convention on an accrual basis. The management accepts responsibility for the integrity and objectivity of the financial statements, as well as for the various estimates and judgment used therein.

### DISCLOSURE OF ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENT

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

### DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS (i.e. change of 25% or more as compared to the immediately previous financial year)

Sr. No.	Ratio	Numerator	Denominator	As At 31.03.2024	As At 31.03.2023	% Variance	Reason for Variance
1	Current Ratio	Current Assets	Current Liabilities	6.54	2.84	130.22	Note -1
2	Debt-Equity Ratio	Total Debt	Total Equity	0.13	1.06	-87.31%	Note- 2
3	Debt Service Coverage Ratio	Earnings before Interest, Tax and Exceptional Items	Current maturity of long-term debt + Interest Expense	2.95	2.85	3.63%	-
4	Return on Equity (ROE) (%)	Profit after tax	Average Net worth	21.54	35.84	-39.91%	Note- 3
5	Inventory Turnover Ratio	COGS	Average Inventory	2.98	4.51	-33.90%	Note- 4
6	Trade receivables turnover ratio	Value of Sales & Services	Average Trade Receivable	4.95	5.24	-5.55%	-
7	Trade payables turnover ratio	Purchases	Average Trade Payable	12.08	8.48	42.41%	Note- 5
8	Net capital turnover ratio	Turnover	Average working capital	2.38	4.54	-47.57%	Note- 6
9	Net profit ratio (%)	Profit after tax	Value of Sales & Services	16.07	16	0.48%	-
10	Return on capital employed (ROCE) (%)	EBIT	Capital Employed	20.79	20.07	3.60%	-
11	Return on investments (%)	Net Profit	Equity + Reserves & Surplus	14.63	30.24	-51.61%	Note- 7

**Reasons for Variations**

- 1. Current Ratio:** Due to increase in Trade receivables, Inventory holding and current investments.
- 2. Debt Service Coverage Ratio:** Due to decrease in debt of the Company.
- 3. Return on Equity (ROE) (%):** Due to IPO, net worth of the company increased, hence a consequent decrease in ROE.
- 4. Inventory Turnover Ratio:** Due to increase in average inventory.
- 5. Trade payables turnover Ratio:** Due to decrease in Trade payables.
- 6. Net Capital Turnover Ratio:** Due to increase in average working capital.
- 7. Return on Investments (%):** Due to IPO, net worth of the company increased, hence a subsequent decrease in ROE compared to previous year.

**CAUTIONARY STATEMENT:**

Certain statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied therein.

**Registered Office:**

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Vidyanagar Co. Op. Hsg Soc. Ltd.,  
Opp. NABARD, Nr. Usmanpura  
Garden, Ahmedabad- 380014,  
Gujarat

**For and on behalf of Board of Directors**

**Shri Techtex Limited**  
(Previously known as Shri Techtex Private Limited)

Date: September 5, 2024  
Place: Ahmedabad

Sd/-  
Shradha Hanskumar Agarwal  
Managing Director  
DIN: 02195281

Sd/-  
Hanskumar Ramakant Agarwal  
Executive Director  
DIN: 00013290



**ANNEXURE-B**  
**REPORT ON CSR ACTIVITIES**  
**{FOR THE FINANCIAL YEAR 2023-2024}**  
**[PURSUANT TO SECTION 135 OF THE ACT & RULES MADE THEREUNDER]**

**1. Brief outline on CSR Policy of the Company**

The Company believes in giving back to society and undertakes CSR initiatives according to the guidelines given in the Companies Act 2013. The Company is committed to inclusive and sustainable development of its stakeholders through various welfare schemes/activities undertaken under its CSR Programme in an economically, socially and environmentally sustainable manner. Company, considering the proviso to Section 135(5) of Companies Act, 2013 prefers its social welfare activities in the local areas around its plants. Company undertakes CSR activities, as per the provisions of Schedule VII of Companies Act, 2013 and its CSR Policy, majorly benefitting the people of nearby areas in terms of their Health and Hygiene, Education, Sports, Cultural Activities, Rural Development, inter alia other welfare activities taken up for other deserving and needy peoples as well.

**2. Composition of CSR Committee as on March 31, 2024**

Sr. No.	Name of Director	Designation	Chairman / Member of the CSR Committee	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shradha Hanskumar Agarwal	Chairman Cum Managing Director	Chairman	2	2
2	Mr. Hanskumar Ramakant Agarwal	Executive Director	Member	2	2
3	Mr. Vimalkumar Shah	Independent Director	Member	2	2

**3. Provide the web-link where composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company- [www.shritechtex.com](http://www.shritechtex.com)**

**4. Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable: Not Applicable**

**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the Financial Year, if any**

Sr. No.	Financial Year	Amount available for set-off from preceding Financial Years (in ₹)	Amount required to be set-off for the Financial Year, if any (in ₹)
1.	2020-21	NIL	NIL
2.	2021-22	NIL	NIL
3.	2022-23	NIL	NIL



6. Average net profit of the Company as per section 135(5) (₹ in Lakhs): 1296.25

7. Total CSR obligation for the financial year 2023-24 (₹ in Lakhs)

1) Two percent of average net profit of the Company as per section 135(5)	25.92
2) Surplus arising out of the CSR projects or Programme or activities of the previous financial years	Nil
3) Amount required to be set off for the financial year, if any	Nil
4) Total CSR obligation for the financial year (1+2-3)	25.92

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

Total Amount Spent for the financial year (₹ in Lakhs)	Amount Unspent (₹ in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
26.00	Nil	Nil	Nil	Nil	Nil

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of The Project	Item From Activities in Schedule VII to the Act	Loca l area (Yes/ No)	Stat e	Distri ct	Project Duratio n	Amoun t allocate d for the project (in ₹)	Amoun t spent in the current financi al year (in ₹)	Amount Transferr ed to unspent CSR Account For the Project as Per Section 135(6) (in ₹)	Mode of implementat ion Direct (Yes/ No)	Mode of Implementation Through implementing Agency	
											Name	CSR Registrati on Number
NIL												





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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
S. No.	Name of Project	Item from the list of activities in schedule VII to the Act	Local Area (Yes/ No)	Location of the project	Amount Spent for the Project	Mode of Implementation Direct (Yes/ No)	Mode of implementation Through Implementing agency	
							Name	CSR Reg. Number
1	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects. Promoting health care including preventive health care.	1 & 2	Yes	Gujarat Ahmedabad	26.00	No	Omjagdamba Foundation	CSR0000100 8
<b>Total</b>					26.00			

**d. Amount spent in Administrative Overheads: Nil**

**e. Amount spent on Impact Assessment, if applicable: Nil**

**f. Total amount spent for the financial year (8b+8c+8d+8e): ₹ 26.00 Lakhs**

**g. Excess amount for set off, if any:**

Sr. No.	Particular	(₹ in Lakhs)
i	Two percent of average net profit of the Company as per section 135(5)	25.92
ii	Total amount spent for the Financial Year	26.00
iii	Excess amount spent for the financial year [(ii)-(i)]	(0.08)
iv	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Not Applicable
v	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.00

**9. (a) Details of Unspent CSR amount for the preceding three financial years:**

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) (Amount in ₹ in Lakhs)	Amount spent in the reporting Financial Year (Amount in ₹ in Lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (Amount in ₹ in Lakhs)
				Name of the Fund	Amount (Amount in ₹ in Lakhs)	Date of Transfer	
<b>Not Applicable</b>							



**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):** Not Applicable. There are no ongoing projects of preceding financial years.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No	Project ID	Name of The project	Project Duration	Total amount allocated for the project (in ₹)	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial year (in ₹)	Cumulative amount spent at the end of the reporting Financial Year (in ₹)	Status of the project Completed/ Ongoing
Not Applicable								

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

**(a)** Date of creation or acquisition of the capital asset(s): Nil

**(b)** Amount of CSR spent for creation or acquisition of capital asset: Nil

**(c)** Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Nil

**(d)** Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Nil

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

**Registered Office:**

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**For and on behalf of Board of Directors**  
**Shri Techtex Limited**  
(Previously known as Shri Techtex Private Limited)

Date: September 5, 2024  
Place: Ahmedabad

Sd/-  
Shradha Hanskumar Agarwal  
Managing Director  
DIN: 02195281

Sd/-  
Hanskumar Ramakant Agarwal  
Executive Director  
DIN: 00013290



## ANNEXURE – C

## FORM MR-3

## SECRETARIAL AUDIT REPORT

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
**SHRI TECHTEX LIMITED**  
**(Formerly Known As Shri Techtex Private Limited)**  
Harmony, 2<sup>nd</sup> Floor, 15/A, Shree Vidhyanagar Co.Op.  
Hsg. Soc. Ltd. Opp. Nabard, Nr. Usmanpura Garden,  
Ahmedabad 380014.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SHRI TECHTEX LIMITED (Formerly Known As Shri Techtex Private Limited)** (CIN: L36900GJ2018PLC104005) (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to me and the representations made by the management, I hereby report that in my opinion, the Company has, during the audit period ended on March 31, 2024 (“Audit Period”), complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 and made available to me according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder as applicable;
- II. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment, and External Commercial Borrowings; **Not applicable to the company for the financial year ended March 31, 2024**
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) to the extent applicable to the Company:
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;



- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c) The Securities and Exchange Board of India (Share based Employee Benefits and Sweat Equity) Regulations, 2021; Not applicable to the company for the financial year ended March 31, 2024
- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2021; Not applicable to the company for the financial year ended March 31, 2024
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not applicable to the company for the financial year ended March 31, 2024
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not applicable to the company for the financial year ended March 31, 2024
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- j) The Factories Act, 1948 (the Act) and the Rules made thereunder as applicable

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

- a) Secretarial Standards issued by the Institute of Company Secretaries of India;
- b) The Listing Agreements entered into by the Company with NSE Emerge.

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

- a) The Company had not filled XBRL Utility within 24 hours from filing the financial result for the half year ended on 30<sup>th</sup> September, 2023 under Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**I further report that:**

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



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

The following event has occurred during the year which has a major bearing on the company's affairs in pursuance of the Laws, Rules, Regulations, Guidelines Standards etc. referred to above:

- a) During the year, the Company had issued 74,00,000 equity shares through fresh issue at an offer price of ₹54 to ₹61 per equity shares by virtue of initial public offer (IPO). The equity shares of the Company were listed on SME Board of NSE Emerge on August 04, 2023.

**Date: 30/08/2024**  
**Place: Ahmedabad**

**FOR, G R Shah & Associates**  
**Company Secretaries**  
**Sd/-**  
**Gaurang Shah**  
**Proprietor**  
**COP No.: 14446**  
**UDIN: F012870F001088406**  
**Peer Review No.: 661/2020**

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



**Annexure C (A)**  
**List of Documents Verified**

1. Memorandum and Articles of Association of the Company.
2. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Independent Directors Meeting along with attendance register held during the period under report.
3. Minutes of General Body meetings held during the period under report.
4. Statutory registers records under the Companies Act, 2013 and Rules made there under namely:
  - Register of the Directors and the Key Managerial Personnel
  - Register of the Directors' shareholding
  - Register of loans, guarantees and security and acquisition made by the Company
  - Register of Members
5. Declarations received from the Directors of the Company in Form MBP-1 pursuant to the provisions of Section 184 of the Companies Act, 2013.
6. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the period under report.
7. Communications/ Letters issued to and acknowledgements received from the Independent Directors for their appointment.
8. Various policies framed by the Company from time to time as required under the Companies Act, 2013.



**ANNEXURE- C(B)**

To the Members,

**SHRI TECHTEX LIMITED**

**(Formerly Known As Shri Techtex Private Limited)**

Harmony, 2<sup>nd</sup> Floor, 15/A, Shree Vidhyanagar Co.Op.

Hsg. Soc. Ltd. Opp. Nabard, Nr. Usmanpura Garden,

Ahmedabad 380014.

My Secretarial audit report for the financial year 31<sup>st</sup> March, 2024 is to be read along with this letter.

**Management's Responsibility**

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

**Auditor's Responsibility**

2. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibly of the management. Our examination was limited to the verification of the procedures on test basis. My Responsibility is to express an opinion on these secretarial records, standards and procedures followed by the company with respect to secretarial compliances.
3. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that Audit evidence and information obtained from the company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, I have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer**

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

**Date: 30/08/2024**

**Place: Ahmedabad**

**FOR, G R Shah & Associates**  
**Company Secretaries**

Sd/-

**Gaurang Shah**

**Proprietor**

**COP No.: 14446**

**UDIN: F012870F001088406**

**Peer Review No.: 661/2020**



**ANNEXURE-D**  
**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND**  
**FOREIGN EXCHANGE EARNINGS AND OUTGO**  
**SECTION 134(3)(M) OF THE COMPANIES ACT, 2013, READ WITH RULE 8(3) OF**  
**THE COMPANIES (ACCOUNTS) RULES, 2014]**

**A. CONSERVATION OF ENERGY**

<b>Power &amp; Fuel Consumption:</b>	<b>Current Year</b>	<b>Previous Year</b>
Electricity:	2023-24	2022-23
Purchased		
(a) Units (Units in Lakhs)	37.81	21.43
(b) Amount (₹ in Lakhs)	310.49	182.98
(c) Units/per liter of Diesel Oil	N.A.	N.A.
(d) Cost per unit (₹)	8.21	8.54

**Steps taken or impact on conservation of energy**

The Company remains steadfast in its commitment to energy conservation, implementing various initiatives across all units to enhance energy efficiency, reduce wastage, and optimize consumption. These efforts align with our goal of sustainable operations. Notably, the Company has undertaken several measures in this regard at its units located in different areas.

The Company has taken significant steps to ensure the continuous and efficient use of energy resources. These measures include:

**a. Installation of Solar Power Plant:** The Company is planning to install 1000 KW, a significant step towards optimizing energy consumption and reducing electricity costs. which will optimize energy consumption and reduce electricity costs.

**b. Optimum use of electrical motors and daylight resources:** The Company has implemented strategies to maximize the efficiency of electrical motors and make optimal use of natural daylight. This includes regular maintenance of motors, ensuring they are operating at peak performance, and utilizing natural daylight to reduce the need for artificial lighting during the day.

**c. Installation of LEDs at several locations:** The Company has replaced traditional lighting fixtures with energy-efficient LED lights at various locations within the premises. This not only reduces energy consumption but also contributes to a greener and more sustainable environment.

By implementing these measures, the Company is committed to continuous improvement in energy efficiency and sustainability. These initiatives not only contribute to cost savings but also demonstrate our dedication to responsible environmental stewardship.





## B. TECHNOLOGY ABSORPTION:

### 1. Efforts, in brief, made towards technology absorption, adaptation & innovation:

In FY 2023-24, the company focused on advancing capabilities through the successful installation of machineries for Hot Melt Coating Lamination and PP Multifilament Yarn. These strategic upgrades enhance our manufacturing processes and enable us to develop innovative products. Some of these new products are in the approval stage to meet market requirements, while others are still being refined. By leveraging advanced technology, the Company can simulate and test the performance and durability of new products and processes in a virtual environment. This not only accelerates the development cycle but also ensures that the final products meet the highest quality standards.

### 2. Technology imported: The machinery for Hot Melt Coating Lamination was imported in FY 2023. The machinery has been successfully installed and initiated manufacturing, with some products now awaiting market approval, while others are still under development to meet evolving market requirements.

## C. RESEARCH & DEVELOPMENT:

While the Company does not have a dedicated Research & Development (R&D) department, it places a strong emphasis on quality control to ensure the excellence of its manufactured products. The Company has established a dedicated quality control department that rigorously checks the quality of the products.

By prioritizing quality and adhering to established standards, the Company ensures that its products consistently meet the highest quality benchmarks, ultimately enhancing customer satisfaction and maintaining its reputation in the industry.

## C. FOREIGN EXCHANGE EARNINGS AND EXPENDITURE:

The details of foreign exchange earnings and outgo are disclosed under Note 37 of the Notes to financial statements for the year 2023-24.

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Opp. NABARD, Nr. Usmanpura  
Garden, Ahmedabad- 380014,  
Gujarat

**For and on behalf of Board of Directors**  
**Shri Techtex Limited**  
(Previously known as Shri Techtex Private Limited)

Date: September 5, 2024  
Place: Ahmedabad

Sd/-  
Shradha Hanskumar Agarwal  
Managing Director  
DIN: 02195281

Sd/-  
Hanskumar Ramakant Agarwal  
Executive Director  
DIN: 00013290



**ANNEXURE – E**  
**RELATED PARTY TRANSACTIONS**

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

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

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

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

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

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

<b>a)</b>	<b>Name(s) of the related party and nature of relationship:</b>	The Company has entered into transactions with- <ul style="list-style-type: none"> <li>- <b>M/s. Shakti Polyweave Private Limited</b> (A Private Company in which Directors/ Promoters/ their relatives are interested directly or indirectly)</li> <li>- <b>Shakti Techtex Private Limited</b> (A Private Company in which Directors/ Promoters/ their relatives are interested directly or indirectly)</li> <li>- <b>Shri Jagdamba Polymers Limited</b> (A Public Company in which Directors/ Promoters/ their relatives are interested directly or indirectly)</li> <li>- <b>Aurum Fabricitech LLP</b> (An LLP in which Directors/ Promoters/ their relatives are interested directly or indirectly)</li> </ul>
<b>b)</b>	<b>Nature of contracts / arrangements / transactions:</b>	Sale/ Purchase of Goods, Job work Expenses, Job work Sale, Rent, Interest and Business Advances
<b>c)</b>	<b>Duration of the contracts / arrangements / transactions</b>	Not Applicable
<b>d)</b>	<b>Salient terms of the contracts or arrangements or transaction including the value, if any:</b>	To avail and render Job Work, Purchase and Sale of Goods, and rent at arm's length. The price is determined in accordance with the prevailing market rates. The value of the transactions entered into with the related parties are provided in the note no. 30 of the Balance Sheet of the Company.



e)	<b>Date(s) of approval by the Board, if any</b>	The Board has revised and approved the limits of contract/ agreement with Shakti Polyweave Private Limited, Shakti Techtex Private Limited, Shri Jagdamba Polymers limited and Aurum Fabrictech LLP in its meeting dated July 16, 2024, and the same were approved vide ordinary resolution passed by its shareholders through Postal ballot dated August 17, 2024.
f)	<b>Amount paid as advances, if any</b>	Nil

**Note:**

1. The financial statements' Note No. 38 discloses information about transactions with related parties that are not material contracts, arrangements, or transactions conducted on an arm's-length basis.
2. All transactions with related parties were in the Ordinary Course of Business and at arm's length basis and were specifically approved by the Audit Committee and the Board of Directors of the Company.

**Registered Office:**

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**For and on behalf of Board of Directors  
Shri Techtex Limited  
(Previously known as Shri Techtex Private Limited)**

Date: September 5, 2024  
Place: Ahmedabad

Sd/-  
**Shradha Hanskumar Agarwal**  
Managing Director  
DIN: 02195281

Sd/-  
**Hanskumar Ramakant Agarwal**  
Executive Director  
DIN: 00013290



## ANNEXURE – F

**Disclosure under Section 197 (12) and Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

**1. Ratio of remuneration of each director to the median remuneration of the employees of the Company for the Financial Year ended March 31, 2024:**

Sr. No.	Name of the Director	Remuneration per annum	Median Remuneration per annum	Ratio
		(Amount in Lakhs)		
1	Mrs. Shradha Hanskumar Agarwal	60.00	1.80	33.40
2	Mr. Hanskumar Ramakant Agarwal	-	-	N.A.
3	Mr. Vikas Srikishan Agarwal	-	-	N.A.
4	Mr. Anup Gopalka	-	-	N.A.
5	Mr. Vimal Mishrilal Shah	-	-	N.A.

**2. The Percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary or Manager if any in the Financial Year 2023-24 compared to 2022-23 means part of the year.**

Sr. No.	Name	Designation	Cost to Company (Amount in Lakhs)	% Increase in remuneration*
1	Mrs. Shradha Hanskumar Agarwal	Managing Director	60.00	-
2	Mr. Hanskumar Ramakant Agarwal	Executive Director	-	-
3	Mr. Vikas Srikishan Agarwal	Non-Executive Director	-	-
4	Mr. Ashish Ashokkumar Bhaiya	Chief Financial Officer	24.00	-
5	Ms. Akanksha Aswani	Company Secretary	1.84	-

\*Note: The Chief Financial Officer, Company Secretary and Managing Director started receiving remuneration from January 2023. As a result, a percentage increase in their remuneration cannot be calculated.

- 3. Percentage increases in median remuneration of employees in the Financial Year 2023-24 around 27.11 %.**
- 4. The number of permanent employees on the rolls of the Company as on March 31, 2024, is 50 (previous year is 37).**
- 5. The average increase of 19.02% in the remuneration of employees is in line with the current year's performance, market dynamics and as a measure to motivate the employees for better future performance to achieve the organization's growth expectations.**



**6. Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and Senior management is as per the Remuneration Policy of your Company.**

**Registered Office:  
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Vidhyanagar Co. Op. Hsg Soc. Ltd.,  
Opp. NABARD, Nr. Usmanpura  
Garden, Ahmedabad- 380014,  
Gujarat**

**For and on behalf of Board of Directors  
Shri Techtex Limited  
(Previously known as Shri Techtex Private Limited)**

**Date: September 5, 2024  
Place: Ahmedabad**

**Sd/-  
Shradha Hanskumar Agarwal  
Managing Director  
DIN: 02195281**

**Sd/-  
Hanskumar Ramakant Agarwal  
Executive Director  
DIN: 00013290**



## INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

To  
The Members  
Shri Techtex Limited  
(Formerly Known as Shri Techtex Private Limited)  
Ahmedabad

### Report on the Audit of Financial Statements

#### 1. Opinion

We have audited the accompanying financial statements of Shri Techtex Limited ('the Company'), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2024, the Statement of Profit and Loss and the Statement of Cash Flows for the year ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as 'financial statements').

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2024, the profit and loss and its cash flows for the year ended on that date.

#### 2. Basis for Opinion

We have conducted audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and We have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence We have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### 3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and We do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

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

The Company's Management and 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 there on.



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.

### **5. Management's Responsibility for the Financial Statements**

The Company's Management and 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 AS and accounting principles generally accepted in India.

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 judgements 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.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **6. Auditor's Responsibilities for the Audit of the Financial Statements**

Our Responsibility is to express an opinion on these standalone financial statements based on our audit. In conducting audit, We have taken into account the provisions of the Act; the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and Rules made there under.

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:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from



fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, We are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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.

From the matters communicated with those charged with governance, We determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, We determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.





## 7. Report on Other Legal and Regulatory Requirements

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

### As required by Section 143(3) of the Act, based on our audit, 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 Statement of Cash Flows dealt with in this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (accounts) Rule, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure B**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration that has been paid by the company to its directors during the year is in accordance with provisions of Section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company does not have any litigation which would impact its financial position.
  - (ii) The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - (iv) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts,
    - a. The Management has represented that, to the best of its knowledge and belief, as disclosed in the Note 31(k) to the financial statements, no funds have been advanced or loaned or invested (either from



- borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ‘Intermediaries’, with the understanding whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b. The Management has represented that, to the best of its knowledge and belief, as disclosed in the Note 31(l) to the financial statements, no funds have been received by the Company from any person(s) or entity (ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) No dividend has been declared or paid during the year by the Company.

**For S V J K and Associates**  
**(Previously known as A S R V & Co.)**  
**Chartered Accountants**  
**FRN-135182W**

**Ankit Singhal**  
**Partner**  
**Membership No. 151324**  
**UDIN: [24151324BKESHL3362](#)**  
**Date: May 27, 2024**  
**Place: Ahmedabad**

**Annexure – A****To The Independent Auditor's Report****Report on the Companies (Auditor' Report) Order, 2020, issued in terms of section 143 (11) of the Companies Act, 2013('the Act') of Shri Techtex Limited, ('the Company')**

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, We state that

- (i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, Capital work in progress and relevant details of right of use Assets.
- B. The Company does not have any intangible assets. Accordingly, clause 3(i)(a)(B) of the order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a programme of verification to cover all the items of property, plant and equipment at reasonable intervals which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, portion of the fixed assets were physically verified by the Management during the year. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at 31<sup>st</sup> March, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- (b) The Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns and statements comprising stock and creditor statements, book debt statements and other stipulated financial information filed by the Company with such banks are not having difference.
- (iii) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a), (c), (d), (e), (f) of the Order is not applicable to the Company.



- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year, prima facie, not prejudicial to the interest of the Company.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) The Company has not accepted deposits or amounts which are deemed to be deposits from the public during the year and does not have any unclaimed deposits as at March 31, 2024. Therefore, the reporting requirement under clause 3(v) of the Order is not applicable.
- (vi) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the products manufactured by it (and/or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and based on records of the Company examined by us, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Customs Duty, income tax deducted at source, Goods and Service Tax and other material statutory dues, as applicable.
- (b) There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess, and other material statutory dues in arrears as at 31st March 2024, for a period of more than six months from the date they became payable.
- (viii) (a) According to the information and explanations given to us and the records of the Company examined by us, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.
- (ix) (a) In our opinion, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us the Company has not raised any money obtained by way of term loans during the year.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary.
- (x) (a) Monies raised during the year by the Company by way of public offer were applied for the purpose for which they were raised. The Company had raised funds through IPO by issuing 74,00,000 equity shares to public at a price of Rs 61/- per share aggregating to Rs 4514.00 lacs. The details of utilisation of the IPO Proceeds refer Note : 2(f) of The Financial Statements of Company.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally). Hence reporting under clause (x)(b) of the Order is not applicable to the Company.



- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) The Company has entered into transactions with related parties in compliance with the provisions of Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard 18 “Related Party Disclosures” specified under Section 133 of the Act.
- (xiv) (a) Company has an adequate internal control system commensurate with the size and the nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with Directors or persons connected to directors and hence paragraph 3(xv) of the Order is not applicable.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a Valid Certificate of Registration (CoR) from the Reserve bank of India as per the Reserve Bank of India Act, 1934.
- (c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) Accordingly, in our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) and it does not have any other companies in the Group. Accordingly, paragraph 3 (xvi) (d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) The statutory auditors of the Company has not resigned during the year hence this clause is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and



payment of financial liabilities, (Asset Liability Maturity (ALM) pattern) other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and We neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) There is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of Section 135 of the said Act. Accordingly, reporting under paragraph 3 Clause (xx) of the order does not arise.
- (xxi) The reporting under clause 3(xxii) of the Order is not applicable in respect of the audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

**For S V J K and Associates**  
**(Previously known as A S R V & Co.)**  
**Chartered Accountants**  
**FRN-135182W**

**Ankit Singhal**  
**Partner**  
**Membership No. 151324**  
**UDIN: 24151324BKESHL3362**  
**Date: May 27, 2024**  
**Place: Ahmedabad**



**ANNEXURE - B**  
**TO THE INDEPENDENT AUDITOR'S REPORT**  
**Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of**  
**Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the financial statements of Shri Techtex Limited (‘the Company’) as of and for the year ended 31<sup>st</sup> March 2024, we have also audited the internal financial controls over financial reporting of the Company.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘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 company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that We comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;



- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For S V J K and Associates**  
**(Previously known as A S R V & Co.)**  
**Chartered Accountants**  
**FRN-135182W**

**Ankit Singhal**  
**Partner**  
**Membership No. 151324**  
**UDIN: [24151324BKESHL3362](#)**  
**Date: May 27, 2024**  
**Place: Ahmedabad**





## BALANCE SHEET AS AT 31st MARCH,2024

(₹ in Lakhs)

Particulars		Note	As At 31/03/2024	As At 31/03/2023
<b>A</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	Share Capital	2	2,495.00	1,755.00
	Reserves and surplus	3	5,893.80	1,256.61
	<b>Sub Total-Shareholders' funds</b>		<b>8,388.80</b>	<b>3,011.61</b>
<b>2</b>	<b>Non-current liabilities</b>			
	Long-term borrowings	4	706.85	2,501.82
	Other Non-current Liabilities	5	-	631.49
	Deferred Tax Liabilities	6	141.88	38.42
	Long-term provisions	7	8.25	3.06
	<b>Sub Total-Non-current liabilities</b>		<b>856.98</b>	<b>3,174.79</b>
<b>3</b>	<b>Current liabilities</b>			
	Short-term borrowings	8	420.27	687.16
	Trade payables	9		
	i) total outstanding dues of micro enterprises and small enterprises; and		13.22	18.52
	ii) total outstanding dues of creditors other than micro enterprises and small enterprises		199.89	437.14
	Other current liabilities	10	54.69	39.59
	Short-term provisions	11	71.82	17.64
	<b>Sub Total-current liabilities</b>		<b>759.89</b>	<b>1,200.05</b>
	<b>Total Equity and Liabilities</b>		<b>10,005.67</b>	<b>7,386.45</b>
<b>B</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	Property Plant & Equipments and Intangible Assets	12		
	Property Plant & Equipments		4,627.43	3,842.60
	Capital work-in-progress		-	93.98
	Non-current investments	13	405.51	6.56
	Long-term loans and advances	14	-	-
	Non Current Assets	15	6.79	36.91
	<b>Sub Total-Non-current assets</b>		<b>5,039.73</b>	<b>3,980.05</b>
<b>2</b>	<b>Current assets</b>			
	Current Investments	16	938.29	-
	Inventories	17	1,395.47	1,165.15
	Trade receivables	18	1,915.82	1,170.60
	Cash and cash equivalents	19	247.86	95.16
	Short-term loans and advances	20	415.06	944.54
	Other Current Assets	21	53.44	30.95
	<b>Sub Total-current assets</b>		<b>4,965.94</b>	<b>3,406.40</b>
	<b>Total Assets</b>		<b>10,005.67</b>	<b>7,386.45</b>

Summary of Significant Accounting Policies

1

As per our report of even date

For, S V J K and Associates  
(Previously known as A S R V & Co.)  
Chartered Accountants  
FRN: 135182W

Ankit Singhal  
Partner  
Membership No. 151324  
UDIN: 24151324BKESHL3362

Date: May 27, 2024  
Place: Ahmedabad

For and on behalf of the Board of Directors  
Shri Techtex Limited

Shradha Agarwal      Hanskumar Agarwal  
Managing Director      Director  
(DIN : 02195281)      (DIN : 00013290)

Ashish Bhaiya      Akanksha Aswani  
Chief Financial Officer      Company Secretary

Date: May 27, 2024  
Place: Ahmedabad



## STATEMENT OF PROFIT &amp; LOSS FOR THE YEAR ENDED 31st MARCH,2024

(₹ in Lakhs)

S.No.	Particulars	Note	For the Year Ended	
			31.03.2024	31.03.2023
	<b>Income</b>			
1	Revenue from operations	22	7,637.60	5,692.39
2	Other Income	23	167.32	115.19
3	<b>Total Income(1+2)</b>		<b>7,804.92</b>	<b>5,807.58</b>
4	<b>Expenses:</b>			
	a. Cost of materials consumed	24	2,125.79	3,027.43
	b. Purchases of stock-in-trade		1,294.49	1,139.72
	c.Changes in inventories of finished goods, work-in- progress and stock in trade	25	396.45	(561.14)
	d. Employee benefits expense	26	185.64	86.17
	e. Finance costs	27	230.62	80.72
	f. Depreciation and amortisation expense		193.45	124.12
	g. Other expenses	28	1,686.60	749.43
	<b>Total expenses</b>		<b>6,113.04</b>	<b>4,646.45</b>
5	<b>Profit before Exceptional Items and Tax (3-4)</b>		<b>1,691.88</b>	<b>1,161.13</b>
6	<b>Exceptional Items</b>	29	-	-
7	<b>Profit before Tax(5-6)</b>		<b>1,691.88</b>	<b>1,161.13</b>
	-Current tax Expense		357.45	233.60
	-Short/(Excess) provision of tax for earlier years		3.34	(0.23)
	-Deferred tax		103.46	17.14
8	<b>Total Tax Expenses</b>		<b>464.25</b>	<b>250.50</b>
9	<b>Profit for the period from Continuing Operation (7-8)</b>		<b>1,227.63</b>	<b>910.63</b>
10	<b>Profit from Discontinuing operations before tax</b>		-	-
11	<b>Tax expense of discontinuing operations</b>		-	-
12	<b>Profit from Discontinuing operations (after tax) (10-11)</b>		-	-
13	<b>Profit for the period (9-12)</b>		<b>1,227.63</b>	<b>910.63</b>
14	<b>Earnings per share</b>			
	(a) Basic (in ₹)		5.48	5.19
	(b) Diluted (in ₹)		5.48	5.19
	Face value of equity share capital		10.00	10.00

For, S V J K and Associates  
(Previously known as A S R V & Co.)  
Chartered Accountants  
FRN: 135182W

Ankit Singhal  
Partner  
Membership No. 151324  
UDIN: 24151324BKESHL3362

Date: May 27, 2024  
Place: Ahmedabad

For and on behalf of the Board of Directors  
Shri Techtex Limited

Shradha Agarwal      Hanskumar Agarwal  
Managing Director      Director  
(DIN : 02195281)      (DIN : 00013290)

Ashish Bhaiya      Akanksha Aswani  
Chief Financial Officer      Company Secretary

Date: May 27, 2024  
Place: Ahmedabad



CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH,2024		
(₹ in Lakhs)		
Particulars	For the year ended	For the Year Ended
	31.03.2024	31.03.2023
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	
Net Profit before Tax	1,691.88	1,161.13
(i) Adjustment For:		
a) Depreciation and Amortisation expense	193.45	124.12
b) Finance Costs	230.62	80.72
c) (Gain)/Loss on Sale of Property,Plant & Equipments	1.07	
d) Interest income	(24.06)	(42.22)
e) Expenses written off	-	1.52
(f) Share of Profit from Partnership Firms	(3.57)	(1.40)
(g) Other non cash items		2.91
Operating Profit before Working Capital Changes	2,089.38	1,326.78
(ii) Adjustment For :		
a) (Increase)/Decrease in Inventories	(230.32)	(730.29)
b) (Increase)/Decrease in Trade Receivables	(745.22)	(169.56)
c) (Increase)/Decrease in Loans & Advances & Other Assets	506.98	(905.52)
d) Increase /(Decrease) in Trade Payables & Other Liabilities	(440.16)	(41.69)
CASH GENERATED FROM/(USED IN) OPERATIONS	1,180.67	(520.29)
TAX EXPENSE	(360.79)	(239.50)
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES (A)</b>	<b>819.88</b>	<b>(759.79)</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	
a) Sales/(Purchase) of Property, Plant & Equipment & WIP	(885.36)	(408.64)
b) (Increase) / Decrease in Investment	(1,333.67)	(0.60)
c) Interest Income	24.06	42.22
d) (Increase) / Decrease in Long term loans and advances	-	76.51
e) (Increase) / Decrease in Non Current Assets	30.11	(29.30)
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES (B)</b>	<b>(2,164.86)</b>	<b>(319.80)</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	
a) Proceeds/(repayment) from Borrowings	(1,794.96)	583.86
b) Increase/(Decrease) in Long term Liabilities	(631.49)	631.49
c) Finance Costs	(230.62)	(80.72)
d) Increase / ( Decrease ) in Long Term Provisions	5.19	-
e) Proceeds from Issue of Share Capital	740.00	-
f) Proceeds from Share Premium	3,774.00	-
g) Proceeds from Share Premium utilised for Pre IPO Expense	(364.44)	-
<b>NET CASH FLOW FROM FINANCING ACTIVITIES (C)</b>	<b>1,497.68</b>	<b>1,134.63</b>
NET INCREASE IN CASH & CASH EQUIVALENTS (A)+(B)+(C)	152.70	55.04
OPENING BALANCE – CASH & CASH EQUIVALENT	95.16	40.12
CLOSING BALANCE - CASH & CASH EQUIVALENT	247.86	95.16

For, S V J K and Associates  
(Previously known as A S R V & Co.)  
Chartered Accountants  
FRN: 135182W

Ankit Singhal  
Partner  
Membership No. 151324  
UDIN: 24151324BKESHL3362

Date: May 27, 2024  
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For and on behalf of the Board of Directors  
Shri Techtex Limited

Shradha Agarwal      Hanskumar Agarwal  
Managing Director      Director  
(DIN : 02195281)      (DIN : 00013290)

Ashish Bhaiya      Akanksha Aswani  
Chief Financial Officer      Company Secretary

Date: May 27, 2024  
Place: Ahmedabad

**Notes forming part of financial statements for the year ended on 31<sup>st</sup> March 2024****COMPANY INFORMATION / OVERVIEW:**

Shri Techtex Limited, formerly known as Shri Techtex Private Limited, was initially established as a partnership firm under the name "M/s Shree Techtex Company" on January 7, 2011. On September 8, 2018, the firm transitioned to a private limited company, rebranded as "Shri Techtex Private Limited." Subsequently, on January 3, 2023, the company further evolved into a public limited entity and adopted the name "Shri Techtex Limited." Its shares were listed on NSE SME Emerge on August 4, 2023.

The company's registered office is located at Harmony, 2nd Floor, 15/A, Shree Vidhyanagar Co. Op. Hsg. Soc. Ltd., Opposite NABARD, Near Usmanpura Garden, Ahmedabad 380014, Gujarat, India. Shri Techtex Limited specializes in the production of technical textiles, specifically non-woven fabrics.

The financial statements for the year ended March 31, 2024, were approved by the Board of Directors and authorized for issue on May 27, 2024.

**Note 1: Significant Accounting Policies:****1. Basis of Accounting & Revenue Recognition:**

The Accounts are prepared under the historical cost convention applying accrual method of accounting and as a going concern, complying with the applicable Accounting Standards and the generally accepted accounting principles prevailing in the country.

Revenue is recognized only when it can be reliably measured, and it is reasonable to expect ultimate collection. Revenue from Operations include sale of goods. Interest income, if any is recognized on time proportion basis considering the amount outstanding and the rate applicable.

**2. Use of Estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the year in which the results are known / materialized.

**3. Property, Plant & Equipment:**

Tangible assets are stated at cost, less accumulated depreciation and impairment, if any. Direct costs are capitalized until such assets are ready for use. Capital work in progress comprises the cost of fixed assets that are not yet ready for their intended use at the reporting date.

**4. Depreciation:**

Depreciation has been charged on cost of fixed assets, adopting the following methods / rates:

- a. Depreciation is calculated using Straight Line Method (SLM) to allocate their cost, net of their residual values, over their estimated useful lives prescribed in Schedule II of the Companies Act, 2013.
- b. If the cost of a part of the asset is significant to the total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately for depreciation.



- c. For other assets acquired / sold during the year pro-rata charge has been made from the date of first use or till the date of sale.

#### 5. Impairment:

Impairment loss from fixed assets is assessed as at the close of each financial year and appropriate provision, if required, is considered in the accounts.

#### 6. Segment Information:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM is considered to be the Board of Directors who makes strategic decisions and is responsible for allocating resources and assessing the performance of the operating segments.

The Company has identified one reportable segment “manufacturing of technical textile” based on information reviewed by management.

#### 7. Borrowing Cost:

Interest and other costs in connection with the borrowing of the funds to the extent related/attribution to the acquisition/construction of qualifying fixed assets are capitalized as a part of the cost of such asset up-to the date when such assets are ready for its intended use and other borrowing costs are charged to statement of Profit & Loss.

#### 8. Inventories:

Inventories are valued at the lower of the cost & estimated net realizable value. Cost of inventories is computed on a FIFO basis. Finished goods & work in progress include costs of conversion & other costs incurred in bringing the inventories to their present location & condition. Proceeds in respect of sale of raw materials/ stores are credited to the respective heads. Obsolete, defective & unserviceable stocks are duly provided for.

#### 9. Sales:

- a) Sales of goods are recognized on dispatches from factory to customers, excluding Goods and Service Tax and are net of trade discount.
- b) Waste resulting during process is partly sold and partly used in reprocess.

#### 10. Retirement benefits:

Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

- a) **Provident Fund:** Contribution to Provident Fund is made monthly at the rate prescribed in the Act, to appropriate authority on accrual basis and charged to revenue.
- b) **Gratuity:** The Company provides gratuity, a defined benefit plan (the "Gratuity Plan covering eligible employees. The benefit vests to employees after 5 years of continuous service. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) by an independent actuary at the end of each year. Actuarial losses/ gains are recognized in the Statement of Profit and Loss in the year in which they arise.



c) **Leave Encashment:** The Company has accounted for the leave encashment liabilities on accrual basis.

#### **11. Foreign Currency Transactions:**

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

All exchange differences arising on settlement and conversion on foreign currency transaction are included in the Statement of Profit and Loss, except in cases where they relate to the acquisition of fixed assets, in which case they are adjusted in the cost of the corresponding asset.

In respect of transactions covered by forward exchange contracts, the difference between the forward rate and the exchange rate at the date of transaction is recognized as income or expense at the time of maturity date, except where it relates to fixed assets, in which case it is adjusted in the cost of the corresponding assets.

#### **12. Provision for Current and Deferred Tax:**

Income tax expense is accounted for in accordance with AS 22- “Accounting for Taxes on Income” prescribed under the Companies (Accounting Standard) Rules, 2006 which includes current tax and deferred taxes.

Current taxes reflect the impact of tax on income of the previous year as defined under the Income Tax Act, 1961 as per applicable rates.

Deferred taxes reflect the impact of Current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years if any. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available.

#### **13. Amount Due to Micro, Small and Medium Enterprises:**

- (i) Based on the information available with the Company in respect of MSME (as defined in the Micro, Small and Medium Enterprises Development Act, 2006) there are no delays in payment of dues to such enterprise during the year.
- (ii) The identification of Micro, Small and Medium Enterprises Suppliers as defined under “The Micro, Small and Medium Enterprises Development Act, 2006” is based on the information available with the management.

#### **14. Provisions, Contingent Liabilities and Contingent Assets:**

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that is reasonably estimated, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

**15. Earnings Per Share:**

Basic and diluted earnings per share are computed in accordance with Accounting Standard-20. Basic earnings per share are calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

**16. Rounding of amounts:**

All amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs, unless otherwise stated.

**17. Investments:**

Current investments are stated at lower cost or fair market value. Long-term investments are stated at cost after providing for diminution in value. Provision for diminution in value is made only when the decline is other than temporary in the opinion of the management.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

**18. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks (other than deposits pledged with government authorities and margin money deposits) with an original maturity of three months or less.

**19. CASH FLOW STATEMENT**

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



## Notes forming part of Financial Statements

	(₹ in Lakhs)	
	As At 31/03/2024	As At 31/03/2023
<b>2) Share Capital</b>		
<b>Authorised</b>		
2,50,00,000 Equity Shares of ₹ 10/- each	2,500.00	2,500.00
<b>Issued Subscribed &amp; Paid up</b>		
2,49,50,000 (1,75,50,000) Equity Shares of ₹ 10/- each	2,495.00	1,755.00
	<b>2,495.00</b>	<b>1,755.00</b>

## a) Reconciliation of the number of shares outstanding is set out below:-

	As At 31/03/2024		As At 31/03/2023	
	No of Shares	(₹ in Lakhs)	No of Shares	(₹ in Lakhs)
Shares outstanding at the beginning of the year	1,75,50,000	1,755.00	22,50,000	225.00
Add:- Shares Issued during the year				
Fresh Issue*	74,00,000	740.00	-	-
Bonus Shares Issued	-	-	1,53,00,000	1,530.00
<b>Less: Shares bought back during the year</b>				
Other Changes (give details)	-	-	-	-
Shares outstanding at the end of the year	<b>2,49,50,000</b>	<b>2,495.00</b>	<b>1,75,50,000</b>	<b>1,755.00</b>

\*Note: The Company had raised funds through IPO by issuing 74,00,000 equity shares to public at a price of Rs 61/- per share aggregating to Rs 4514.00 lacs

## b) Rights, preferences and restrictions attached to share

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The company has not proposed any dividend during preceding financial year. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

## c) Details of Shareholders holding more than 5 % shares:-

	As At 31/03/2024		As At 31/03/2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>Equity Share of Rs. 10 each are held by :</b>				
Shradha Hanskumar Agarwal	63,92,100	25.62%	63,92,100	36.42%
Radhadevi Ramakant Agrawal	23,61,489	9.46%	23,61,489	13.46%
Hanskumar Ramakant Agrawal	64,09,611	25.69%	64,09,611	36.52%
Ramakant Bhojnagarwala	23,79,000	9.54%	23,79,000	13.56%
	<b>1,75,42,200</b>	<b>70.31%</b>	<b>1,75,42,200</b>	<b>99.96%</b>





## Notes forming part of Financial Statements

## d) Details of Promoter's /Promoter group's shareholding :-

	No. of Shares held	% of Holding	No. of Shares held	% of Holding	% of change
<b>Equity Share of Rs. 10 each are held by :</b>					
Hanskumar Ramakant Agrawal	64,09,611	25.69%	64,09,611	36.52%	-10.83%
Shradha Hanskumar Agarwal	63,92,100	25.62%	63,92,100	36.42%	-10.80%
Ramakant Bhojagarwala	23,79,000	9.54%	23,79,000	13.56%	-4.02%
Radhadevi Ramakant Agrawal	23,61,489	9.46%	23,61,489	13.46%	-3.99%
	<b>1,75,42,200</b>	<b>70.31%</b>	<b>1,75,42,200</b>	<b>99.96%</b>	<b>-29.65%</b>

## e) Details for the period of 5 years immediately preceding the date of Balance Sheet

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Aggregate number of equity shares allotted as fully paid up by way of bonus shares	-	-	-	1,53,00,000	-

## f) The Company had raised funds through IPO by issuing 74,00,000 equity shares to public at a price of Rs 61/- per share aggregating to Rs 4514.00 lacs. The IPO Proceeds is to be utilized as under:-

(₹ in Lakhs)

No.	Object of the Issue	Amount to be Utilised	Utilised upto 31/03/2024	Balance*
1	Construction of Factory Shed	371.25	107.15	264.10
2	Purchase of Machineries	630.83	597.82	33.01
3	Commissioning of Solar Plant	489.70	-	489.70
4	To Meet Working Capital Requirements	1,531.46	1,531.46	-
5	General Corporate Purpose	1,126.28	1,126.28	-
6	Public Issue Related Expenses	364.48	364.48	-
	<b>Total IPO Proceeds</b>	<b>4,514.00</b>	<b>3,727.19</b>	<b>786.81</b>

Note:\* The Unutilised amount of ₹786.81 lakhs is being kept separately as under:

1. In Escrow IPO A/c - Rs 13.83 lakhs
2. In Liquid Fund A/c - Rs 772.98 lakhs

(₹ in Lakhs)

	As At 31/03/2024	As At 31/03/2023
--	---------------------	---------------------

## 3 Reserves And Surplus

## a) Surplus in Statement of Profit &amp; Loss

Balance as per last financial statement	1,256.61	1,875.98
Transferred on account of issue of Bonus Shares	-	(1,530.00)
Net Profit For the current year	1,227.63	910.63
<b>Balance at end of the year</b>	<b>2,484.24</b>	<b>1,256.61</b>

## b) Securities Premium

Balance as per last financial statement	-	-
Securities Premium on shares issued during the year	3,774.00	-
Pre IPO Expense	(364.44)	-
<b>Balance at end of the year</b>	<b>3,409.56</b>	<b>-</b>
	<b>5,893.80</b>	<b>1,256.61</b>



## Notes forming part of Financial Statements

4 Long Term Borrowings	(₹ in Lakhs)	
	As At 31/03/2024	As At 31/03/2023
a) Secured		
Term loans (Refer 4.1 & 4.2)		
Rupee Term Loan	549.77	879.63
Working capital Term Loan-ECLGS	151.67	238.33
Vehicle Loan	5.41	9.17
	<u>706.85</u>	<u>1,127.14</u>
b) Unsecured		
from directors & Share Holders	-	626.76
from body corporates	-	747.92
	<u>-</u>	<u>1,374.68</u>
	<u><b>706.85</b></u>	<u><b>2,501.82</b></u>

**Notes:**

4.1 Term Loan- Referred above taken from bank secured by first charge of entire fixed assets and second charges on current assets of the company. The said Term Loan is further secured by Personal Guarantee of Mr. Hanskumar Agarwal director of the company.

4.2 Maturity Profile and Rate of Interest of Term Loan ,ECLGS and Car Loan are as set out below:-

**Term Loan**

	Interest Rate	2025-26	2026-27
Kotak- Car Loan	7.5%	4.04	1.37
HSBC- ECLGS	8.5%-9.25%	86.67	65.00
HSBC- Term Loan	8.5%-9.5%	329.86	219.91
<b>Total</b>		<b>420.57</b>	<b>286.28</b>

As At 31/03/2024	As At 31/03/2023
---------------------	---------------------

**5 Other Non-Current Liabilities**

Closing Balance in Partnership Firm

-

631.49

-

**631.49**

**6 Deferred Tax Liability**

Deferred Tax Liability

On account of timing difference in Net block as per books & as per Income Tax

143.83

39.07

Deferred Tax Assets

On account of timing difference in retiral and other benefits

(1.95)

(0.65)

**141.88**

**38.42**

**7 Long Term Provisions**

Provisions for Leave Encashment

2.48

1.61

Provisions for Gratuity

5.77

1.45

Total

**8.25**

**3.06**



## Notes forming part of Financials Statements

(₹ in Lakhs)

## 8 Short Term Borrowings

	As At 31/03/2024	As At 31/03/2023
Secured		
a) Loan Repayable on demand		
i) From Banks	-	332.16
b) Current Maturities of long term debt	420.27	355.00
	<b>420.27</b>	<b>687.16</b>

**Notes:**

## 8.1 Terms of Repayment :

Working capital loan from bank is repayable on demand

## 8.2 Nature of Security with bank :

## i) Primary Security:

First charge by way of hypothecation on stock book debts and all present and future and moveable assets of the company

## ii) Collateral:

Second charge on the entire fixed assets of the Company and personal guarantee of Mr. Hanskumar Agarwal director of the company.

## iii) Interest

The above loan carried interest rate in the range of 8.5%-9.5%

## 9 Trade Payable

	As At 31/03/2024	As At 31/03/2023
Total Outstanding dues of micro enterprises and small enterprises	13.22	18.52
Total Outstanding dues of Creditor other than micro enterprises and small enterprises	199.89	437.14
	<b>213.11</b>	<b>455.66</b>

## a) Ageing of Trade Payable

Particulars	Outstanding as on 31st March 2024 following periods of due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More then 3 years	
(i) MSME	-	13.22	-	-	-	13.22
(ii) Others	-	199.89	-	-	-	199.89
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	-	<b>213.11</b>	-	-	-	<b>213.11</b>

Particulars	Outstanding as on 31st March 2023 following periods of due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More then 3 years	
(i) MSME	-	18.52	-	-	-	18.52
(ii) Others	-	437.14	-	-	-	437.14
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	-	<b>455.66</b>	-	-	-	<b>455.66</b>



Notes forming part of Financial Statements

b) Dues payable to Micro and Small Enterprises:

(₹ in Lakhs)

	As At 31/03/2024	As At 31/03/2023
Principal amount remaining unpaid to any supplier as at the year end	13.22	18.52
Interest due on the above mention principal amount remaining unpaid to any supplier as at the year end	-	-
Amount of the interest paid by the Company in terms of Section 16	-	-
Amount of the interest due and payable for the period of delay in making payment but without adding the interest specified under the MSMED Act	-	-
Amount of interest accrued and remaing unpaid at the end of the accounting year	-	-

10 Other Current Liabilities

Statutory Dues & Other Current Liabilities  
Employee Benefit Payable  
Creditors for capital goods

	As At 31/03/2024	As At 31/03/2023
	7.35	10.06
	11.20	8.94
	36.14	20.59
	<b>54.69</b>	<b>39.59</b>

11 Short Term Provisions

Provision for Bonus  
Provision for Expenses  
Provision for tax (Net of Advance Tax)

	As At 31/03/2024	As At 31/03/2023
	7.25	4.70
	31.83	12.94
	32.73	-
	<b>71.82</b>	<b>17.64</b>

12. Property Plant & Equipment

(₹ in Lakhs)

Fixed Assets	Gross Block			Accumulated Depreciation			Net Block		
	Balance as at 1 April 2023	Additions	Disposals	Balance as at 31 March 2024	Balance as at 1 April 2023	Depreciation charge for the half year	On disposals	Balance as at 31 March 2024	Balance as at 31 March 2023
<b>I. Property Plant &amp; Equipment</b>									
Land	865.42	125.43	-	990.85	-	-	-	-	990.85
Building	1,564.03	83.10	-	1,647.13	71.47	59.39	-	130.86	1,516.27
Plant and Equipment	1,443.53	746.03	9.50	2,180.06	132.57	110.80	1.41	241.96	1,938.10
Furniture and Fixtures	20.75	6.02	-	26.77	3.06	2.09	-	5.15	21.62
Office equipment	19.55	1.87	-	21.42	3.85	3.35	-	7.20	14.22
Computers	6.06	0.46	-	6.52	3.95	1.28	-	5.23	1.29
Electrical Installation	139.23	27.43	5.20	161.46	19.39	14.42	1.22	32.59	128.87
Software	1.45	-	-	1.45	0.65	0.14	-	0.79	0.66
Vehicles	20.88	-	-	20.88	3.35	1.98	-	5.33	15.55
<b>Total Tangible Assets</b>	<b>4,080.90</b>	<b>990.34</b>	<b>14.70</b>	<b>5,056.54</b>	<b>238.29</b>	<b>193.45</b>	<b>2.63</b>	<b>429.11</b>	<b>4,627.43</b>
<b>II. Capital Work In Progress</b>	<b>93.98</b>	<b>-</b>	<b>93.98</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>93.98</b>
<b>Total</b>	<b>93.98</b>	<b>-</b>	<b>93.98</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>93.98</b>

Ageing Schedule of Capital Work In Progress :					
As at 31st March, 2024 Amount in CWIP for a period of					
Particulars	Less than 1 year	1-2 years	2-3 years	more than 3 years	Total
Projects in Progress	-	-	-	-	-

Ageing Schedule of Capital Work In Progress :					
As at 31st March, 2023 Amount in CWIP for a period of					
Particulars	Less than 1 year	1-2 years	2-3 years	more than 3 years	Total
Projects in Progress	93.98	-	-	-	93.98



## Notes forming part of Financial Statements

		(₹ in Lakhs)	
		As At	As At
		31/03/2024	31/03/2023
<b>13</b>	<b>Non Current Investment</b>		
	Investment in Partnership Firms	401.12	1.93
	Investment in Fixed Deposit*	4.39	4.63
		<b>405.51</b>	<b>6.56</b>
	* Investment in Fixed deposit is Lien with HSBC Bank against Bank Guarantee issued to Uttar Gujarat Vij Company limited		
<b>14</b>	<b>Long-term loans and advances</b>	As At	As At
		31/03/2024	31/03/2023
	Capital Advance	-	-
	Business Advance	-	-
		-	-
<b>15</b>	<b>Non Current Assets</b>	As At	As At
		31/03/2024	31/03/2023
	Security Deposits	6.79	6.79
	Preliminary Expenses not written off	-	30.11
		<b>6.79</b>	<b>36.91</b>
<b>16</b>	<b>Current Investments</b>	As At	As At
		31/03/2024	31/03/2023
	<b>Quoted:</b>		
	Investments in Mutual Funds (Valued as cost)	938.29	-
		<b>938.29</b>	<b>-</b>

Particulars	Units	NAV	Market Value (₹ in Lakhs)
* Investment in HDFC Low Duration Fund-Growth	1836975.996	52.6548	967.26

<b>17</b>	<b>Inventories</b>	As At	As At
		31/03/2024	31/03/2023
	Raw Materials and components	1,107.25	489.32
	Finished goods	262.10	657.88
	Stores and spares	25.85	17.00
	Waste	0.27	0.95
		<b>1,395.47</b>	<b>1,165.15</b>
<b>18</b>	<b>Trade receivables</b>	As At	As At
		31/03/2024	31/03/2023
	Trade Receivables, Unsecured Considered Good	1,915.82	1,170.60
		<b>1,915.82</b>	<b>1,170.60</b>



## Notes forming part of Financial Statements

## Age of receivables (₹ in Lakhs)

Particulars	Outstanding as on 31st March, 2024					Total
	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed</b>						
Trade receivables - Considered good	1,906.99	8.83	-	-	-	1,915.82
Trade receivables - doubtful debt		-	-	-	-	-
<b>Disputed</b>						
Trade receivables - Considered good	-	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-	-
<b>Total</b>	<b>1,906.99</b>	<b>8.83</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,915.82</b>

Particulars	Outstanding as on 31st March, 2023					Total
	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed</b>						
Trade receivables - Considered good	1,170.60	-	-	-	-	1,170.60
Trade receivables - doubtful debt		-	-	-	-	-
<b>Disputed</b>						
Trade receivables - Considered good	-	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-	-
<b>Total</b>	<b>1,170.60</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,170.60</b>

## 19 Cash and Bank Balance

	As At 31/03/2024	As At 31/03/2023
a) Bank Balance		
(i) In current accounts	184.34	32.24
(ii) In fixed deposit	62.77	62.50
	<u>247.11</u>	<u>94.74</u>
b) Cash on Hand	0.75	0.42
	<u>0.75</u>	<u>0.42</u>
	<b>247.86</b>	<b>95.16</b>
<b>Other Bank Balances</b>		
Fixed deposit (More than 3 months but less than 12 months)	62.77	62.50

## 20 Short Term Loans And Advances

	As At 31/03/2024	As At 31/03/2023
Unsecured, considered good		
Advance to Suppliers	21.67	207.70
Balance With Govt Authority	372.19	354.03
Advance Income Tax (Net of Provision)	-	6.73
Inter-corporate Loans	-	310.64
Advance to Suppliers - Capital Goods	21.20	65.44
	<u>415.06</u>	<u>944.54</u>

## 21 Other current assets

	As At 31/03/2024	As At 31/03/2023
Unsecured considered good		
Prepaid Expenses	6.50	27.81
Interest receivable	-	3.14
Security Deposit	45.14	-
Rodtep Receivable	1.80	-
	<u>53.44</u>	<u>30.95</u>



## Notes forming part of Financial Statements

	(₹ in Lakhs)	
	For the year ended 31/03/2024	For the year ended 31/03/2023
<b>22 Revenue from operations</b>		
Sale of Products	6,360.15	5,351.24
Sales of Services	1,277.45	341.15
	<b>7,637.60</b>	<b>5,692.39</b>
<b>Note:</b>		
Sale of products comprises following :		
Domestic sales	2,059.54	3,277.64
Export sales	4,298.81	2,065.02
MEIS License/RODtep License	1.80	8.59
	6,360.15	5,351.24
Sale of Service comprises:		
Job wok Charges	1,277.45	341.15
	1,277.45	341.15
<b>23 Other income</b>	<b>For the year ended 31/03/2024</b>	<b>For the year ended 31/03/2023</b>
Interest Income	24.06	42.22
Foreign Exchange Fluctuation	15.46	70.72
Insurance Export Income	1.40	-
Share in Profit from Partnership Firm	3.57	1.40
Freight Export Income	114.54	-
Gains on sale of Mutual Funds	8.29	-
Other Misc Income	-	0.85
	<b>167.32</b>	<b>115.19</b>
<b>24 Cost of materials consumed</b>	<b>For the year ended 31/03/2024</b>	<b>For the year ended 31/03/2023</b>
Inventories at the beginning of the year	489.32	326.20
Add: Purchases during the year	2,743.72	3,190.55
	3,233.04	3,516.75
Less: Inventories at the end of the year	1,107.25	489.32
<b>Cost of materials consumed</b>	<b>2,125.79</b>	<b>3,027.43</b>
<b>25 Changes in inventories of finished goods,work-in-progress &amp; Stock in Trade</b>	<b>For the year ended 31/03/2024</b>	<b>For the year ended 31/03/2023</b>
<b>Inventories at the end of the year:</b>		
Finished goods	262.10	657.88
Work-in-progress	-	-
Waste	0.28	0.95
Stock-in-trade	-	-
	262.38	658.83
<b>Inventories at the beginning of the year:</b>		
Finished goods	657.88	96.93
Work-in-progress	-	-
Waste	0.95	0.77
Stock-in-trade	-	-
	658.83	97.69
<b>Net (increase) / decrease</b>	<b>396.45</b>	<b>(561.14)</b>



## Notes forming part of Financial Statements

		(₹ in Lakhs)	
		For the year ended 31/03/2024	For the year ended 31/03/2023
<b>26</b>	<b>Employee benefits expense</b>		
	Salaries and wages	80.51	51.76
	Bonus & Ex-Gratia Expenses	7.31	4.68
	Leave With Wages Expenses	1.75	1.46
	Contributions to provident and other funds	9.05	4.91
	Staff welfare expenses	3.02	2.36
	Remuneration paid to Directors/KMPs	84.00	21.00
		<b>185.64</b>	<b>86.17</b>
<b>27</b>	<b>Finance costs</b>		
	Interest Expenses	224.61	76.67
	Other borrowing costs; Bank Charges	6.01	4.06
		<b>230.62</b>	<b>80.72</b>
<b>28</b>	<b>Other expenses</b>		
	Manufacturing Expenses		
	Consumption of stores and spare parts	90.90	30.02
	Consumption of packing materials	115.51	39.99
	Electric Power, Fuel & Water	323.81	96.60
	Job contract Expenses	375.27	160.53
	Other Manufacturing Exps.	209.42	222.36
	Rewinding Charges	79.10	-
	Non Woven Fabrics Processing Charges	104.75	-
		1,298.76	549.51
	Administrative expenses.		
	Rent Rates and taxes	28.98	41.14
	Repairs and maintenance - Buildings	14.65	3.36
	Repairs and maintenance - Machinery	4.37	1.00
	Repairs and maintenance - Others	0.34	0.46
	Travelling and conveyance	24.25	9.55
	Stationary printing & adv. expenditure	0.01	-
	Insurance	11.92	8.85
	CSR Expenditure	26.00	22.32
	Payments to auditors	0.25	0.30
	Legal and professional	44.12	11.30
	Pollution Control & Environ. Exp.	35.09	4.01
	ECGC Premium Expenses	4.47	2.06
	Telephone, postage and Internet exp.	0.91	1.00
	(Gain)/Loss on sale of Property plant & equipment	1.07	-
	Office Expenses	2.88	1.80
	Preliminary Expenses written off	-	1.52
		199.31	108.66
	Selling & Distribution Expenses		
	Sales commission	0.86	-
	Business promotion & testing expense	0.01	-
	Freight & Container Expenses	187.56	89.15
	Miscellaneous expenses and balance w/off	0.10	2.11
		188.53	91.26
		<b>1,686.60</b>	<b>749.43</b>
	Payments to the auditors comprises		
	- statutory audit	0.25	0.30
	- Other services	-	-
<b>29</b>	<b>Exceptional Items</b>		
	NIL	-	-





## Notes forming part of Financial Statements

## 30 Related Party Transactions

## A List of Related Parties where Control exists and Relationships:

Sr. No	Name of the Related Party	Relationship
1)	Shri Jagdamba Polymers Limited	Entities in which Key Management Personnel (KMP)/relative of KMP exercise significant influence
2)	Shakti Polyweave Private Limited	
3)	Shakti Techtex Private Limited	
4)	Aurum Fabrictech LLP	
5)	Harmony Finvest	
	<b>Key Managerial Personnel</b>	
6)	Shradha Hanskumar Agarwal	Managing Director
7)	Hanskumar Ramakant Agarwal	Executive Director
8)	Ashish Ashokkumar Bhaiya	Chief Financial Officer
9)	Ramakant Bhojagarwala	Relative of KMP
10)	Akanksha Aswani	Company Secretary
11)	Radhadevi Agrawal	Relative of KMP

B Transactions during the year:	(₹ in Lakhs)	
	For the year ended 31/03/2024	For the year ended 31/03/2023
i) Jobwork Expenses		
Shri Jagdamba Polymers Limited	214.66	81.91
Shakti Polyweave Private Limited	199.24	28.28
Aurum Fabrictech LLP	129.69	81.77
ii) Jobwork Sale		
Shri Jagdamba Polymers Limited	875.78	286.56
Shakti Polyweave Private Limited	401.66	54.59
iii) Sale of Goods/Assets		
Shakti Polyweave Private Limited	450.26	1,455.39
Shakti Techtex Private Limited	173.55	263.95
Aurum Fabrictech LLP	6.33	3.75
Shri Jagdamba Polymers Limited	765.86	-
iv) Purchase of Goods/Asset		
Shri Jagdamba Polymers Limited	734.47	582.22
Shakti Polyweave Private Limited	332.48	531.83
Aurum Fabrictech LLP	16.74	-
v) Share in Profit		
Aurum Fabrictech LLP	2.85	1.40
Harmony Finvest	0.73	-
vi) Rent Paid		
Ramakant Bhojagarwala	-	0.12
Hanskumar Ramakant Agarwal	-	5.25
Shradha Hanskumar Agarwal	10.50	5.25
vii) Reimbursement of Expense		
Shradha Hanskumar Agarwal	0.33	2.62
Hanskumar Ramakant Agarwal	1.265	0.57
Aurum Fabrictech LLP	(384.52)	(410.84)
viii) Interest Paid		
Shradha Hanskumar Agarwal	7.20	16.59
Radhadevi Agarwal	5.02	22.09
Hanskumar Ramakant Agarwal	4.22	1.07
Harmony Finvest	34.91	14.43
Shri Jagdamba Polymers Limited	30.90	8.80
ix) Loan received from Related Parties		
Radhadevi Agrawal	18.00	314.00
Shradha Hanskumar Agarwal	303.00	563.86
Hanskumar Ramakant Agarwal	980.00	85.03
x) Loan Repaid to Related Parties		
Radhadevi Agrawal	290.46	604.70
Shradha Hanskumar Agarwal	582.33	203.01
Hanskumar Ramakant Agarwal	1,069.76	0.03
xi) Loan from body corporate		
Shri Jagdamba Polymers Limited	100.00	765.00
xii) Loan repaid body corporate		
Shri Jagdamba Polymers Limited	875.72	25.00



## Notes forming part of Financial Statements

(₹ in Lakhs)

xii) Loan/Advances given to body corporate Shakti Techtex Private Limited	-	677.96
xiv) Loan/Advances received back from body corporate Shakti Techtex Private Limited	322.50	441.53
xvi) Interest Received Shakti Techtex Private Limited Harmony Finvest	13.17 4.10	35.32 0.48
xvii) Remuneration Paid Shradha Hanskumar Agarwal Ashish Ashokkumar Bhaiya Akanksha Aswani	60.00 24.00 1.84	15.00 6.00 0.45

## C Outstanding Balance Receivables / (Payable)

	As At 31/03/2024	As At 31/03/2023
i) Trade receivables		
Shri Jagdamba Polymers Limited	175.74	32.57
Shakti Polyweave Private Limited	48.51	0.64
Aurum Fabrictech LLP	0.99	-
ii) Trade payable		
Hanskumar Ramakant Agarwal	0.75	0.53
Ramakant Bhojagarwala	-	-
Shakti Polyweave Private Limited	12.03	34.00
Shri Jagdamba Polymers Limited	128.88	256.92
M/s Aurum Fabrictech LLP	-	-
Shradha Hanskumar Agarwal	0.03	0.03
Shakti Techtex Private Limited	0.01	-
iii) Outstanding Business Advances Shakti Techtex Private Limited	-	310.64
iv) Outstanding Unsecured Loan		
Radhadevi Agrawal	-	-
Shradha Hanskumar Agarwal	-	540.80
Hanskumar Ramakant Agarwal	-	85.96
Shri Jagdamba Polymers Limited	-	747.92
v) Security Deposits Given Shradha Hanskumar Agarwal	1.75	1.75
vi) Closing Balance in Partnership Firm		
Aurum Fabrictech LLP	4.78	1.93
Harmony Finvest	396.34	(631.49)

## 31 Additional regulatory information

- (a) There are no Loans or Advances in the nature of loans that are granted to Promoters, Directors, KMPs and their Related Parties (as defined under Companies act, 2013), either severally or jointly with any other person, that are outstanding as on 31 March 2024:
- (i) Repayable on Demand; or
- (ii) Without specifying any terms or period of repayment
- (b) Capital Work in Progress Ageing Schedule **Refer Note No. 12**
- (c) There are no Intangible Assets under development As at 31-Mar-2024
- (d) No proceeding have been initiated nor pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act,1988 (45 of 1988) and rules made thereunder.
- (e) The Company have sanctioned borrowings/facilities from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the books of accounts.
- (f) The Company is not declared Willful Defaulter by any Bank or Financial Institution or Other Lender.



- (g) The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- (h) No Charges or satisfaction of charges are yet to be registered with registrar of companies beyond the statutory period.
- (i) The Company has complied with the number of layers prescribed Under Clause (87) of Section 2 of the act read with Companies (Restriction on Number of Layers) Rules, 2017.
- (j) No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- (k) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall 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 to or on behalf of the Ultimate Beneficiaries.
- (l) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall 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.
- (m) No Transactions has been surrendered or disclosed as income during the year in the tax assessment under the income tax act, 1961. There are no such previously unrecorded income or related assets.
- (n) Corporate Social Responsibility (CSR) : **Refer Note No. 35**
- (o) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

(₹ in Lakhs)

**For the year ended 31/03/2024**      **For the year ended 31/03/2023**

**32 Earning Per Equity Share****Particulars****Before Exceptional Itmes**

i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders ( ₹ in Lakhs)	1,227.63	910.63
ii) Weighted Average number of equity shares used as denominator for calculating EPS	2,24,15,753	1,75,50,000
iii) Basic and Diluted Earning per Share (On Face value of Rs. 10/ per share)	5.48	5.19

**33 Segment Information**

The Company has considered the business segment as the primary reporting segment on the basis that the risk and returns of the Company is primarily determined by the nature of products. Consequently, the geographical segment has been considered as a secondary segment.

in accordance with the requirements of Accounting Standard 17 - "Segment Reporting" the Company operates in a Single Primary Segment ( Business Segment) Technical Textiles products

Since 100% of the Company's business is in this segment there are no other primary reportable segments. Thus, the Segment Revenue, Segment Results, Total carrying amount of Segment Assets, Total carrying amount of Segment Liabilities, Total cost incurred to acquire segment assets, the total amount charge for depreciation and amortisation during the year are all as reflected in the financial statements for the year ended on March 31, 2024 and as on that date.

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM is considered to be the Board of Directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

<b>Information on Geographical Segments:</b>	<b>India</b>	<b>Outside India</b>	<b>(₹ in Lakhs)</b>
			<b>Total</b>
For the Year ended March 31,2024			
Revenue from external customers	3,338.79	4,298.81	7,637.60
Carrying amount of segment assets	277.95	1,637.87	1,915.82
For the Year ended March 31, 2023			
Revenue from external customers	3,627.37	2,065.02	5,692.39
Carrying amount of segment assets	858.81	311.79	1,170.60

**Notes forming part of Financial Statements****34 Contingent Liabilities and Capital Commitment**

a. Claims against the Company (including unasserted claims) not acknowledged as debt:

**Particulars**

Bank Guarantee	55.50	43.00
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**Capital Commitment**

Estimated value of contracts in capital account remaining to be executed (net of capital advance)	-	222.67
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**35 As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee** has been formed by the Company. As per the provisions of Section 135 of the Companies Act, 2013 the Company was required to spend amount as mentioned below:

	(₹ in Lakhs)	
	For the year ended 31/03/2024	For the year ended 31/03/2023
a). Amount Required to be spent during the year	25.92	22.32
b). Amount of expenditure incurred,	26.00	22.32
c) Amount of expenditure incurred from excess of previous years	-	-
d). Shortfall at the end of the year,	-	-
e). Total of previous years shortfall	-	-
f). Reasons for shortfall	NA	NA
f). Nature of CSR Activities- The Company has spent amount for preventive and promoting health care	26.00	-

**Note : 36 Ratio Analysis**

Sr. No.	Ratio	Numerator	Denominator	As at March 31,2024	As at March 31, 2023	% Variance	Reason for Variance
1	Current Ratio	Current Assets	Current Liabilities	6.54	2.84	130.23%	Refer -A
2	Debt-Equity Ratio	Total Debt	Total Equity	0.13	1.06	-87.31%	Refer -B
3	Debt Service Coverage Ratio	Earnings before Interest, Tax and Exceptional Items	Current maturity of long term debt + Interest Expense	2.95	2.85	3.63%	
4	Return on Equity (ROE)(%)	Profit after tax	Average Net worth	21.54%	35.84%	-39.91%	Refer -C
5	Inventory Turnover Ratio	COGS	Average Inventory	2.98	4.51	-33.90%	Refer -D
6	Trade receivables turnover ratio	Revenue from Operations	Average Trade Receivable	4.95	5.24	-5.55%	
7	Trade payables turnover ratio	Purchases	Average Trade Payable	12.08	8.48	42.41%	Refer -E
8	Net capital turnover ratio	Revenue from Operations	Average working capital	2.38	4.54	-47.57%	Refer -F
9	Net profit ratio(%)	Profit after tax	Revenue from Operations	16.07%	16.00%	0.48%	
10	Return on capital employed (ROCE)(%)	EBIT	Capital Employed	20.79%	20.07%	3.60%	
11	Return on investments(%)	Net Profit	Equity+Reserves & Surplus	14.63%	30.24%	-51.61%	Refer -G

**Reasons for Variations**

- A** Current Ratio : It is improved due to increase in current assets and reduction of current liabilities as compared to previous year.
- B** Debt Equity Ratio : Debt Equity Ratio has been improved during the year mainly due to increase in Equity Capital and Securities premium received through Initial Public Offer by company as well as increase in current year net profit as compared to previous year.
- C** Return on Equity (ROE)(%) : Return on Equity Ratio has been decreased during the year mainly due to increase in Equity Capital and Securities premium received through Initial Public Offer by company as well as increase in current year net profit as compared to previous year. Due to IPO net worth of company is increased hence ROE decreased
- D** Inventory Turnover Ratio: It is due increase in the inventory levels as compared to previous year
- E** Trade payables turnover ratio : Its increased due to effective utilisation of limits and early repayment of debts as compared to previous year.



## Notes forming part of Financial Statements

- F** Net capital turnover ratio: The reason for decrease in net capital turnover ratio is revenue from operation has been lower against working capital during the year
- G** Return on investments(%): Return on investments has been decreased during the year mainly due to increase in Equity Capital and Securities premium received through Initial Public Offer by company as well as increase in current year net profit as compared to previous year.

## 37 Employee Benefit Expenses

Particulars	As on 31st March, 2024	As on 31st March, 2023
<b>Components of Employer Expense</b>		
Current Service Cost	3.81	0.91
Interest Cost	0.11	-
Expected return on Plan Assets	-	-
Actuarial Losses/(gains)	0.40	-
Past Service Cost	-	0.54
<b>Total Expense recognised in the Statement of Profit &amp; Loss.</b>	<b>4.32</b>	<b>1.45</b>
<b>Actual contribution and benefit payments for year</b>		
Actual Benefit Payments	-	-
Actual Contributions	-	-
<b>Net Asset/(Liability) recognised in the Balance Sheet</b>		
Present Value of Defined Benefit Obligation	5.77	1.45
Fair Value of Plan Assets	-	-
Unrecognised Past Service Cost	-	-
<b>Net Asset/(Liability) recognised in the Balance Sheet</b>	<b>(5.77)</b>	<b>(1.45)</b>
<b>Change in defined benefit obligations (DBO) during the year</b>		
Present value of DBO at beginning of the Year	1.99	-
Current Service Cost	3.81	0.91
Interest Cost	0.11	-
Past Service Cost	-	0.54
Expected return on Plan Assets	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	0.40	0.54
Actuarial (Gains)/Losses on Obligations - Due to Experience	-	-
<b>Present Value of DBO at the end of the year</b>	<b>6.31</b>	<b>1.99</b>
<b>Change in Fair Value of Assets during the year</b>		
Plan Assets at beginning of the year	-	-
Expected return on Plan Assets	-	-
Actual Company Contributions	-	-
Actuarial Gain/(Loss)	-	-
Benefits Paid	-	-
<b>Plan Assets at the end of the year</b>	<b>-</b>	<b>-</b>
<b>Bifurcation of Present Value of Obligation at the end of the year as per revised Schedule III of the Companies Act,2013</b>		
Current liability(Short term)	0.02	0.00
Non Current liability(Long Term)	5.75	1.45
<b>Present Value of Obligation as at the end</b>	<b>5.77</b>	<b>1.45</b>



## Notes forming part of Financial Statements

Actuarial Assumptions		
<b>Economics</b>		
Discount Rate	7.20%	7.50%
Expected Return on Plan Assets	-	-
Salary Escalation	7.00%	7.00%
<b>Demographic</b>		
Retirement Age	58	58
Attrition Rate	1.00%	1.00%
Mortality Rate	100% of IALM 2012-14	100% of IALM 2012-14

## 38 Additional Information to Financial Statements

(₹ in Lakhs)

## i) CIF Value of Imports

	For the year ended 31/03/2024	For the year ended 31/03/2023
Raw Material	2,000.31	1,502.01
Traded Goods	1,294.49	1,139.72
Capital Goods/ Stores & Spare Parts	336.64	59.06

**Expenditure and Earnings in Foreign currency**

In respect of Bank Charges/Interest on Foreign Currency Loan./Buyers Credit	4.63	13.58
In respect of Foreign Travelling.	10.24	8.47
Container Freight/Ocean Freight	245.87	641.77
	<b>260.74</b>	<b>663.81</b>

**Earnings in Foreign Currency**

Exports	4788.29	2685.62
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**Total****8680.47**      **6050.22**

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

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

For, S V J K and Associates  
(Previously known as A S R V & Co.)  
Chartered Accountants  
FRN: 135182W

Ankit Singhal  
Partner  
Membership No. 151324  
UDIN: 24151324BKESHL3362

Date: May 27, 2024  
Place: Ahmedabad

For and on behalf of the Board of Directors  
Shri Techtex Limited

Shradha Agarwal      Hanskumar Agarwal  
Managing Director      Director  
(DIN : 02195281)      (DIN : 00013290)

Ashish Bhaiya      Akanksha Aswani  
Chief Financial Officer      Company Secretary

Date: May 27, 2024  
Place: Ahmedabad