

Dated: 29.08.2025

To,

BSE Limited

Phiroze Jeejeebhoy Towers,

Dalal Street,

Mumbai - 400001

Sub: Submission of Annual Report for the Financial Year 2024-25 pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Ref.: Shanti Spintex Limited, Scrip Code: 544059

Dear Sir/Madam,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the **Annual Report of Shanti Spintex Limited for the Financial Year 2024-25**, including the Notice convening the **15th Annual General Meeting (AGM)** of the Company scheduled to be held on **Wednesday, September 24, 2025 at 4:00 P.M. (IST)** through **Video Conferencing (VC)/Other Audio-Visual Means (OAVM)**.

The Annual Report is also being sent electronically to those members whose e-mail IDs are registered with the Company/Depositories, in compliance with the applicable provisions of the Companies Act, 2013 and circulars issued by the Ministry of Corporate Affairs.

The Annual Report is also available on the website of the Company at www.shantisintex.com.
You are requested to kindly take the same on record.

Thanking you,

Yours faithfully,

For Shanti Spintex Limited

MOHINI
SINGHAL

Digitally signed by
MOHINI SINGHAL
Date: 2025.08.29
11:53:46 +05'30'

Mohini Singhal

(Company Secretary & Compliance Officer)

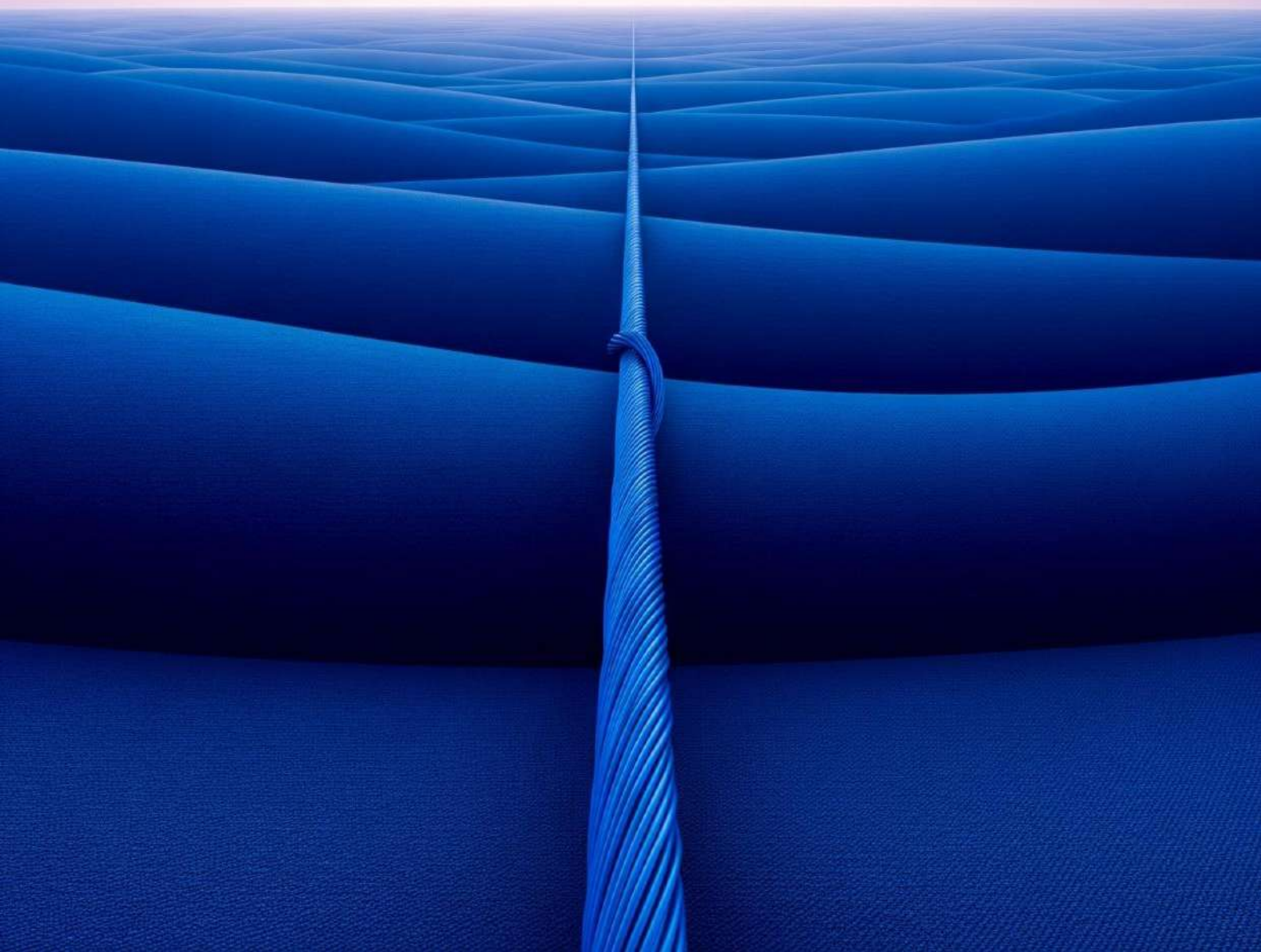
Membership No. A47724

Place: Ahmedabad

ANNUAL REPORT 2024-2025

SHANTI SPINTEX LIMITED

CIN:L17120GJ2010PLC062084



ABOUT THE COMPANY:

Shanti Spintex Limited, established in **2010** and initially incorporated as Shanti Spintex Private Limited, is a prominent Indian manufacturer of diverse **denim fabrics**. The company, which transitioned to a public limited company in **2023** and successfully launched an IPO, specializes in various denim types including power stretch, knit, and rigid denim, offered in a range of shades and weights. With a state-of-the-art manufacturing facility in **Ahmedabad, Gujarat**, equipped with 96 air jet weaving machines, Shanti Spintex has a significant production capacity of over 19 million meters of fabric annually. The company is committed to **sustainability**, evidenced by its investments in wind and solar power plants, and is focused on maintaining high-quality standards and fostering strong industry relationships.

CONTACT DETAILS:

Address:



Registered office: Sub Plot 1, Unit 1, Survey No. 297, Dholi Integrated Spinning Park Limited, Dholi, Dholka, Ahmedabad – 382240, Gujarat

Corporate Office: A-1601, Navratna Corporate Park, Ambli Bopal Road, Ahmedabad – 380058, Gujarat.



+91 9825801039



info@shantispintex.com



www.shantispintex.com

PRODUCT DETAILS:

Here's a concise summary of Shanti Spintex Limited's products and services:

Core Product: Primarily manufactures and sells a wide range of denim fabrics.

Denim Types: Specializes in power stretch, knit, lightweight, rigid, and over-dyed denim.

Fabric Designs: Produces grey fabrics with diverse weaves including twill, knit, dobby, structure dobby, broken twill, and satin.

Specifications: Offers denim in various shades (e.g., indigo, black, grey) and across a wide range of weights (4.50 Oz/sq. yd to 14.50 Oz./sq. yd) and widths.

Yarn Usage: Utilizes a variety of yarns like cotton, spandex, viscose, slub, Tencel, and lyocell.

Operational Model: Involves in-house weaving of grey fabrics, with outsourced dyeing and finishing processes to third parties.

Sustainability: Utilizes wind and solar power for their manufacturing operations, contributing to sustainable production. solar power plants, and is focused on maintaining high-quality standards and fostering strong industry relationships.

DIVERSE PRODUCT PORTFOLIO:

Denim Fabric Portfolio >



Power Stretch Spandex Denim

- Used in women's clothing
- Spandex provides stretch & comfort
- 8.50 to 10.50 ounce product weight
- 60" to 66" Width
- 45% to 65% Stretchability



Light Weight Denim

- Used for making shirts, Kurtis's, school uniforms, skirts
- 4.50 to 5.50 ounce Fabric weight
- Made in 2/1 twill weave or silky weave
- 65" to 78" Width



Knit Denim

- Comfortable, stylish fabric with color weft yarns, checks, and bright patterns for kids and youth.
- 11 to 12.50 ounce product weight
- 68" to 78" Width
- 20% to 30% Stretchability



Denim Rigid Denim

- Non stretchable
- Used in work wear, jackets, jeans for men & bell bottom for women
- 12 to 14.50 ounce Weight



Flat Finish 3/1 Denim

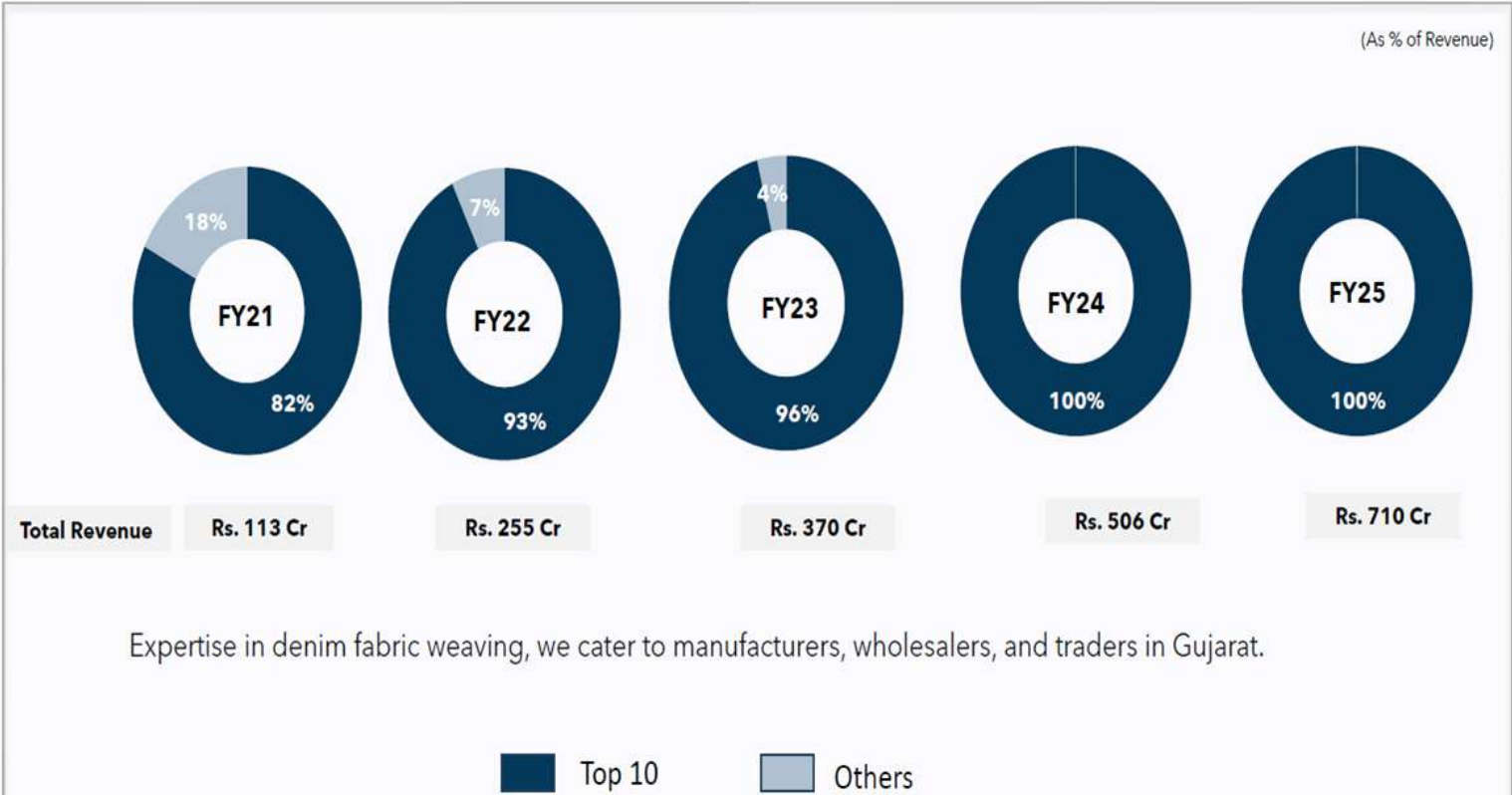
- Soft, comfortable fabric
- 3/1 twill weave
- 10 to 12.50 ounce weight
- 64" to 72" width.



Over Dyed Denim

- Dyed with different dark colour like Black, Brown, Olive Green, Blue
- 11 to 13 ounce weight
- Different wash given to denim fabric
- 68" to 75 " width

STICKY CUSTOMER BASE:



ADVANCED MANUFACTURING CAPABILITIES:

Distinctive Weave Patterns:

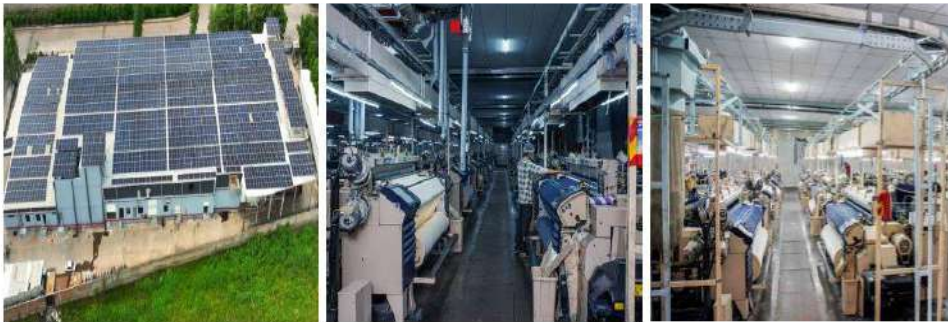
Grey fabrics crafted in twill, knit dobby, structure dobby, broken twill, and satin weaves

Rich Colour Palette:

Shades include indigo blue, IBST, sulphur black, sulphur grey, halogen blue, and ecru

Uncompromising Quality Checks:

Comprehensive in-house testing for colour fastness, residual shrinkage, stretchability, and skew



Survey No. 297, Village Dholi, Taluka Dholka, District Ahmedabad, Gujarat.

Capabilities		
96 airjet loom machines	Centrifugal air Compressor	Air Compressors
Knotting machine	Inspection & mending machines	Hydro Extractor
Tumble dryers	Lab washer	Lab fastener

IN-HOUSE WEAVING OUR CORE EXPERTISE:

Textile Division Overview >

Yarn Procurement

Sourced directly from trusted local suppliers to ensure quality and consistency.

>

Outsourced Dyeing

Yarn is dyed and sized by third-party partners, enhancing durability and color consistency.

>

In-House Weaving

Advanced air-jet looms produce high-quality denim fabrics with precision and efficiency.

>

Outsourced Finishing

Collaborating with third-party experts for singeing, softening, and texturing to achieve premium fabric standards.

>

Ready-to-Ship Denim Fabrics

Final products are inspected, labeled, and dispatched to customers for immediate use.

>

CORPORATE INFORMATION:

Board of Directors:

Mr. Bharatbhushan O. Agarwal

DIN: 00302785

Chairman, Whole-Time Director

Mr. Rikin B. Agarwal

DIN: 02435645

Managing Director

Mr. Bhavik Rameshbhai Talati

DIN:10263736

Non- Executive Director

(Ceased w.e.f. 01.01.2025)

Miss. Kruti Vyas

DIN: 10299486

Non-Executive Independent Director

Mrs. Monika G. Gupta

DIN: 07224521

Non-Executive Independent Director

Mrs. Urmila B. Agarwal

DIN: 01909441

Additional Non- Executive Director

(Appointed w.e.f. 03.01.2025)

Chief Financial Officer

Mr. Bharatbhushan O. Agarwal

Company Secretary &

Compliance Officer

CS Mohini Singhal

Listed At

BSE SME Platform

(BSE Scrip Code:544059)

ISIN

INE0QZQ01019

Banker

State Bank of India

Punjab National Bank

Audit Committee:

Mrs. Monika G. Gupta

Chairperson

Miss. Kruti Vyas

Member

Mr. Bharatbhushan O. Agarwal

Member

Stakeholder Grievance & Relationship Committee:

Miss. Kruti Vyas

Chairperson

Mrs. Monika G. Gupta

Member

Mr. Bhavik R. Talati

Member

(upto 01.01.2025)

Mrs. Urmila B. Agarwal

Member

(w.e.f. 03.01.2025)

Nomination & Remuneration Committee:

Miss. Kruti Vyas

Chairperson

Mrs. Monika G. Gupta

Member

Mr. Bhavik R. Talati

Member

(upto 01.01.2025)

Mrs. Urmila B. Agarwal

Member

(w.e.f. 03.01.2025)

Corporate Social Responsibility (CSR) Committee:

Mr. Bharatbhushan O. Agarwal

Chairman

Mr. Rikin B. Agarwal

Member

Miss. Kruti Vyas

Member

CORPORATE INFORMATION:



**Auditors of the company
(as on 31.03.2025)**

Statutory Auditor:

**M/s Anil Shah & Co.
(Chartered Accountants)**

Internal Auditor:

**M/s Kunal Agrawal & Associates
(Chartered Accountants)**

Cost Auditor:

**M/s Mayur Chhaganbhai Undhad and Co.
(Cost Accountants)**

Secretarial Auditor:

**M/s HDS& Associates
(Company Secretaries)**

**Registrar and Share Transfer
Agent (RTA):**

KFin Technologies Limited

**Address: Selenium Tower B, Plot
No.31-32, Gachibowli, Financial
District, Nanakramguda,
Serilingampally, Hyderabad.**

Telephone: +91 40 6716 2222

Facsimile: +91 40 6716 1563

Website: www.kfintech.com

Investor Relations (IR) Agency:

Go India Advisors LLP

**Address: Go India Advisors, Parinee
Cresenzo, B- Wing, 7th Floor, Plot No
C, G Block, Bandra Kurla Complex,
Bandra East, Mumbai, 400051.**

Telephone: +91 22 62640831

Website: www.goindiastocks.com

EXPERIENCED LEADERSHIP TEAM:



Mr. Bharatbhushan Agarwal
(Chairman, Whole-Time Director, and CFO)

With over 43 years in the textile industry, he has been on the Board since 2014. A visionary entrepreneur, he oversees administration and finance, playing a crucial role in expanding the company's operations and driving continuous growth.



Mr. Rikin Agarwal
(Managing Director)

With 9 years of experience in the textile industry, he has been member of Board since 2014. He currently oversees production and marketing, playing a key role in driving company's success.



Urmila Agarwal
(Non-Executive Director)

With 25+ years of experience in the textile industry, she offers deep expertise in operations, quality control, and team leadership driving efficiency and growth.



Ms. Kruti Vyas
(Independent Director)

With around 7 years of experience in the secretarial field, she is a qualified member of the Institute of Company Secretaries of India and currently serves as Company Secretary at Jhingo Capital Management Private Limited.



Mrs. Monika Gupta
(Independent Director)

A seasoned corporate compliance and governance expert, she holds advanced degrees and qualifications, including CS, RV, AIII, ID, and SIA. With extensive legal and financial experience, she drives strategic initiatives and ensures regulatory adherence across industries.

INDEX:

Sr. No.	Particulars	Page No.
1.	Threads of Progress: Weaving a Sustainable Future	10
2.	Our Core Competencies	11
3.	Chairman's Speech	12
4.	A Message from the Managing Director's Desk:	13
5.	Key Milestone	14
6.	Financial Highlights: FY 2025	15
7.	Industry overview	18
8.	Our Vision for Growth	19
9.	Notice of Annual General Meeting	23
10.	Director's Report	36
11.	Corporate Governance Report	49
12.	Management Discussion and Analysis Report	77
13.	Report on Corporate Social Responsibility	88
14.	Form AOC-2	93
15.	Disclosure on Remuneration	95
16.	Secretarial Audit Report	96
17.	Audited Balance Sheet	101



"THREADS OF PROGRESS: WEAVING A SUSTAINABLE FUTURE"



SHANTI SPINTEX LIMITED

THREADS OF PROGRESS: WEAVING A SUSTAINABLE FUTURE

At Shanti Spintex Limited, every thread we spin, every fabric we weave, tells a story. It's a story not just of cotton and denim, but of a deep-rooted commitment to progress, innovation, and a sustainable future. For over a decade, from our humble beginnings in 2010 to establishing our weaving unit in Dholi in 2016, we have consistently pushed the boundaries of excellence in denim manufacturing. This past year, we have woven even stronger threads into this narrative, demonstrating that growth and responsibility are not just parallel paths, but intrinsically linked – one nurturing the other.

Innovation in Every Fiber: The world of fashion is ever-evolving, and at Shanti Spintex, we are not just keeping pace; we are setting the trend. Our relentless pursuit of innovation has led to the development of new-age denim fabrics that blend superior comfort with unmatched durability. From the soft embrace of our power stretch spandex denim to the timeless appeal of rigid denim, each product is a testament to our advanced research and development. We've invested in cutting-edge **Japanese Tsudakoma Air Jet Looms** and enhanced our processes, enabling us to deliver fabrics with wider width. We believe that true innovation begins at the fiber level, carefully selecting and processing yarns like Tencel, Lyocell, and various cotton blends to create textiles that redefine quality and consumer experience.

The Human Touch: Our Weavers of Success:

Behind every meter of fabric are the skilled hands and dedicated hearts of our people. Our workforce is the true strength of Shanti Spintex. From the production floor to our administrative offices, every individual contributes to our collective success. delivered in every single thread.

Sustainability Woven into Our DNA:

Our commitment to the planet is as strong as the fabrics we produce. At Shanti Spintex, 'sustainability' isn't just a buzzword; it's the very fabric of our operations. We've significantly amplified our renewable energy footprint, with our 2 MW wind turbine and 0.86 MW rooftop solar plant contributing substantially to our energy needs.

We are proud to report that we are on an accelerated path to achieving 90% power self-sufficiency through sustainable sources, dramatically reducing our carbon footprint.

Beyond energy, we are implementing stringent water management practices, embracing waste reduction, and exploring circular economy initiatives within our manufacturing processes. We see ourselves as custodians of natural resources, ensuring that the denim we create today safeguards the resources for generations to come.

"As we reflect on the year gone by, we see a tapestry of achievements, challenges overcome, and a renewed commitment to our vision. The threads of progress, innovation, and sustainability are intricately interwoven, forming the robust fabric of Shanti Spintex Limited. We are not just manufacturing denim; we are shaping the future of textiles – a future that is stylish, sustainable, and built on trust. With every weave, we embark on a journey towards a brighter, greener, and more prosperous tomorrow for all our stakeholders."



OUR CORE COMPETENCIES:

Capability to manufacture diverse range of denim fabrics through in-house weaving unit

Stringent quality control mechanism ensuring standardized product quality

Manufacturers of premium denim fabrics offering a diverse range of 6 fabric types in 6 unique shades

Diverse Revenue Streams

Established and Sticky Customer Base in Gujrat

Expanding green energy assets for a cleaner, more efficient future

Synergy of young and experienced management team with a committed employee base

CHAIRMAN'S SPEECH:



haratbhushan O. Agarwal

To Our Valued Shareholders,

On behalf of the Board of Directors, I am pleased to present the Annual Report of Shanti Spintex Limited for the financial year 2024-25.

Founded in 2010, Shanti Spintex has grown from a modest fabric trading company into one of India's fastest-growing premium denim fabric manufacturers. With state-of-the-art air jet looms, a diverse portfolio of value-added denim products, and a sharp focus on sustainability, we have consistently demonstrated innovation, quality, and integrity. Our fully integrated manufacturing facility at Dholi, Gujarat, supported by a strong leadership team and an efficient workforce, has enabled us to build a stable foundation and deliver consistent performance across cycles.

As we reflect on our journey, it is clear that our strategic vision, operational discipline, and commitment to excellence have been the cornerstones of our growth. Each year has brought new challenges and opportunities — and through it all, we have emerged stronger, more focused, and better prepared to meet the evolving needs of our customers and stakeholders.

This has been a landmark year for our Company — a year defined by resilience, strategic clarity, operational excellence, and breakthrough achievements

FY2024-25 was a defining year for us — not just in terms of financial performance, but also in laying the groundwork for future growth. We expanded our capabilities, strengthened our balance sheet, and enhanced our commitment to clean energy and sustainable manufacturing practices. Our team's resilience, backed by strategic foresight, helped us navigate market challenges and seize emerging opportunities.

We made strategic improvements in our product mix — with 75% dobby looms, four-yarn blending, and increasing use of recycled yarns — helping us capture a stronghold in the sustainable and premium denim market. These initiatives have not only improved brand positioning but also strengthened our competitiveness.

As we look ahead, our focus remains on integrating forward and backward across the value chain, investing in green technology, and expanding our product portfolio to serve evolving customer needs.

I take this opportunity to thank all our stakeholders — employees, customers, partners, board members, and investors — for their continued trust and support.

Together, we will continue to grow responsibly and create long-lasting impact.

A Message from the Managing Director's Desk:

Dear Shareholders,

It is with great pride and optimism that I address you at the close of an exceptional year for Shanti Spintex Limited.

FY2024-25 was a year of progress, precision, and performance. Our ability to sustain high levels of operational efficiency, scale responsibly, and introduce innovative, value-added denim offerings reflects the strength of our business model and the dedication of our team. We not only achieved peak capacity utilization but also enhanced our manufacturing practices through a sharper focus on quality, design flexibility, and sustainable sourcing.



Rikin B. Agarwal

We've continued to align our operations with evolving customer expectations — introducing advanced dobby fabrics, optimizing yarn blending, and maintaining rigorous quality standards across every batch produced. Our growing focus on recycled yarns and green energy is not just good for the environment — it's also central to our cost leadership and long-term competitiveness.

As we prepare for the next phase, our strategic roadmap includes forward integration through finishing operations and backward integration through in-house dyeing, which will both strengthen our margins and give us greater control over the value chain. These initiatives will position us to respond faster to market shifts, deepen customer engagement, and deliver consistent quality across segments.

Our achievements would not have been possible without the passion and perseverance of our people. I sincerely thank our employees for their commitment, our customers for their trust, and our shareholders for their unwavering confidence.

We are building Shanti Spintex for the future — stronger, greener, and more agile than ever. I look forward to the opportunities ahead and am confident that, together, we will continue weaving a story of sustainable growth and excellence.

*Warm regards,
Rikin Agarwal
Managing Director
Shanti Spintex Limited*

DENIM LEGACY: TIMELESS TREND:

Shanti Spintex Limited: Revenue & Key Milestones (FY10-FY25)



	FY10	FY15	FY17	FY18	FY19	FY21	FY22	FY23	FY24	FY25
Utilization	-	-	-	-	-	29%	48%	-	81%	89%
Milestones	Incorporated as Shar	Takeover by promote	Weaving unit at Dhol	Expanded to 19.27 M	Revenue crossed ₹10	Utilization at 29%	Revenue ₹255 Cr; 2	Revenue ₹370 Cr; BS	Revenue ₹506 Cr; 81	Revenue ₹710 Cr (ES

Financial Year (F.Y.)	Revenue (Rs. Crs)	Annual Capacity Utilization	Key Milestones/Events
FY10			Incorporated as Shanti Spintex Private Limited
FY15			Takeover of Company by existing Promoters. Began our business as a fabric trading concern
FY17			Established a fabric weaving unit at Dholka, Dholi, Ahmedabad, Gujarat. Installed Annual Capacity of 9.64 Mn Mtrs. & Commenced commercial operations in October 2016
FY18			Expanded capacity by installation of 48 airjet looms. Increased Annual Installed Capacity to 19.27 Mn Mtrs. & Commenced commercial operations in December 2017
FY19	100		Crossed revenue of Rs. 100 Crores
FY21	113	29%	Annual Capacity Utilization at 29%
FY22	255	48%	Crossed revenue of Rs. 200 Crores. Commissioned a wind energy power plant of combined capacity of 2 MW in the village Likhala, Gujarat. Annual Capacity Utilization at 48%
FY23	370		Crossed revenue of Rs. 300 Crores. Successful listing in Dec 2023 on the SME Platform of BSE Limited. Installed an 852-kW rooftop solar plant. Acquired 38,097 sq. m. land for backward integration
FY24	506	81%	Crossed revenue of Rs. 500 Crores. Annual Capacity Utilization at 81%. Incorporation of Corporate Office
FY25	710	89%	Crossed revenue of Rs. 700 Crores. Annual Capacity Utilization at 89%

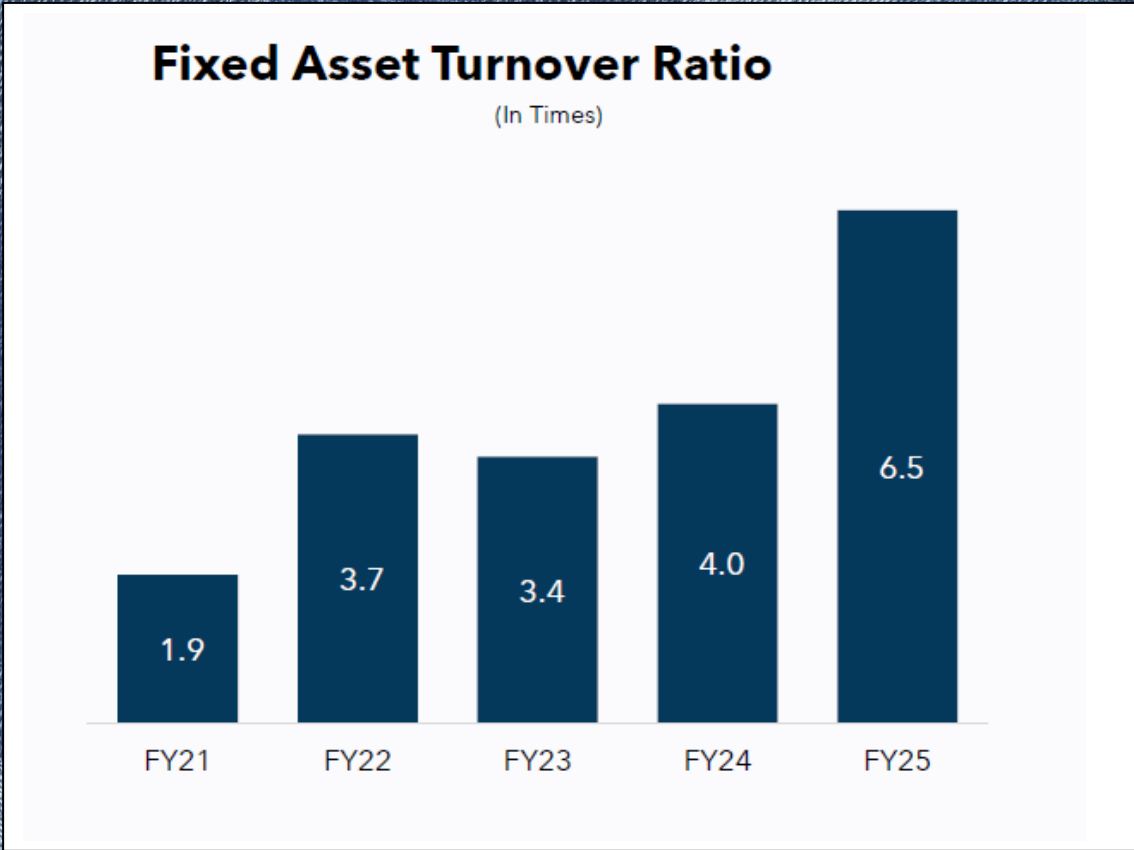
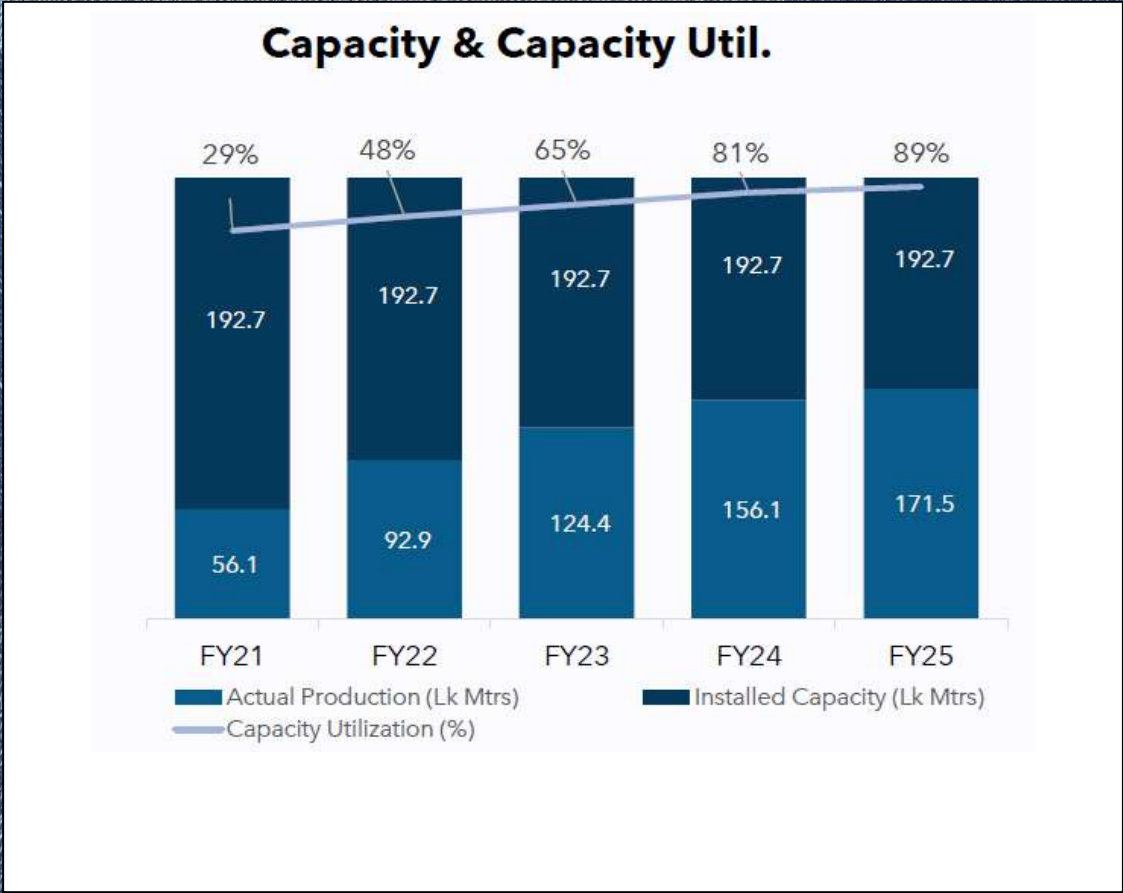


FINANCIAL HIGHLIGHTS: FY 2025

- ✚ Capacity utilization remained strong at 89% of the total installed capacity of 19.2 million meters, indicating near-optimal operational efficiency.
- ✚ Revenue growth was primarily driven by market share gains, supported by strong customer loyalty, positioning the company well to implement upcoming price increases
- ✚ Sustainability initiatives contributing to cost efficiency, with green energy assets meeting 65% of power requirements.
- ✚ Revenue increased by 40% YoY to Rs. 710 Cr, driven by a favorable product mix and volume growth.
- ✚ Improved working capital efficiency led to a sharper cash conversion cycle, reduced from 27 to 19 days, boosting liquidity and cash flow.
- ✚ Debt levels reduced by 60% from FY24 levels, resulting in a net debt-to-equity ratio of 0.14x.

This year we prioritized capacity and market share; next, we're scaling value-added offerings to lift margins.

ENHANCING OPERATIONAL EFFICIENCY:



REDEFINING THE DENIM LANDSCAPE:

Driving Denim Fashion for Over a Decade

Founded in 2010, evolved from fabric trading to a leading manufacturer of premium-quality denim fabrics

Versatile Denim Solutions

Comprehensive denim portfolio with six types of fabrics in diverse shades, catering to various customer requirements

State-of-the-Art Denim Production Facility

Leveraging Tsudakoma Air Jet technology to produce superior-quality denim with unmatched efficiency and precision.

Focused on Growth and Value Creation

59%

Revenue CAGR
(FY21-25)

0.14x

Net Debt/Equity
(Mar'25)

11%

ROE
(FY25)

13%

RoCE
(FY25)



DRIVING THE DENIM FASHION:

+150

Product SKU

19.2 Mn

Mtrs Installed Capacity

5.7 Mn

Units Supplied Annually

46,757

Sq. Mtrs. Mfg. Area

+80

Employees

96

Airjet Looms

INDUSTRY OVERVIEW:

India's Textile Sector:

- India is the **6th largest exporter** of textiles and apparel globally.
- Indian textile industry produces about **22,000 Mn** pieces of garment per year.
- The sector provides over **45 Mn direct jobs** and supports 100 Mn livelihoods.
- India is the largest global producer of cotton, accounting for 23% of total production.



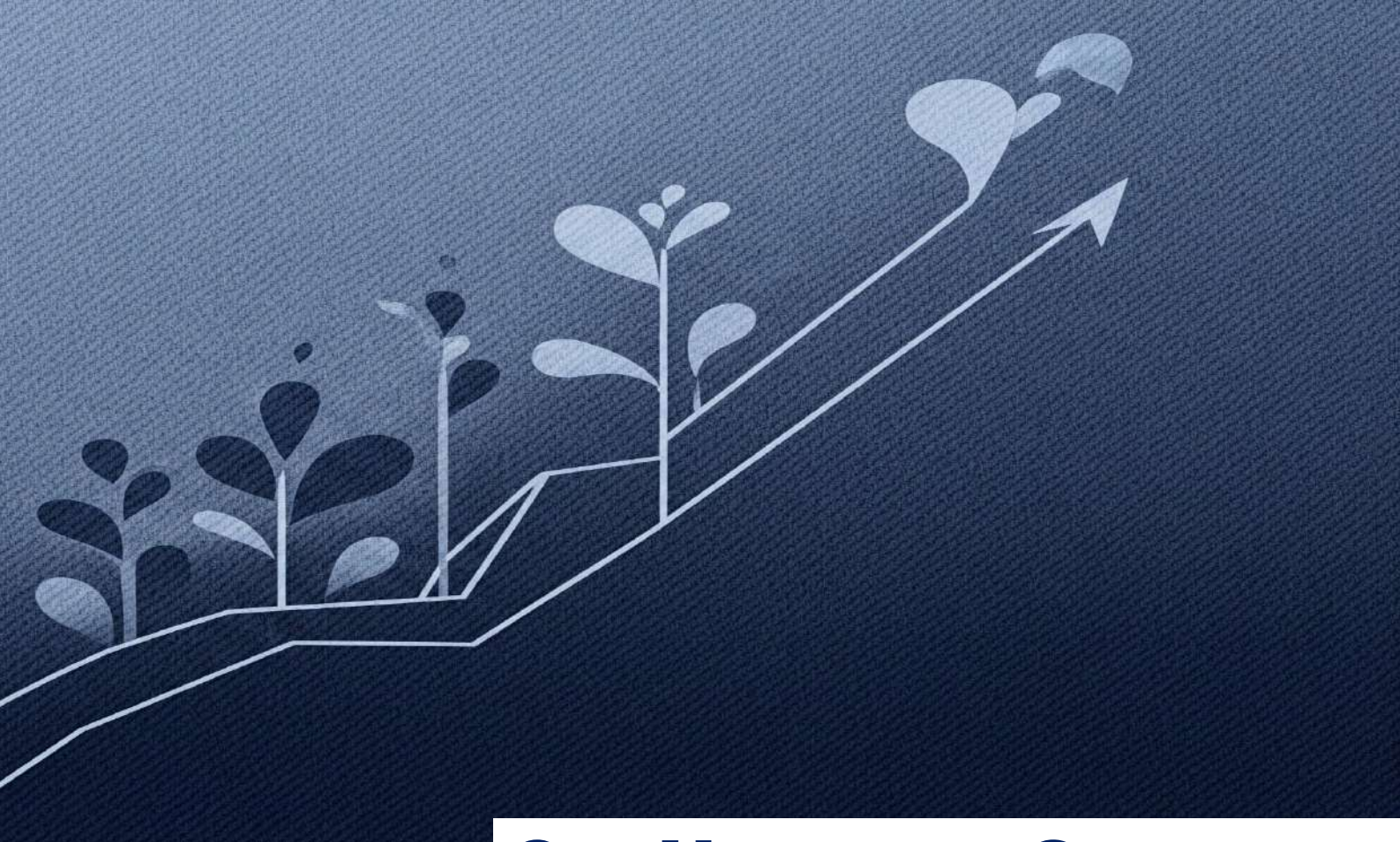
Government Initiatives:

- **PM-MITRA Parks:** Establishing 7 mega textile parks to create integrated industrial infrastructure with plug-and-play facilities.
- **Modernization Support:** The Amended Technology Upgradation Fund Scheme (ATUFS) promotes credit-linked capital investment to upgrade technology in the textile sector
- **Production-Linked Incentive (PLI) Scheme:** Rs. 10,683 Cr PLI Scheme for Textiles aims to boost the production of MMF Apparel, MMF Fabrics, and Technical Textiles over five years
- **Samarth Scheme:** A demand-driven, placement-oriented skilling program for the textile value chain, excluding organized spinning and weaving.

Growth Drivers:

- The textile sector aligns with initiatives like Make in India, Skill India, Women Empowerment, and Rural Youth Employment.
- Indian textiles and apparel market is projected to grow at a **10% CAGR to reach US\$ 350 Bn by 2030**
- **Easing Western tariffs and a \$1Bn+ U.K. market expansion** signal accelerating export tailwinds, boosting volume and margin visibility
- **Rising Fashion Consciousness:** Especially among millennials and Gen Z, leading to manufacturers introducing new and upgraded denim versions.





OUR VISION FOR GROWTH:

At **Shanti Spintex Limited**, we are continually focused on strengthening our operational capabilities, enhancing cost efficiencies, and expanding our strategic footprint to ensure long-term value creation for our stakeholders. For the fiscal year 2024-25, we are actively pursuing two key strategic initiatives:

Green Energy Initiatives: Powering a Sustainable Future and Enhancing Efficiency:

In line with our commitment to environmental stewardship and sustainable operations, Shanti Spintex is actively planning for the installation of additional renewable energy capacity. We are exploring the feasibility of adding **2.5 MW of renewable energy capacity** to our facilities. While this project is currently in the planning phase, we anticipate that upon completion, it will yield substantial financial benefits, leading to a **projected cost reduction of Rs. 2.8 Crore per annum** in energy expenses. Beyond the expected financial gains, this initiative underscores our dedication to reducing our carbon footprint, contributing to a cleaner environment, and building resilience against fluctuating conventional energy costs. This project aligns with our vision of improved overall cost efficiency across our manufacturing operations.

Expected Outcome:

Enhanced cost efficiency and predictability in energy expenditure.

Reduced environmental impact and strengthened sustainability profile.

Contribution to India's renewable energy goals.

Strategic Backward and Forward Integration: Building Resilience and Expanding Value Chains:

To enhance our control over the value chain, improve product quality, and unlock new avenues for growth, Shanti Spintex is vigorously pursuing both backward and forward integration strategies:

- **Developing In-house Processing and Finishing Expertise:** We are making significant investments in building advanced in-house capabilities for fabric processing and finishing. This strategic move aims to reduce reliance on external vendors, ensure stringent quality control from yarn to finished fabric, optimize production timelines, and potentially enable the development of more specialized and higher-value textile products. This integration will empower us with greater flexibility and responsiveness to market demands.
- **Actively Scouting for Strategic Inorganic Opportunities:** Alongside organic growth, we are proactively identifying and evaluating strategic inorganic opportunities, including potential mergers, acquisitions, or joint ventures. Our focus is on targets that offer significant synergy with our existing businesses, whether by expanding our product lines, entering new geographical markets, acquiring specialized technologies, or consolidating our position within the textile sector. These opportunities are being assessed for their potential to enhance operational efficiencies, diversify our revenue streams, and unlock significant long-term shareholder value.

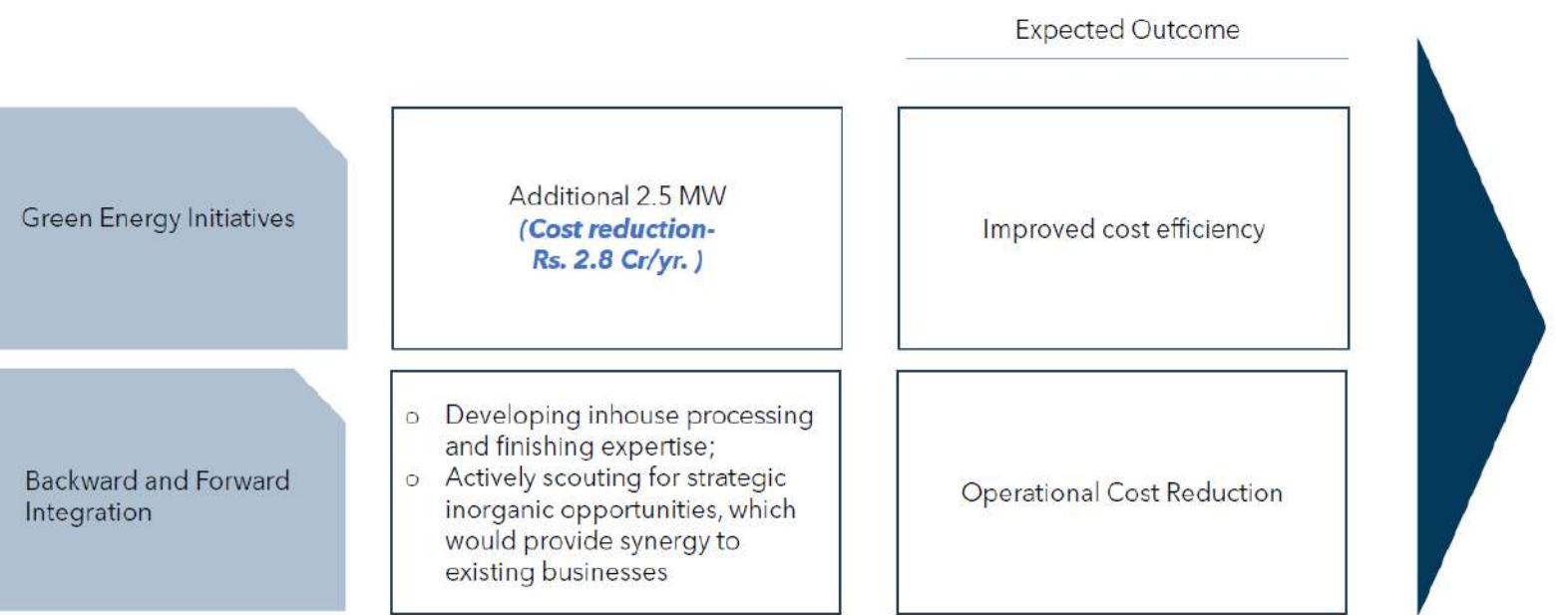
Expected Outcomes:

Achieve substantial operational cost reductions through optimized processes and supply chain efficiencies.

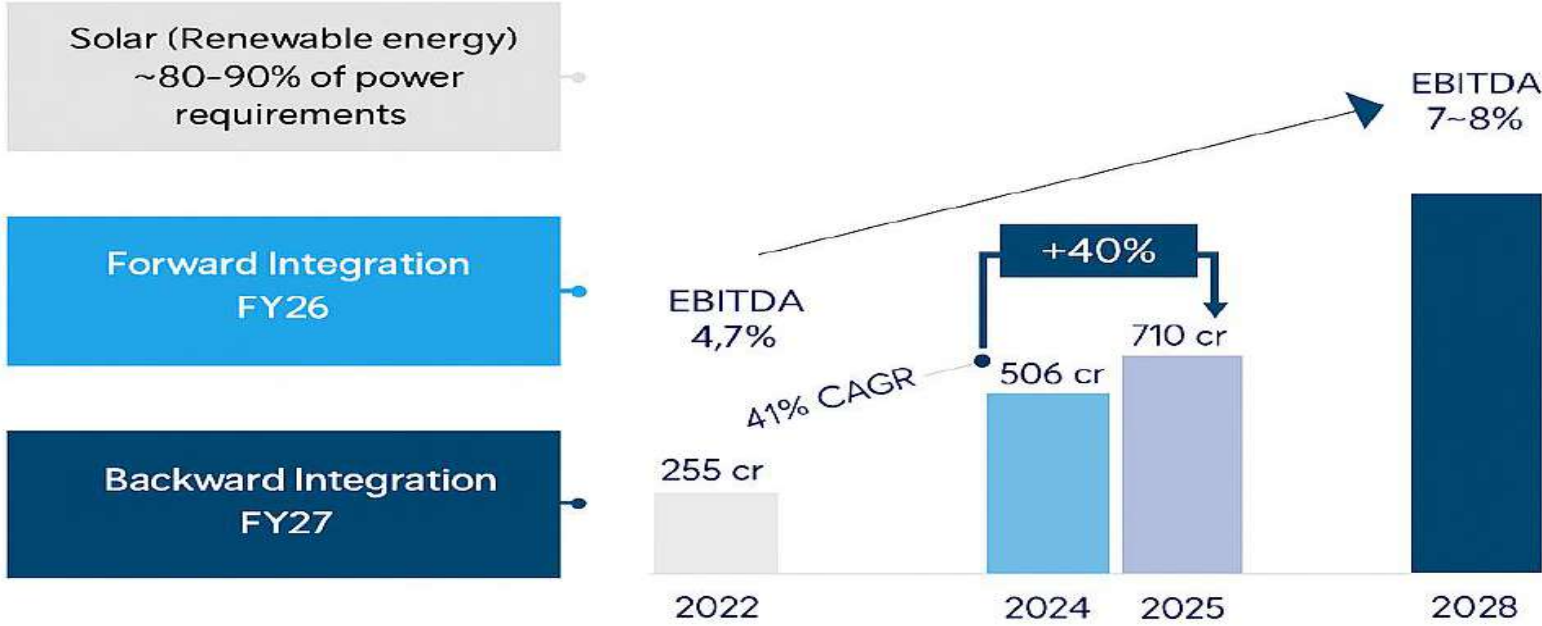
Improve quality control and product innovation capabilities.

Diversify revenue streams and expand market reach.

Enhance overall business resilience and competitive advantage.



SYNERGY & PROFITABILITY: OUR FUTURE:

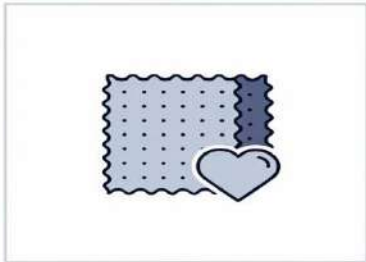


KEY STRATEGIC PRIORITIES:

Strengthening Balance Sheet – Focus on Debt Reduction



Focus on Green Assets – Driving Sustainability



Expanding Premium Fabric Offerings – Customer Loyalty



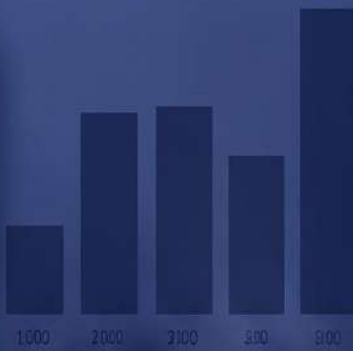
Growing Client Base – De-risking Business



Backward & Forward Integration – Develop In-House Expertise



SHANTI SPINTEX
LIMITED



Notice of AGM

Director's Report

NOTICE:

NOTICE is hereby given that the **15th Annual General Meeting** of the Members of the Company **Shanti Spintex Limited** will be held on Wednesday, 24th September, 2025 at 04:00 P.M. IST **through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business:**

ORDINARY BUSINESS:

1. **To receive, consider and adopt the Standalone Audited Financial Statements** of the Company for the financial year ended **31st March, 2025**, together with the Reports of the **Board of Directors** and the **Auditors** thereon.
2. **To appoint a director in place of Mr. Rikin B. Agarwal** (DIN: 02435645), who **retires by rotation** and being eligible, offers himself for re-appointment as the Managing Director of the Company.
3. **Re-Appointment of Statutory Auditors:**

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

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and in continuation of their earlier appointment, the Company hereby confirms and re-appoints **M/s Anil Shah & Co., Chartered Accountants** (Firm Registration No. 100474W), as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the Annual General Meeting to be held for the financial year ending March 31, 2029, thereby completing a period of five years from the date of Company's

listing on BSE SME platform (i.e., from December 27, 2023), on such remuneration as may be decided by the Board of Directors of the Company in consultation with the Auditors."

"FURTHER RESOLVED THAT Mr. Rikin B. Agarwal Managing Director of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this resolution."

SPECIAL BUSINESS:

4. **Regularization of Mrs. Urmila B. Agarwal as an Additional Non-Executive Director:**

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and in accordance with the recommendation of the Nomination and Remuneration Committee and the Board of Directors, **Mrs. Urmila B. Agarwal (DIN: 01909441)**, who was appointed as an Additional Non-Executive Director of the Company by the Board of Directors with effect from 3rd January, 2025, and who holds office up to the date of this Annual General

Meeting, be and is hereby regularized and appointed as a Non-Executive Director of the Company, liable to retire by rotation.”

“**RESOLVED FURTHER THAT** Mr. Rikin B. Agarwal Managing Director of the Company be and is hereby authorized, on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents and returns, e-forms for the purpose of giving effect to the aforesaid resolution.”

5. Re-Appointment of Secretarial Auditor:

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

“**RESOLVED THAT** pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable laws, rules and regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and based on the recommendation of the **Audit Committee** and approval of the **Board of Directors**, consent of the members be and is hereby accorded for the appointment of **M/s HDS & Associates, Practicing Company Secretaries**, as the **Secretarial Auditor** of the Company for a period of **five consecutive financial years commencing from FY 2025-26 to FY 2029-30**, to conduct the Secretarial Audit of the Company, on such terms and conditions including remuneration as may be mutually agreed between the Board of Directors and the said Auditor.”

“**FURTHER RESOLVED THAT** Mr. Rikin B. Agarwal Managing Director of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board of Directors

Date: 28.08.2025
Place: Ahmedabad

SD/-
BHARATBHUSAN O AGARWAL
Whole Time Director & CFO
(DIN 00302785)

SD/-
RIKIN B AGARWAL
Managing Director
(DIN02435645)

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), setting out material facts concerning the business under Item No. 4 & 5 of the accompanying Notice, is annexed hereto and forms part of this Notice. The Board of Directors of the Company at its meeting held on 28th August 2025 considered that the special business under Item No. 4 & 5 being considered unavoidable, be transacted at the 15th AGM of the Company.
2. Ministry of Corporate Affairs (MCA) vide its General Circular No. 09/2023 dated 25 September 2023 read with the circulars issued earlier on the subject (collectively referred to as 'MCA Circulars') and SEBI vide its Circular No. SEBI/HO/DDHS/P/CIR/2023/0164 dated 06 October 2023 read with the circulars issued earlier on the subject (collectively referred to as "SEBI Circulars"), have permitted holding Annual General Meeting ("AGM") through VC/ OAVM, without physical presence of the Members at a common venue.

In compliance with the MCA Circulars and SEBI Circulars, the provisions of the Act and the SEBI Listing Regulations, the 15th AGM is being conducted through VC/OAVM herein after called as "e-AGM". In view of the same, the registered office of the Company shall be deemed to be the venue of the AGM.

The Company has appointed KFin Technologies Limited, Registrars and Transfer Agents, to provide Video Conferencing (VC) / Other Audio-Visual Means (OAVM) facility for the 15th Annual General Meeting and the attendant enablers for conducting of the e-AGM.

The Notice of AGM along with the Annual Report for FY25 is being sent by electronic mode to those members whose e-mail address is registered with the Company/Depositories, unless a member has requested a physical copy of the same. Members may note that the Notice of AGM and Annual Report for FY25 will also be available on the Company's website www.shantispintex.com, website of the Stock Exchanges i.e. BSE Limited (BSE) at www.bseindia.com and on the website of KFin Technologies Limited at the website address <https://evoting.kfintech.com>.

3. Since the AGM is being held through VC/OAVM, **a route map to the venue is not required** and therefore, the same is not annexed to this Notice.
4. Members attending the meeting through VC/OAVM shall be reckoned for the purpose of quorum under Section 103 of the Companies Act, 2013.
5. Members can join the e-AGM 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
6. Appointment of Proxy and Attendance Slip: Section 105 of the Act read with Rule 19 of the Companies (Management and Administration) Rules, 2014 provides for appointment of proxy to attend and vote at a general meeting on behalf of the member who is not able to physically attend the AGM. Since the 15th AGM is being held through VC/OAVM and in accordance with the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility of appointment of proxy would not be available to the Members for attending the 15th AGM and therefore proxy form and attendance slip are not annexed to this Notice.
7. Corporate shareholders/institutional shareholders intending to send their authorized representative(s) to attend and vote at the 15th AGM are requested to send from their registered e-mail address, scan copy of the relevant Board Resolution/ Authority Letter, etc. authorizing their representative(s) to vote, to the Scrutinizer on her e-mail ID at hetidshah@gmail.com with a copy marked to cs@shantispintex.com
8. Members who have not yet registered their e-mail addresses, bank account details and mobile number are requested to register the same with their Depository Participants ("DP") since the shares are held by them in electronic Form.
9. The relevant details, pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable provisions of the Companies Act, 2013 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment/ re-appointment at this AGM are also annexed to this Notice.

10. Pursuant to the provisions of Section 124 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, there are no unclaimed dividend amounts pending for transfer.
11. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 18th September, 2025 to Wednesday, 24th September, 2025 (both days inclusive)
12. Investor Grievance Portal maintained by Registrar and Transfer Agent (RTA).

Members are hereby notified that our RTA, KFin Technologies Limited, based on the SEBI Circular (SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/72) dated June 08, 2023, have created an online application which can be accessed at <https://ris.kfintech.com/default.aspx> > Investor Services > Investor Support.

Members are required to register / signup, using the Name, PAN, Mobile and email ID. Post registration, user can login via OTP and execute activities like, raising Service Request, Query, Complaints, check for status, KYC details, Dividend, Interest, Redemptions, e-Meeting and e-Voting Details.

Quick link to access the signup page: <https://kprism.kfintech.com/signup>

INSTRUCTIONS FOR THE MEMBERS FOR ATTENDING THE E-AGM THROUGH VIDEO CONFERENCE / OTHER AUDIO-VISUAL MODE:

i. Attending the e-AGM: Members will be able to attend the AGM through VC/ OAVM or view the live webcast of AGM at <https://emeetings.kfintech.com/> by using their remote e-voting login credentials and selecting the 'Event' for Company's AGM. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further, Members can also use the OTP based login for logging into the e-voting system.

ii. Members are encouraged to join the Meeting through Laptops with Google Chrome for better experience.

iii. Further Members will be required to allow Camera, if any, and hence use Internet with a good speed to avoid any disturbance during the meeting.

iv. 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.

v. Facility of joining the AGM through VC/OAVM shall be open 15 minutes before the time scheduled for the AGM.

vi. Those Members who register themselves as speaker will only be allowed to express views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers and time for each speaker depending upon the availability of time for the AGM.

vii. Submission of Questions/queries prior to e-AGM:

Members desiring any additional information with regard to Accounts/ Annual Reports or has any question or query are requested to write to the Company Secretary on the Company's investor email-id i.e., info@shantisintex.com at least 2 days before the date of the e-AGM, so as to enable the Management to keep the information ready. Please note that, member's questions will be answered only if they continue to hold the shares as of cut-off date 17.09.2025.

Alternatively, shareholders holding shares as on cut-off date may also visit <https://evoting.kfintech.com/> and click on the tab "Post Your Queries Here" to post their queries/ views/questions in the window provided, by mentioning their name, demat account number/folio number, email ID, mobile number. The window shall be activated during the remote e-voting period and shall be closed 24 hours before the time fixed for the e-AGM.

viii. Speaker Registration before e-AGM: Shareholders who wish to register as speakers at the AGM are requested to visit <https://emeetings.kfintech.com> register themselves between 20th September 2025 (09.00 Hours IST) and 22nd September 2025 (17.00 Hours IST).

ix. Facility of joining the AGM through VC/OAVM shall be available for 1000 members on first come first served basis. However, the participation of members holding 2% or more shares, promoters, Institutional Investors, directors, key managerial personnel, chairpersons of Audit Committee, Stakeholders Relationship Committee, Nomination, Remuneration and compensation Committee and Auditors are not restricted on first come first serve basis.

x. Members who need technical assistance before or during the AGM, can contact KFintech at <https://evoting.kfintech.com/>.

xi. Corporate members intending to send their authorised representatives to attend the Annual General Meeting through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") pursuant to the provisions of Section 113 of the Companies Act, 2013 are requested to send a certified copy of the relevant Board Resolution to the Company.

INSTRUCTIONS FOR E-VOTING:

Procedure for remote e-voting:

i. In compliance with the provisions of Section 108 of the Companies Act, 2013 ("the Act"), read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09 December 2020 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFintech, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.

ii. However, in pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09 December 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.

iii. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.

iv. The remote e-Voting period commences from 09.00 Hours (IST) on 20th September 2025 to 17.00 Hours (IST) on 23rd September 2025

v. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on 17th September, 2025, the cut-off date.

vi. Any person holding shares in demat/physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@Kfintech.com.

However, if he / she is already registered with KFintech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.

vii. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode."

viii. The details of the process and manner for remote e-Voting and e-AGM are explained herein below:

Step 1: Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

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

Step 3: Access to join virtual meetings(e-AGM) of the Company on KFin system to participate e-AGM and vote at the AGM.

Details on Step 1 are mentioned below:

Login method for remote e-Voting for Individual shareholders holding securities in demat mode.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p>1. User already registered for IDeAS facility:</p> <p>I. Visit URL: https://eservices.nsdl.com/</p> <p>II. Click on the “Beneficial Owner” icon under “Login” under ‘IDeAS’ section.</p> <p>III. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting”</p> <p>IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.</p> <p>2. User not registered for IDeAS e-Services</p> <p>I. To register click on link: https://eservices.nsdl.com/</p> <p>II. Select “Register Online for IDeAS” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>III. Proceed with completing the required fields.</p> <p>IV. Follow steps given in point no.1</p> <p>3. Alternatively by directly accessing the e-Voting website of NSDL</p> <p>I. Open URL: https://www.evoting.nsdl.com/</p> <p>II. Click on the icon “Login” which is available under ‘Shareholder/Member’ section.</p> <p>III. A new screen will open. You will have to enter your User ID (i.e., your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen.</p> <p>IV. Post successful authentication, you will be requested to select the name of the Company and the e-Voting Service Provider name, i.e., KFintech.</p> <p>V. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.</p>
Individual Shareholders holding securities in demat mode with CDSL	<p>1. Existing user who have opted for Easi / Easiest</p> <p>I. Visit URL: https://web.cdslindia.com/myeasitoken/Home/Login or URL: www.cdslindia.com</p> <p>II. Click on New System Myeasi</p> <p>III. Login with your registered user id and password.</p> <p>IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e., KFintech e-Voting portal.</p> <p>V. Click on e-Voting service provider name to cast your vote.</p>

	<p>2. User not registered for Easi/Easiest</p> <p>I. Option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration</p> <p>II. Proceed with completing the required fields.</p> <p>III. Follow the steps given in point 1</p> <p>3. Alternatively, by directly accessing the e-Voting website of CDSL</p> <p>I. Visit URL: www.cdslindia.com</p> <p>II. Provide your demat Account Number and PAN No.</p> <p>III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account.</p> <p>IV. After successful authentication, user will be provided links for the respective ESP, i.e., KFintech where the e- Voting is in progress.</p>
Individual Shareholder login through their demat accounts / Website of Depository Participant	<p>I. You can also login using the login credentials of your demat account through your DP registered with NSDL / CDSL for e-Voting facility.</p> <p>II. Once logged-in, 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.</p> <p>III. Click on options available against company name or e-Voting service provider – KFintech and you will be redirected to e-Voting website of KFintech for casting your vote during the remote e-Voting period without any further authentication.</p>

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Details on Step 2 are mentioned below:

Login method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

Members whose email IDs are registered with the Company/Depository Participants (s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

- i. Launch internet browser by typing the URL: <https://emeetings.kfintech.com/>
- ii. Enter the login credentials (i.e., User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.
- iii. After entering these details appropriately, click on "LOGIN".

iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the "EVENT" i.e., 'Shanti Spintex Limited -Annual General Meeting' and click on "Submit"

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/ AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.

ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

x. You may then cast your vote by selecting an appropriate option and click on "Submit".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

xii. Corporate/Institutional Members (i.e., other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting. Together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id hetidshah@gmail.com with a copy marked to evoting@kfintech.com . The scanned image of the above-mentioned documents should be in the naming format "Shanti Spintex Limited"

Details on Step 3 are mentioned below:

Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC/ OAVM and e-Voting during the meeting.

i. Member will be provided with a facility to attend the AGM through VC / OAVM platform provided by KFintech. Members may access the same at <https://emeetings.kfintech.com/> by using the e-voting login credentials provided in the email received from the Company/KFintech. After logging in, click on the Video Conference tab and select the EVENT of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above.

ii. Facility for joining AGM through VC/ OAVM shall open at least 15 minutes before the commencement of the Meeting.

iii. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.

iv. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members 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.

- v. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number and email id.
- vi. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.
- vii. A Member can opt for only a single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member cast votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
- viii. Facility of joining the AGM through VC / OAVM shall be available for at least 1000 members on first come first served basis.
- ix. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.

OTHER INSTRUCTIONS:

I. Speaker Registration: The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit <https://emeetings.kfintech.com/> and login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Speaker Registration' which will be open from 20th September 2025, (09.00 Hours IST) to 22nd September 2025, (17.00 Hours IST). Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.

II. Post your Question: The Members who wish to post their questions prior to the meeting can do the same by visiting <https://emeetings.kfintech.com/>. Please login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Post Your Question' option which will be open 20th September 2025, (09.00 Hours IST) to 22nd September 2025, (17.00 Hours IST).

III. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com> (Kfintech Website) or contact evoting@kfintech.com / inward.ris@kfintech.com or call Kfintech's toll free No. 1-800-309-4001 for any further clarifications.

IV. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 17th September, 2025 (End of Day), being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

V. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below: If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com/>, the member may click "Forgot Password" and enter Folio No. or DP ID, Client ID and PAN to generate a password.

Members who may require any technical assistance or support before or during the AGM are requested to contact Kfintech at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com / inward.ris@kfintech.com.

VI. The results of the electronic voting shall be submitted to the Stock Exchanges after the AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company.

GENERAL INFORMATION:

1. The Company's equity shares are Listed at BSE Limited (SME Platform), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001, Maharashtra, India and the Company has paid the Annual Listing Fees to the said Stock Exchange for the year 2025-2026.

2. Members are requested to send all communication relating to shares to the Company's Registrar and Share Transfer Agent at KFIN Technologies Limited (Unit: Shanti Spintex Limited), Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032, Telangana State, India.

3. Register of Directors and Key Managerial Personnel (KMP) and their shareholding under Section 170 of the Companies Act, 2013 and the rules made thereunder and Register of Contracts maintained under Section 189 of Companies Act, 2013 and the rules made thereunder are available for inspection at the registered office of the Company.

4. As required under Listing Regulations and Secretarial Standard - 2 on General Meetings details in respect of Directors seeking appointment/ re-appointment at the Annual General Meeting, is separately annexed hereto. Directors seeking appointment/ re- appointment have furnished requisite declarations under Section 164(2) and other applicable provisions of the Companies Act, 2013 including rules framed thereunder.

GENERAL INSTRUCTIONS:

(i) Members holding shares either in demat or physical mode who are in receipt of Notice, may cast their votes through e-voting.

(ii) Members opting for e-voting, for which the USER ID and initial password are provided in a separate sheet. Please follow steps under heading 'INSTRUCTIONS FOR E-VOTING' above to vote through e-voting platform.

(iii) The e-voting period commences from 20th September 2025, (09.00 Hours IST) to 23rd September 2025, (17.00 Hours IST). to 5.00 P.M. (IST). During this period, the members of the Company, holding shares in demat, as on the cut-off date of 17th September, 2025 may cast their vote electronically. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

(iv) The Company has appointed M/s. HDS & Associates, Company Secretaries represented by Mrs. Heti Rehen Gandhi, Practising Company Secretary (Membership No. F11884 and CP No. 17840) as the Scrutiniser to conduct the voting process (e-voting and poll) in a fair and transparent manner.

(v) The Scrutinizer shall, within a period not exceeding 2 working days from the conclusion of the Annual General Meeting unlock the votes in the presence of at least two (2) witnesses, not in the employment of the Company and make a Scrutinizer's Report containing the details with respect to votes cast in favour, against, neutral/ abstained, shall submit the Report to the Chairman of the Company.

(vi) Subject to the receipt of sufficient votes, the resolution shall be deemed to be passed at the 15th Annual General Meeting of the Company scheduled to be held on Wednesday, 24th September, 2025, the results declared along with the Scrutinizer's Report shall be placed on the Company's website <https://www.shantispintex.com/> and on the website of KFintech, <https://evoting.kfintech.com/> within 2 working days of conclusion of the Annual General Meeting.

EXPLANATORY STATEMENT:

(AS REQUIRED UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013)

The following Explanatory Statement sets out all material facts relating to the special business mentioned in the accompanying Notice.

Item No. 4: Regularization of Mrs. Urmila B. Agarwal (DIN: 01909441) as a Non-Executive Director

The Board of Directors of the Company, on the recommendation of the **Nomination and Remuneration Committee**, appointed **Mrs. Urmila B. Agarwal** as an Additional Non-Executive Director of the Company with effect from **3rd January, 2025**, pursuant to Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company. She holds office up to the date of this Annual General Meeting.

The Company has received a notice in writing under Section 160(1) of the Act from a Member proposing her candidature for the office of Director. The Board recommends her appointment as a Non-Executive Director, liable to retire by rotation.

The Company has received from Mrs. Urmila B. Agarwal:

- Consent to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, and
- A declaration to the effect that she is not disqualified under Section 164 of the Companies Act, 2013.

Considering her qualifications, experience and knowledge, the Board of Directors recommends the resolution set out in Item No. 4 of the Notice for the approval of the Members of the Company as an **Ordinary Resolution**.

Mrs. Urmila B. Agarwal is the **wife of Mr. Bharatbhushan O. Agarwal**, the Whole-Time Director of the Company, and the **mother of Mr. Rikin B. Agarwal**, the Managing Director of the Company. The appointment of a relative of a director as a Non-Executive Director is permissible under the provisions of the Companies Act, 2013.

She brings with her rich experience in administration and family business operations and is expected to contribute positively to the Board's deliberations.

Except **Mrs. Urmila B. Agarwal**, **Mr. Bharatbhushan O. Agarwal**, and **Mr. Rikin B. Agarwal**, none of the other Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the resolution for the approval of the Members as an **Ordinary Resolution**.

Item No. 5: Appointment of Secretarial Auditor

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved the appointment of **M/s HDS & Associates**, Practicing Company Secretaries, as the **Secretarial Auditor** of the Company for a period of **five consecutive financial years** commencing from **FY 2025-26 to FY 2029-30**, to conduct the Secretarial Audit under the provisions of **Section 204 of the Companies Act, 2013** and **Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**, including any amendments or re-enactments thereof.

The Secretarial Audit is a mandatory requirement for listed entities and provides an independent check on compliance with applicable corporate laws, rules, and regulations. M/s HDS & Associates is a reputed firm with relevant expertise and experience in the field of corporate laws and secretarial practices.

The members' approval is being sought for the appointment and to authorize the Board of Directors to decide the remuneration and terms of appointment in consultation with the said Auditor.

None of the Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board recommends the resolution set out at **Item No. 5** for the approval of the members as an **Ordinary Resolution**.

By Order of the Board of Directors

Date: 28.08.2025
Place: Ahmedabad

SD/-
BHARATBHUSAN O. AGARWAL
Whole Time Director & CFO
(DIN 00302785)

SD/-
RIKIN B. AGARWAL
Managing Director
(DIN 02435645)

ANNEXURE TO NOTICE:

Details of directors seeking re-appointment at the ensuing Annual General Meeting:
(Pursuant to Secretarial Standard 2 issued by the Institute of Companies Secretaries of India and Regulation 36(3) of SEBI (LODR) Regulations, 2015)

Name of Director:	Mr. Rikin B. Agarwal	Mrs. Urmila B. Agarwal
Category:	Managing Director	Non-Executive Director
DIN:	02435645	01909441
Nationality	Indian	Indian
Date of Birth:	11-10-1990	15-06-1959
Age:	34	66
Qualification:	Bachelor of Commerce in 2011 from H.L. Institute of Commerce, Ahmedabad, Gujarat	Completed two years of Bachelor of Commerce program, gaining foundational expertise in accounting, economics, and commerce
Date of First Appointment on the Board	20.08.2014	03.01.2025
Expertise in specific functional areas	He has a work experience of over 10+ years in the textile industry. He plays a key leadership role in the Company's operations, with a primary focus on overseeing production management and strategic marketing initiatives. His expertise lies in aligning product development with customer preferences, improving production efficiencies, and building strong client relationships.	With 25+ years of experience in the textile industry, she offers deep expertise in operations, quality control, and team leadership driving efficiency and growth.
Terms and Conditions of Appointment/Re-appointment	As per the resolution at item No. 2 of the notice convening this meeting, Mr. Rikin B. Agarwal is liable to retire by rotation at the meeting and eligible for re-appointment.	As per the resolution at Item No. 3 of the Notice convening this Meeting, Mrs. Urmila B. Agarwal is proposed to be regularized as a Non-Executive Director of the Company.
Shareholding in the Company	3028400 Shares	1037800 Shares
Disclosure of Relationships between Directors inter-se	Son of Mr. Bharatbhushan O. Agarwal (WTD) and Mrs. Urmila B. Agarwal	Wife of Mr. Bharatbhushan O. Agarwal (WTD) and mother of Mr. Rikin B. Agarwal
List of Directorship of other Board	1. Teesta Spintex Private Limited. 2. Bluetron Denim Private Limited 3. Rikin Fabrics Private Limited 4. Jagson Textiles Limited	1. Rikin Fabrics Private Limited 2. Dulari Fabrics Private Limited
List of Membership / Chairmanship of Committees of other Board	NIL	NIL

DIRECTOR'S REPORT:

To,
The Members,
Shanti Spintex Limited

The financial year 2024–25 was marked by strategic progress and focused execution across the Company's key growth pillars. The performance of the Company has been satisfactory, and the Board remains confident about its future prospects. It gives us great pride to present the **15th Annual Report**, along with the **audited financial statements** of the Company for the financial year ended **31st March 2025**.

FINANCIAL HIGHLIGHTS:

Below is a concise summary of our financial performance, reflecting our steady growth and operational strength during the year under review:

PARTICULARS	FINANCIAL YEAR ENDED MARCH 31, 2025 (₹ IN LAKHS)	FINANCIAL YEAR ENDED MARCH 31, 2024 (₹ IN LAKHS)
Revenue from Operations	70994.01	50583.06
Other Income	52.41	125.46
Total Income	71046.43	50708.52
Total Expense	69688.67	48918.79
Profit Before Tax (PBT)	1357.76	1789.74
Less: Tax Expense	337.75	487.99
Profit After Tax (PAT)	1020.01	1301.75
Earnings Per Share (EPS) - Basic & Diluted	6.04	8.71

FINANCIAL SUMMARY:

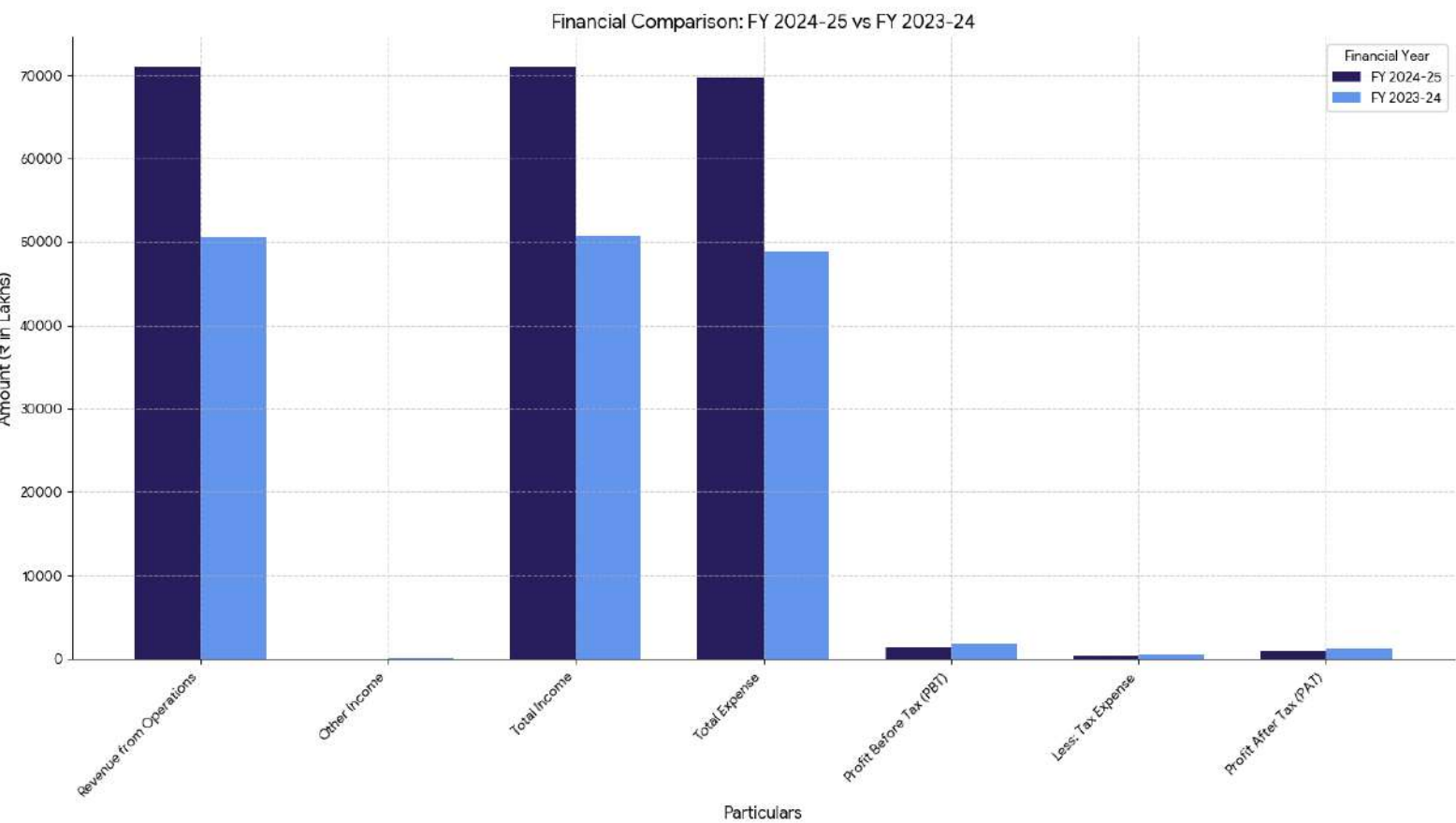
The financial year 2024–25 marked a period of **robust revenue growth** for Shanti Spintex Limited, driven by **strong market demand**, enhanced **capacity utilization**, and strategic **product mix optimization**. The Company achieved an impressive **40% increase in revenue from operations**, reaching ₹70,994.01 lakhs compared to ₹50,583.06 lakhs in the previous year.

This growth reflects the successful execution of strategic initiatives across **production efficiency**, **customer engagement**, and **market expansion**. **Total income** stood at ₹71,046.43 lakhs in FY 2024–25, as against ₹50,708.52 lakhs in FY 2023–24.

While profitability moderated due to **input cost escalations** and other operational pressures, the Company remained resilient. It reported a **Profit Before Tax (PBT)** of ₹1,357.76 lakhs and a **Profit After Tax (PAT)** of ₹1,020.01 lakhs for the year.

The **Earnings Per Share (EPS)** stood at ₹6.04, reflecting the Company’s ongoing commitment to **shareholder value creation**, even amidst margin pressures.

This financial performance underscores Shanti Spintex Limited’s **operational agility and financial discipline**, positioning the Company for **sustained and profitable growth** in the years ahead.



OPERATIONAL REVIEW:

During the year under review, the Company achieved **89% capacity utilization**, reflecting efficient production planning and strong demand for our products. This operational performance underscores our commitment to optimizing resources while maintaining quality and timely delivery.

BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

The financial statements of Shanti Spintex Limited have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other relevant provisions of the Act.

DIVIDEND:

Your directors have not recommended any dividend for the financial year ended March 31, 2025, in order to conserve resources for future growth and expansion plans of the Company.

RESERVES AND SURPLUS:

The **Reserves and Surplus** of the Company stood at **₹7,987.99 lakhs** as on **31st March 2025**, as compared to **₹6,967.98 lakhs** as on **31st March 2024**, reflecting an increase of **₹1,020.01 lakhs**.

This increase is attributable to the **retained earnings** from the profit generated during the financial year. The Company continues to adopt a conservative and growth-oriented approach by reinvesting profits to strengthen the balance sheet, enhance liquidity, and fund future expansion.

No amount has been transferred to the General Reserve during the year under review.

CHANGE IN NATURE OF BUSINESS

There has been **no change in the nature of business** of the Company during the financial year.

PAYMENT OF LISTING FEES:

The Equity Shares of the Company are listed on the **BSE SME Platform**. The Company has paid the **annual listing fees** for the financial year **2025-26** to the BSE Limited within the prescribed timeline.

SHARE CAPITAL:

The paid-up equity share capital of the Company as on 31st March 2025 stood at ₹ 16,88,80,000.00/- (Rupees Sixteen Crores Eighty-Eight Lacs and Eighty Thousand Only). There were **no changes** in the capital structure during the year under review.

PUBLIC DEPOSITS:

During the year under review, the Company has **not accepted any public deposits** under Section 73 to 76 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

Accordingly, as on **31st March 2025**, there were **no outstanding deposits**, unpaid or unclaimed deposits, or any default in repayment of deposits or payment of interest thereon.

POLICIES:

The updated policies adopted by the Company as per statutory and governance requirements are uploaded on website of the Company at www.shantisintex.com

SECRETARIAL STANDARDS:

The Company has complied with the applicable provisions of **Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI)**, as prescribed under Section 118(10) of the Companies Act, 2013.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the financial year under review, the following changes occurred in the Board of Directors and Key Managerial Personnel of the Company:

- **Mrs. Urmila B. Agarwal** was appointed as a Non-Executive Director of the Company with effect from **03rd January 2025**, and her appointment was subsequently **regularized by the members at the 15th Annual General Meeting** of the Company.
- **Mr. Bhavik Talati, Non-Executive Director of the Company**, resigned from his position with effect from **01st January 2025**. The Board places on record its sincere appreciation for the **valuable contributions and guidance** provided by him during his tenure.

a. Composition of the Board and Key Managerial Personnel:

As on the date of this Report, the composition of the Board and Key Managerial Personnel is as under:

NAME	DESIGNATION
Mr. Bharatbhushan O. Agarwal	Whole-Time Director, CFO and Chairman
Mr. Rikin B. Agarwal	Managing Director
Ms. Kruti Vyas	Independent Director
Mrs. Monika G. Gupta	Independent Director
Mrs. Urmila B. Agarwal	Non-Executive Director
Mrs. Mohini Singhal	Company Secretary & Compliance Officer

b. Declaration by Independent Directors:

All Independent Directors have submitted declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013, and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT:

After the close of the financial year on **31st March 2025** and up to the date of this Report, the following material change has occurred which may have a bearing on the financial position of the Company:

On **09th May 2025**, the Company completed the acquisition of **Teesta Spintex Private Limited**, which has now become a **wholly owned subsidiary** of Shanti Spintex Limited. This strategic move represents a significant step in **forward integration**, enabling the Company to consolidate its operations, enhance control and improve overall value chain efficiency.

This acquisition is expected to contribute positively to the Company's operations and financial performance in the upcoming financial years.

Except for the above, there have been no other material changes or commitments affecting the financial position of the Company between the end of the financial year and the date of this Report.

DETAILS OF THE ASSOCIATES/ JOINT VENTURE / SUBSIDIARIES COMAPANIES:

During the financial year **2024-25**, the Company did **not have any associate companies, joint ventures, or subsidiaries** within the meaning of the Companies Act, 2013.

However, subsequent to the close of the financial year, the Company has acquired **Teesta Spintex Private Limited** on **09th May 2025**, making it a **wholly owned subsidiary** of Shanti Spintex Limited. Necessary disclosures in this regard have been made under the relevant section of this Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF COMPANIES ACT, 2013:

The details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the note to the financial statements.

REPORTING OF FRAUD:

During the year under review, the Statutory Auditors and Secretarial Auditors have not reported any instances of fraud committed by the Company's officers or employees to the Audit Committee under Section 143(12) of the Act, as required for disclosure in this report.

EXTRACT OF ANNUAL RETURN:

Pursuant to the provisions of **Section 92(3)** and **Section 134(3)(a)** of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the **Annual Return** of the Company for the financial year ended **31st March 2025** is available on the Company's website.

SIGNIFICANT AND MATERIAL ORDERS:

There are no significant and material orders passed by any regulator or court or tribunal impacting the going concern status and your Company's operations in future.

BOARD EVALUATION:

As part of its commitment to excellence in corporate governance, **Shanti Spintex Limited** has implemented a structured and comprehensive evaluation process for the **Board of Directors**, its **Committees**, and individual **Directors**.

This evaluation is conducted **annually** to ensure that the Board and its Committees are functioning **effectively, efficiently**, and in alignment with the Company's **strategic objectives** and **governance best practices**.

The evaluation process covers various parameters including the composition of the Board, participation of Directors, decision-making processes, adherence to compliance requirements, and overall contribution toward the growth and sustainability of the Company.

The outcome of the evaluation reflected a high level of satisfaction with the performance of the Board, its committees, and individual Directors.

COMPLIANCE WITH APPLICABLE LAWS:

The Company has complied with all the applicable provisions of the **Companies Act, 2013** and the rules made thereunder, as well as the regulations, circulars, and guidelines issued by the **Securities and Exchange Board of India (SEBI)**, including the **SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**, as amended from time to time.

The Board of Directors affirms that Shanti Spintex Limited is committed to maintaining the highest standards of **corporate governance and regulatory compliance**.

CORPORATE GOVERNANCE:

In compliance with Regulations 17 to 22 and Regulation 34 of the Listing Regulations, a separate report on Corporate Governance, is annexed as "**Annexure-A**" to this report.

MEETINGS OF THE BOARD

The **Board of Directors** met **7 (Seven) times** during the financial year under review. The details of the Board meetings, including dates and attendance of the Directors, are provided in the **Corporate Governance Report**, which is annexed as **Annexure – A** and forms an integral part of this Report.

The **interval between two consecutive meetings** was within the limits prescribed under the **Companies Act, 2013** and the **SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**.

MEETING OF INDEPENDENT DIRECTORS:

In accordance with the provisions of **Schedule IV** to the Companies Act, 2013 and Regulation 25(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a **separate meeting of the Independent Directors** of the Company was held on **25th March, 2025**, without the presence of Non-Independent Directors and members of management.

At the said meeting, the Independent Directors:

- Reviewed the performance of the Non-Independent Directors and the Board as a whole;
- Reviewed the performance of the Chairperson of the Company

The Independent Directors expressed satisfaction with the overall functioning and performance of the Board and its Committees.

BUSINESS RESPONSIBILITY REPORT:

The provisions relating to the submission of a **Business Responsibility and Sustainability Report (BRSR)** under Regulation 34(2)(f) of the **SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015** are **not applicable** to the Company, as it is listed on the **BSE SME Platform**.

Hence, the Company has not prepared or annexed a Business Responsibility Report for the financial year ended **31st March 2025**.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Pursuant to **Regulation 34(2)(e)** of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the **Management Discussion and Analysis Report** for the year under review forms an integral part of the Annual Report and is annexed hereto as “**Annexure – B**”.

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

In accordance with the provisions of **Section 134(3)(m)** of the Companies Act, 2013 read with **Rule 8 of the Companies (Accounts) Rules, 2014**, the information relating to **conservation of energy, technology absorption, research and development, and foreign exchange earnings and outgo** is provided in “**Annexure – C**”, to this **Director’s Report**.

SAFETY, HEALTH, AND ENVIRONMENTAL RESPONSIBILITY:

At Shanti Spintex, safety, occupational health, and environmental responsibility are central to our operations. We prioritize zero harm to employees and the community through continuous training and safety initiatives. Our operations comply with environmental regulations and focus on preserving natural resources.

We have obtained all necessary approvals from relevant government authorities, demonstrating our commitment to high safety and environmental standards.

INSURANCE:

All assets of the company including inventories, building, plant and machineries are adequately insured.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

Shanti Spintex is dedicated to maintaining a safe and harassment-free workplace. In compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, we have implemented a policy to prevent and address sexual harassment. This policy covers all employees, including permanent, contractual, temporary, and trainees. This policy is accessible on our website at www.shantispintex.com.

No complaints of sexual harassment were received during the Financial Year 2024-25.

NOMINATION AND REMUNERATION POLICY:

In compliance with the provisions of Section 178 of the Act, The Nomination and Remuneration Policy as approved by the Board of Directors has been uploaded on the website of the Company www.shantispintex.com.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

The Company has in place a dedicated Corporate Social Responsibility (CSR) Policy, formulated in accordance with the provisions of Section 135 of the Companies Act, 2013 and the rules made thereunder. The CSR Policy is available on the Company's website at www.shantispintex.com.

Details of the CSR initiatives undertaken during the financial year, including the prescribed CSR obligation, amount spent, and ongoing projects, are provided in "**Annexure – D**" of this Board Report.

Further, information regarding the composition of the CSR Committee, number and dates of meetings held, and attendance of members is included in the Corporate Governance Report, annexed as **Annexure – A**.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of **Section 134(5)** of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and belief, confirm that:

- a) In the preparation of the annual accounts for the financial year ended **31st March 2025**, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- 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 this 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 on a going concern basis;
- e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All contracts or arrangements entered into by the Company with related parties during the financial year were in the **ordinary course of business** and **at arm's length basis**, in compliance with the provisions of **Section 188 of the Companies Act, 2013** and the rules made thereunder, as well as applicable regulations of the **SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**.

There were **no material related party transactions** entered into by the Company during the year under review. The requisite disclosure in **Form AOC-2**, pursuant to **Section 134(3)(h)** of the Companies Act, 2013 and **Rule 8(2)** of the Companies (Accounts) Rules, 2014, is annexed to this Report as "**Annexure – E**".

Details of related party transactions as per the applicable Accounting Standards are provided in the notes to the standalone financial statements.

The Company's policy on related party transactions is available on its website at www.shantispintex.com

PARTICULARS OF EMPLOYEES

A statement containing the names and other particulars of employees in accordance with the provisions of section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as "**Annexure-F**" to this report.

During FY 2024-25, no employee has received remuneration in excess of the limits set out in rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

AUDITORS AND AUDITORS' REPORT:

Statutory Auditor

Pursuant to the provisions of Sections 139, 142 and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder, the Members of the Company at the 15th Annual General Meeting have approved the re-appointment of M/s. Anil Shah & Co., Chartered Accountants (Firm Registration No. 100474W), as the Statutory Auditors of the Company, to hold office from the conclusion of the said Annual General Meeting until the conclusion of the Annual General Meeting to be held for the financial year ending March 31, 2029, thereby completing a period of five years from the date of Company's listing on BSE SME platform (i.e., December 27, 2023).

The Statutory Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company in terms of the provisions of the Companies Act, 2013 and rules made thereunder. The Board, in consultation with the Statutory Auditors, shall determine their remuneration from time to time.

The Audit Report issued by the Statutory Auditors for the financial year ended 31st March 2025 does not contain any qualifications, reservations, adverse remarks, or disclaimers. The notes to the financial statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with rules made thereunder, the Board of Directors has appointed **M/s HDS & Associates.**, Practicing Company Secretaries, as Secretarial Auditor to conduct Secretarial Audit of the Company for the Financial Year **2024-25**. The report submitted by the Secretarial Auditor in **Form MR-3** is attached to this report as "**Annexure-G**".

The observations made in the report, if any, are self-explanatory and do not call for further comments from the Board.

Further, based on the recommendation of the Audit Committee, the members have approved their appointment for a period of five years (FY 2025-26 to 2029-30) at the 15th Annual General Meeting.

Cost Auditor

In accordance with the provisions of **Section 148** of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014, the Board of Directors, at its meeting, appointed **M/s. Mayur Chhaganbhai Undhad & Co., Cost Accountants**, Ahmedabad, as the **Cost Auditor** of the Company for the financial year **2024-25**, to conduct the audit of cost records maintained by the Company.

The Cost Audit Report for the previous financial year does not contain any audit qualifications, reservations, adverse remarks, or disclaimers.

Internal Auditor

In accordance with the provisions of Section 138 of the act and rules made thereunder, the Board of Directors of the Company have appointed **M/s Kunal Agrawal & Associates.**, Chartered Accountants (Firm Reg. No. 132720W) as the Internal Auditor to conduct the Internal Audit of the Company for the **F.Y. 2024-25**.

The Internal Auditor conducts a comprehensive review of the Company's internal control systems and processes. The observations made in the internal audit report, if any, are self-explanatory and do not require any further comments from the Board.

INTERNAL FINANCIAL CONTROL SYSTEM:

The Company maintains a robust and effective internal financial control system, ensuring the safeguarding and protection of all assets, as well as the accurate authorization, recording, and reporting of transactions. The internal audit encompasses a broad range of operational aspects and verifies compliance with specific standards pertaining to the availability and appropriateness of policies and procedures.

It is noteworthy that in the past year, no significant weaknesses in the design or operation of this system were identified or reported

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Companies Act of 2013 underscores the importance of establishing an efficient internal financial control system within the company. Additionally, Rule 8(5)(viii) of the Companies (Accounts) Rules, 2014 mandates the disclosure of information concerning the adequacy of internal financial controls in relation to the financial statements within the Board's report. This comprehensive report is an integral component of the Independent Auditor's Report.

CODE OF CONDUCT

The Board of Directors of the Company has laid down a Code of Conduct for all the Board Members and Senior Management Personnel of the Company. The Board Members and the Senior Management personnel have affirmed compliance with the code for the year 2024-25.

The said Code of Conduct has been posted on the website of the Company at www.shantispintex.com.

A declaration to this effect is annexed to the Corporate Governance Report, which forms part of this Annual Report.

PREVENTION OF INSIDER TRADING

Pursuant to the provisions of SEBI (Prohibition of Insider Trading) Regulation, 2015 the Board has formulated and implemented a Code of Conduct to regulate, monitor and report trading by its employees and other connected persons and Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information.

The updated "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" has been uploaded on the Company's website at www.shantispintex.com.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has framed a Whistle Blower Policy to deal with instances of fraud and mismanagement, if any.

The said policy has been disseminated within the organization and has also been uploaded on the Company's website at www.shantispintex.com.

RISK MANAGEMENT POLICY:

At Shanti Spintex Limited, risk management is an integral part of our operational and strategic planning processes. The Company has in place a comprehensive Risk Management Policy that provides a structured and proactive approach to identifying, assessing, monitoring, and mitigating various risks that could potentially impact the achievement of business objectives. The risk management framework is designed to address both internal and external risks, including operational, financial, regulatory and environmental risks. Key risks are continuously reviewed and integrated into the Company's decision-making process to ensure informed and balanced actions.

Regular assessments and updates of the risk management systems are carried out to remain aligned with dynamic business environments and changing regulatory landscapes. This approach ensures the long-term sustainability of the business and the protection of stakeholders' interests.

TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

During the year under review, no amount was due for transfer to IEPF in accordance with Section 125 of the Companies Act, 2013.

CAUTIONARY STATEMENT:

Statements in this Report, including those relating to the Company's objectives, projections, estimates, expectations, or predictions, may constitute **"forward-looking statements"** within the meaning of applicable laws and regulations. These statements are based on certain assumptions and expectations of future events.

Actual results, performance, or achievements could differ materially from those expressed or implied due to various risks and uncertainties, including but not limited to changes in market conditions, government policies, economic developments, and other incidental factors.

The Company assumes no responsibility to publicly amend, modify, or revise any forward-looking statements based on subsequent developments, information, or events, except as required by applicable laws.

APPRECIATION

Our directors extend their heartfelt gratitude to all employees at every level for their unwavering hard work, dedication, and commitment. They sincerely thank and appreciate the continued contributions, support, and cooperation of all employees, which greatly enhance the company's operations and performance.

ACKNOWLEDGEMENT:

Our directors wish to convey their heartfelt appreciation for the cooperation and assistance extended by Shareholders, Bankers, regulatory bodies, and other vital business partners throughout the year under review.

Furthermore, our directors want to acknowledge and express their deep sense of gratitude for the unwavering commitment exhibited by all executives, officers, and staff, which played a pivotal role in the Company's successful performance during the year.

By Order of the Board of Directors

Date: 28.08.2025
Place: Ahmedabad

SD/-
BHARATBHUSAN O AGARWAL
Whole Time Director & CFO
(DIN 00302785)

SD/-
RIKIN B AGARWAL
Managing Director
(DIN 02435645)

CORPORATE GOVERNANCE REPORT



NOMINATION AND
REMUNERATION COMMITTEE



AUDIT
COMMITTEE



BOARD OF
DIRECTORS



STAKEHOLDERS
RELATIONSHIP COMMITTEE



CORPORATE SOCIAL
RESPONSIBILITY
(CSR) COMMITTEE

CORPORATE GOVERNANCE REPORT:

In compliance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), this report presents an overview of the corporate governance practices followed by Shanti Spintex Limited ("the Company") during the financial year ended March 31, 2025.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Shanti Spintex Limited firmly believes that good Corporate Governance is essential for long-term business success and value creation for stakeholders.

1. Integrity, Transparency, and Compliance:

At Shanti Spintex Limited, we uphold the highest standards of integrity and transparency in all our operations. We are fully committed to complying with all applicable laws, regulations, and industry standards, ensuring that our actions reflect ethical responsibility and sound judgment.



2. Governance as a Pillar of Accountability and Fairness:

We believe that robust and effective corporate governance is the foundation of a responsible and well-managed organization. It drives accountability, promotes fairness, and enhances transparency in decision-making processes across all levels of the Company.



3. Stakeholder-Centric Governance:

Good governance is not just a regulatory requirement but a strategic enabler. By aligning the interests of shareholders, employees, customers, and society at large, we aim to foster trust, reinforce investor confidence, and build sustainable stakeholder relationships.



4. Voluntary Adoption of Best Practices:

Even though the formal provisions of corporate governance under SEBI (LODR) Regulations, 2015 are **not applicable** to SME-listed companies, we have voluntarily adopted key governance practices as part of our long-term commitment to excellence, ethical conduct, and responsible leadership.



5. Ethical Culture and Leadership:

Our Board and senior management are dedicated to nurturing a culture where ethical behaviour, openness, and accountability are ingrained in our corporate values. We believe that responsible governance leads to enhanced reputation, better risk management, and long-term value creation.

Summary Flow:

Integrity & Compliance → Governance Framework → Stakeholder Focus → Best Practices → Ethical Culture → Positive Outcomes

This framework demonstrates Shanti Spintex Limited's commitment to excellence in corporate governance, creating value for all stakeholders through ethical leadership and responsible business practices.

BOARD OF DIRECTORS:

Composition and Category of Directors:

As on March 31, 2025, the Board of Directors of the Company comprises a balanced mix of **Executive, Non-Executive, and Independent Directors**, ensuring effective governance and decision-making. The composition of the Board complies with the principles of **Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Section 149 of the Companies Act, 2013**, reflecting an optimal blend of **executive leadership, independent oversight, and diverse professional expertise**.

Name of Director	Category	DIN	Date of Appointment	Shareholding in the Company
Mr. Bharatbhushan O. Agarwal	Executive; Non-Independent	00302785	20.08.2014	3033800
Mr. Rikin B. Agarwal	Executive; Non-Independent	02435645	20.08.2014	3028400
Ms. Kruti Vyas	Independent Non-Executive	10299486	31.08.2023	NIL
Mrs. Monika G. Gupta	Independent Non-Executive	07224521	22.06.2024	NIL
Mrs. Urmila B. Agarwal	Non-Executive Non-Independent Director	01909441	03.01.2025	1037800

Compliance with Regulation 17A and Regulation 26 of SEBI Listing Regulations:

In compliance with Regulation 17A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), none of the Directors of the Company serves as an Independent Director in more than seven listed entities.

Further, in accordance with Regulation 26 of the Listing Regulations, none of the Directors on the Board is a member in more than ten committees or acts as Chairperson of more than five committees across all listed entities in which they hold directorships.

Familiarization Program for Directors:

On appointment of an individual as Director of the company they are explained the role, function, duties and responsibilities and in addition to the above, the company also conducts Familiarization Program at least once in the year. The details of the familiarization program for Independent Directors are available on the Company's website www.shantispintex.com.

Details of Non-Executive Directors' Shareholding, Convertible Instruments, and Compensation:

During the financial year, apart from sitting fees paid for attending Board and Committee meetings, no other remuneration or commission was paid to the Non-Executive Directors.

As on March 31, 2025:

- **Ms. Kruti Vyas**, Independent Non-Executive Director (DIN: 10299486), appointed on August 31, 2023, does **not hold any equity shares or convertible instruments** in the Company.
- **Mrs. Monika G. Gupta**, Independent Non-Executive Director (DIN: 07224521), appointed on June 22, 2024, does **not hold any equity shares or convertible instruments** in the Company.
- **Mrs. Urmila B. Agarwal**, Non-Executive Non-Independent Director (DIN: 01909441), appointed on January 3, 2025, holds **10,37,800 equity shares** in the Company and does **not hold any convertible instruments**.

Disclosure of Relationships Between Directors Inter-se:

As per the disclosures received from the Directors, the relationships between the Directors inter-se are as follows:

Name of Director	Related Director(s)	Relationship
Mr. Bharatbhushan O. Agarwal	<ul style="list-style-type: none">Mrs. Urmila B. AgarwalMr. Rikin B. Agarwal	Spouse Father
Mrs. Urmila B. Agarwal	<ul style="list-style-type: none">Mr. Bharatbhushan O. AgarwalMr. Rikin B. Agarwal	Spouse Mother
Mr. Rikin B. Agarwal	<ul style="list-style-type: none">Mr. Bharatbhushan O. AgarwalMrs. Urmila B. Agarwal	Son

Except as stated above, none of the other Directors are related to each other within the meaning of Section 2(77) of the Companies Act, 2013.

Meetings and Attendance:

During the financial year **2024–25**, the **Board of Directors met 7 times**. The gap between any two consecutive meetings was within the limits prescribed under the **Companies Act, 2013** and the **SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**.

The attendance of the Directors at these Board Meetings and at the last Annual General Meeting (AGM) is as follows:

Date Of Board Meetings	Bharat Bhushan Agarwal	Rikin Agarwal	Monika Gupta	Kruti Vyas	Bhavik Talati	Urmila Agarwal
13.05.2024	Present	Present	Present	Present	Present	-
22.06.2024	Present	Present	Present	Present	Present	-
12.08.2024	Present	Present	Present	Present	Present	-
04.10.2024	Present	Present	Absent	Present	Absent	-
14.11.2024	Present	Present	Present	Present	Present	-
03.01.2025	Present	Present	Present	Present	Resigned	Present
25.03.2025	Present	Present	Present	Present	Resigned	Present
Total No. of Board Meetings Attended	7	7	6	7	4	2
Attendance at the last AGM held on 09.09.2024	Present	Present	Present	Present	Present	-

Director

Attendance

Bharat Bhushan Agarwal



Rikin Agarwal



Monika Gupta



Kruti Vyas



Bhavik Talati



Urmila Agarwal



Board Composition and Directorships as on 31st March, 2025:

The details of each member of the Board along with the number of **Directorships**, **Committee Memberships**, and **Chairmanships (Audit/Stakeholder Committee)** held in other listed companies (including Shanti Spintex Limited) as on **31st March, 2025**, are as follows:

Name of Director	Category	No. of Directorships in listed entities*	Number of Independent Directorship in Listed Entities	Committee Memberships in listed entities**	Committee Chairmanship in listed entities**
Mr. Bharatbhushan O. Agarwal	Chairman, WTD & CFO	1	0	1	0
Mr. Rikin B. Agarwal	Managing Director	1	0	0	0
Ms. Kruti Vyas	Independent Director	0	1	1	1
Mrs. Monika G. Gupta	Independent Director	0	2	2	1
Mr. Bhavik Talati	Non-Executive Director (till 01.01.2025)	1	0	1	0
Mrs. Urmila B. Agarwal	Non-Executive Director (from 03.01.2025)	1	0	1	0

Notes: * Excludes directorships in private companies, foreign companies, and Section 8 companies
 ** Includes only Audit Committee and Stakeholders' Relationship Committee as per Regulation 26 of SEBI (LODR) Regulations, 2015.

Pursuant to the amendments through SEBI (LODR) (Amendment) (Regulations), 2018 in Schedule V; the names of other listed entities where Directors of the Company are Directors along with the category of Directorship as at 31st March, 2025 are appended separately below:

Name of Director	Name of listed entities in which the concerned Director is a director	Category of Directorship in the listed companies
Monika G. Gupta	Metroglobal Limited	Non-Executive Women Independent Director

INDEPENDENT DIRECTORS:

The Board of Directors has affirmed that, in its opinion, the **Independent Directors** of the Company meet the criteria of independence as prescribed under the **SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015** and are independent of the management.

In accordance with the provisions of Schedule IV of the Companies Act, 2013 and Regulation 25 of the SEBI (LODR) Regulations, 2015, a **separate meeting of the Independent Directors** was held on **25th March, 2025**, without the presence of Non-Independent Directors and members of the management.

KEY SKILLS, EXPERTISE AND ATTRIBUTES OF THE BOARD:

In accordance with the provisions of **Schedule V(C)(2)(h)** of the **SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**, the Board of Directors has identified a set of core skills, expertise, and competencies that are essential for the effective functioning of the Board, keeping in view the nature of the Company's business, its strategic priorities, and sectoral environment.

These identified skills and attributes collectively enable the Board to provide effective oversight and strategic guidance to the management.


Board Skill Matrix as on 31st March, 2025:

SKILLS	MR. BHARAT BHUSHAN AGARWAL	MR. RIKIN AGARWAL	MS. MONIKA GUPTA	MS. KRUTI VYAS	MRS. URMILA AGARWAL
Industry Knowledge					
Strategic Planning					
Finance & Accounting					
Risk Management					
Corporate Governance					
Legal & Regulatory					
CSR & ESG					
Leadership & HR					

COMMITTEES OF THE BOARD:

The Board's committees are formed with an ideal mix of Board members, adhering to the relevant provisions of the Act and Listing Regulations. These committees meet regularly and take the required actions to fulfill the responsibilities assigned by the Board, based on the evolving needs of the business.

The Board has constituted 4 (Four) Committees as mentioned below:

 <p>Audit Committee</p> <p>Oversees financial reporting, internal controls, and audit processes to ensure transparency and compliance</p>	 <p>Stakeholder and Relationship Committee</p> <p>Manages relationships with investors, shareholders, and other stakeholders to ensure effective communication</p>
 <p>Nomination and Remuneration Committee</p> <p>Handles board appointments, succession planning, and compensation policies for directors and executives</p>	 <p>Corporate Social Responsibility Committee</p> <p>Focuses on CSR initiatives, sustainability practices, and community development programs</p>

Audit Committee:

The Audit Committee of the Board is constituted in accordance with the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations, The Committee members have requisite knowledge in the fields of Finance, Accounts and Company Law. During the financial year under review, The Audit Committee met **Four (4)** times.

Composition, Meetings and Attendance:

Member	Designation	Category	Date of Appointment	13.05.2024	22.06.2024	12.08.2024	14.11.2024
Sejal Agrawal (till 14.06.2024)	Chairperson	Independent Director	13.09.2023	Present	Resigned	Resigned	Resigned
Monika G. Gupta	Chairperson	Independent Director	22.06.2024	–	Present	Present	Present
Kruti Vyas	Member	Independent Director	13.09.2023	Present	Present	Present	Present
Bharatbhushan O. Agarwal	Member	Whole-Time Director	13.09.2023	Present	Present	Present	Present

Nomination and Remuneration Committee:

The Nomination and Remuneration Committee of the Board is constituted in accordance with Section 178 of the Act and Regulation 19 of the Listing Regulations. Further the Committee comprises of Non-Executive Directors of which two-third of them are independent. During the financial year under review, The Audit Committee met **Three (3)** times.

The Nomination and Remuneration Policy is available at www.shantispintex.com.

Composition, Meetings and Attendance:

Name of Member	Designation	Category	Date of Appointment	22.06.2024	12.08.2024	03.01.2025
Kruti Vyas	Chairperson	Independent Director	13.09.2023	Present	Present	Present
Monika Gupta	Member	Independent Director	22.06.2024	Present	Present	Present
Bhavik Talati (till 01.01.2025)	Member	Non-Executive Director	13.09.2023	Present	Present	Resigned
Urmila Agarwal (from 03.01.2025)	Member	Non-Executive Director	03.01.2025	-	-	Present

Corporate Social Responsibility (CSR) Committee:

The **Corporate Social Responsibility (CSR) Committee** of the Company has been constituted in compliance with the provisions of **Section 135 of the Companies Act, 2013** and the rules made thereunder. The Committee oversees the formulation of the CSR Policy, identifies key focus areas, and monitors the implementation of CSR projects in line with statutory requirements. The policy on Corporate and Social Responsibility (CSR) is available at www.shantispintex.com. Committee composition and attendance are as follows:

Name of Member		Designation	Category	Date of Appointment	13.05.2024
Bharatbhushan Agarwal	O.	Chairperson	Whole-Time Director	13.09.2023	Present
Rikin B. Agarwal		Member	Managing Director	13.09.2023	Present
Kruti Vyas		Member	Independent Director	13.09.2023	Present

Stakeholders Relationship Committee:

The **Stakeholders Relationship Committee** has been constituted in accordance with the provisions of **Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015** and **Section 178 of the Companies Act, 2013**.

The Committee comprises **three Directors**, of which **two are Non-Executive Independent Directors**. The **Chairperson of the Committee is an Independent Director**, ensuring independent oversight and effective resolution of stakeholder grievances.

Composition, Meetings and Attendance:

Member	Designation	Category	Date of Appointment	13.05.2024	22.06.2024	14.11.2024	03.01.2025
Kruti Vyas	Chairperson	Independent Director	13.09.2023	Present	Present	Present	Present
Sejal Agrawal (till 14.06.2024)	Member	Independent Director	13.09.2023	Present	Resigned	Resigned	Resigned
Monika Gupta	Member	Independent Director	22.06.2024	-	Present	Present	Present
Bhavik Talati (till 01.01.2025)	Member	Non-Executive Director	13.09.2023	Present	Present	Present	Resigned
Urmila Agarwal (from 03.01.2025)	Member	Non-Executive Director	03.01.2025	-	-	-	Present

REMUNERATION OF DIRECTORS:

Below are the details of remuneration to Directors of the Company for the F.Y. 2024-2025:

(in Lacs)			
Name of Director	Salary	Sitting Fees	Other Payments
Bharatbhusan O. Agarwal	-	-	-
Rikin B. Agarwal	12.00	-	-
Kruti Vyas	-	1.00	-
Bhavik Talati	-	-	4.48
Sejal Agrawal	-	0.12	-
Monika G. Gupta	-	0.38	-
Note: Independent Directors are paid only sitting fees. No commission, bonus, or stock options were granted to any Director during the year.			

Director Remuneration Analysis 2024-25:

Total Remuneration

₹17.98 Lakhs

Highest Paid

₹12.00 Lakhs

Rikin B. Agarwal

Active Directors

6

Including resignations

Detailed Remuneration Breakdown



RECONCILIATION OF SHARE CAPITAL AUDIT:

In compliance with **Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018**, a **Reconciliation of Share Capital Audit Report** is obtained from a Practicing Company Secretary on a quarterly basis. The report confirms that the **total issued, listed, and admitted capital** of the Company is in agreement with the aggregate of the total number of shares held in **dematerialised form with NSDL and CDSL** and in **physical form**.

For the financial year ended **31st March, 2025**, no discrepancies were observed in the capital reconciliation, and all shares of the Company are in agreement with the data maintained by the depositories and the Registrar and Share Transfer Agent.

MEANS OF COMMUNICATION:

The Company maintains effective and timely communication with its stakeholders through multiple channels, ensuring transparency and compliance with applicable regulatory requirements. Key modes of communication include:

Stock Exchange Intimations:

All material information, including financial results, disclosures under the SEBI (LODR) Regulations, and other statutory filings, are promptly submitted to **BSE Limited (SME Platform)** via the **BSE Listing Centre**.

Company Website:

The Company's official website www.shantispintex.com serves as a central source of information, where shareholders and the public can access quarterly, half-yearly and annual financial statements, policies, annual reports, corporate governance disclosures, and other updates.

Financial Results:

The financial results are submitted to the stock exchange and made available on the Company's website. In line with SME platform requirements, these are not published in newspapers.

Annual Report:

The Annual Report, comprising the Board's Report, financial statements, corporate governance report, and other statutory disclosures, is circulated to shareholders in electronic form and also hosted on the website.

Investor Queries:

A designated investor grievance email ID (**info@shantispintex.com**) is actively monitored for addressing shareholder queries and concerns.

SEBI Complaints Redress System (SCORES):

The Company is registered on **SCORES**, a centralized web-based complaint redressal system provided by SEBI. Shareholders can lodge their complaints electronically through www.scores.gov.in, and the Company ensures prompt resolution in accordance with regulatory timelines.

The Company remains committed to fostering investor confidence through transparent, timely, and accessible communication channels.

COMPANY SECRETARY AND COMPLIANCE OFFICER:

Ms. Mohini Singhal is the **Company Secretary and Compliance Officer** of the Company, appointed with effect from **August 2, 2023**, in compliance with the provisions of the Companies Act, 2013 and **Regulation 6 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**.

She is responsible for ensuring adherence to corporate governance standards, statutory compliances, stock exchange disclosures, and effective investor grievance redressal. She also acts as the designated Compliance Officer for handling all correspondences with regulatory authorities.

INFORMATION ON GENERAL BODY MEETINGS:

Details of the Last Three Annual General Meetings (AGMs):

AGM	Date of AGM	Time	Venue / Mode	Special Resolutions Passed
14 th AGM	09.09.2024	2:30 P.M	Conducted through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	No
13 th AGM	30.09.2023	4:00 P.M	Registered office	No
12 th AGM	30.09.2022	5:30 P.M	Registered office	No

Note: The meetings were conducted in compliance with the provisions of the Companies Act, 2013 and applicable MCA circulars, as required.

Extra-Ordinary General Meeting (EGM):

No Extra-Ordinary General Meeting was held during the financial year under review.

POSTAL BALLOT:

During the year under review, no resolution was passed through postal ballot. Further, currently, no resolution is proposed to be passed through postal ballot.

POLICY ON RELATED PARTY TRANSACTIONS:

The Company has formulated a **Policy on Related Party Transactions (RPTs)** in line with the provisions of the **Companies Act, 2013** and **Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**.

The policy provides a framework for identification, approval, and reporting of transactions with related parties to ensure transparency and compliance. All Related Party Transactions are entered into in the ordinary course of business and on an arm’s length basis.

The Audit Committee reviews and approves all Related Party Transactions, and the Board takes note of the same. Where necessary, such transactions are also placed before the shareholders for approval, as per the applicable laws.

The Policy on Related Party Transactions is available on the Company’s website at www.shantisintex.com.

DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

DETAIL	INFORMATION
Number of complaints filed during the Financial Year	NIL
Number of complaints disposed of during the Financial Year	NIL
Number of complaints pending as on end of the Financial Year	NIL

GENERAL SHAREHOLDERS INFORMATION:

Annual General Meeting (AGM):

DETAILS	INFORMATION
Day and Date	Wednesday, 24 th September, 2025
Time	4:00 P.M
Mode	Through Video Conferencing (VC) / Other Audio Visual Means (OAVM)

*Note: *For further details please refer to the Notice of the AGM.*

Financial Year:

The Financial Year of the Company is for a period of 12 months commencing from **1st April and ending on 31st March**.

Dividend Payment Date:

The Board of Directors has not recommended any final dividend for the Financial Year 2024–25.

Listing Status:

The Equity Shares of the Company are listed on the **SME Platform of BSE Limited** with effect from **27th December, 2023**.

Payment of Listing Fees:

The Annual Listing Fees for the Financial Year 2024–25 has been duly paid to BSE Limited.

Payment of Depository Fees:

The Annual Custody/Issuer Fees for the Financial Year 2024–25 have been paid to both **National Securities Depository Limited (NSDL)** and **Central Depository Services (India) Limited (CDSL)**.

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

Disclosure of commodity price risks and commodity hedging activities: NIL

Policy on “Material” Subsidiary:

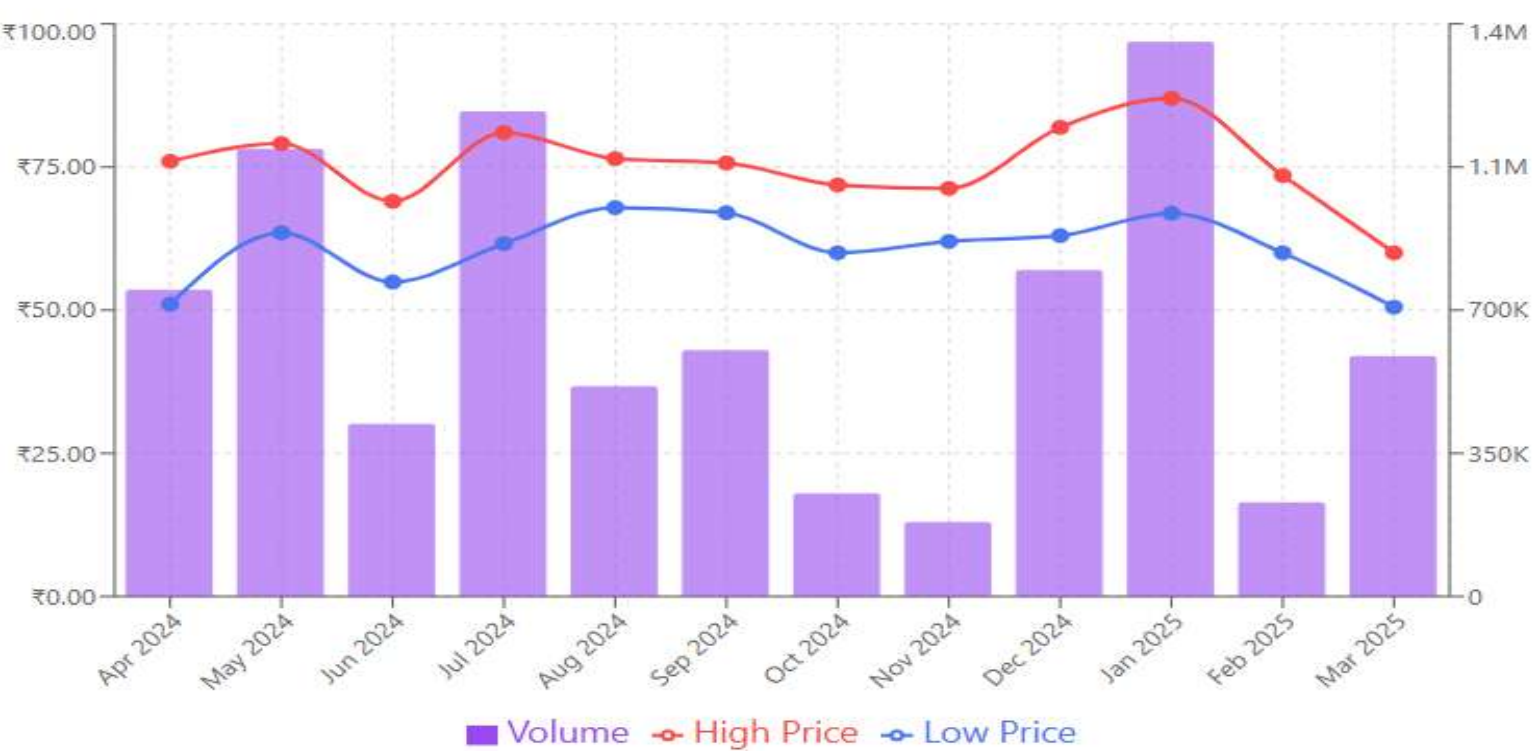
The Company has Board approved policy on determining Material Subsidiary which can be accessed on the website of the Company www.shantispintex.com.

Market Price Data:

The monthly high and low market prices and trading volumes of the Company’s equity shares on BSE (SME Platform) during the Financial Year 2024–25 is as under:

MONTH	HIGH PRICE (₹)	LOW PRICE (₹)	VOLUME
April 2024	75.98	51.00	7,50,000
May 2024	79.10	63.50	10,94,000
June 2024	69.00	54.90	4,22,000
July 2024	81.00	61.61	11,86,000
August 2024	76.45	67.90	5,14,000
September 2024	75.69	67.00	6,02,000
October 2024	71.85	60.00	2,52,000
November 2024	71.25	62.00	1,82,000
December 2024	81.90	63.00	7,98,000
January 2025	86.99	66.90	13,56,000
February 2025	73.50	60.00	2,30,000
March 2025	60.00	50.51	5,88,000

Note: The above prices are based on data available from BSE and reflect monthly trading activity during the year.



Distribution of Shareholding:

The distribution of shareholding of the Company as on **March 31, 2025** is as under:

Share's Range	No. of Shareholders	Total Shares	% Of issued Capital
10001- 20000	602	1204000	7.13
30001- 40000	114	456000	2.70
50001- 100000	74	570000	3.37
100001& Above	51	14658000	86.79
TOTAL	841	16888000	100

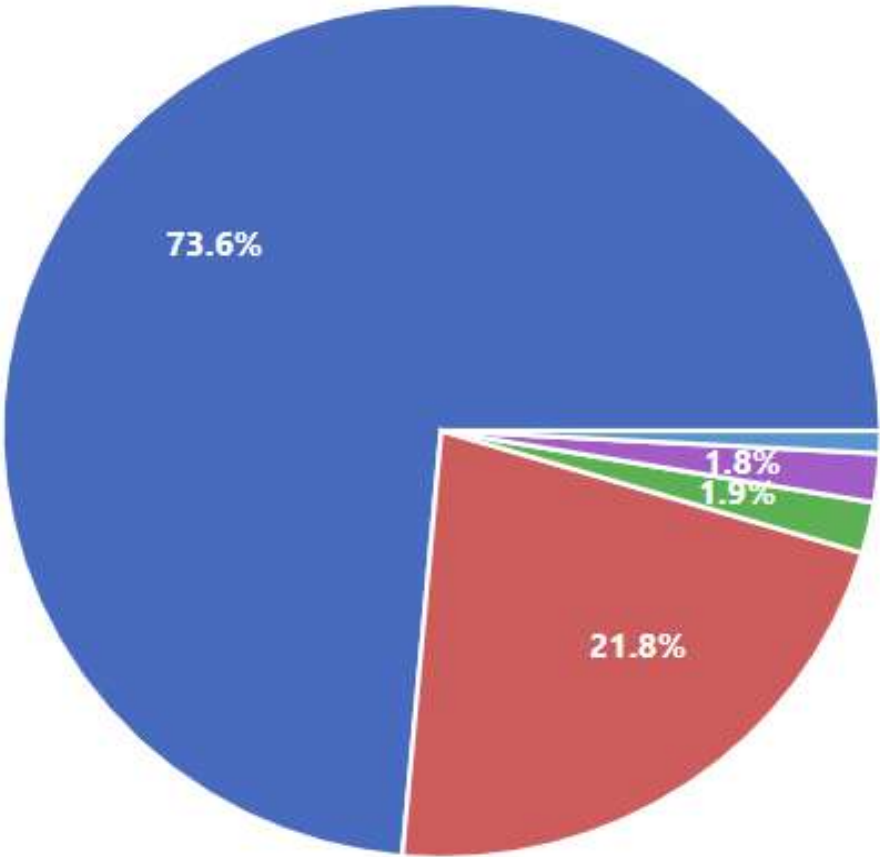
***Note:** The Company has only one class of equity shares. The above distribution is based on data provided by the Registrar and Share Transfer Agent as on March 31, 2025.*

Category-wise Shareholding:

The category-wise shareholding of the Company as on **March 31, 2025** is given below:

S.R No.	Category of Shareholders	No. of Shareholders	Total Shares	% of issued Capital
1.	Promoters	2	6062200	35.90
2.	Promoter Group	3	6361800	37.66
3.	Alternative Investment Fund	1	100000	0.59
4.	Financial Institutions	1	10000	0.06
5.	Resident Individuals	748	3682000	21.80
6.	Non-Resident Indians	5	20000	0.12
7.	Non-Resident Indian Non Repatriable	5	16000	0.09
8.	Bodies Corporates	21	326000	1.93
9.	H U F	55	310000	1.84
TOTAL		841	1,68,88,000	100.00%

CATEGORY WISE SHAREHOLDING AS ON MARCH 31, 2025:



Shareholding Breakdown

<div></div> Promoter and Promoter Group	73.58% 12.42M shares
<div></div> Resident Individual	21.8% 3.68M shares
<div></div> Bodies Corporate	1.93% 0.33M shares
<div></div> HUF	1.84% 0.31M shares
<div></div> Miscellaneous	0.85% 0.15M shares

Dematerialization of Shares & Liquidity:

As on **March 31, 2025**, **100% of the Company's equity share capital** was held in dematerialized form, ensuring ease of trading and enhanced liquidity for shareholders. The brief position of dematerialized shareholding is as follows:

Description	Shares	% Holding
NSDL	2214000	13.11
CDSL	14674000	86.89
PHYSICAL	-	-
TOTAL	16888000	100

Registrar and Share Transfer Agent:

DETAILS	INFORMATION
Company Name	KFin Technologies Limited
Address	Selenium Tower B, Plot No.31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad
Telephone	+91 40 6716 2222
Website	www.kfintech.com

Share Transfer System:

The entire shareholding of the Company is maintained in **dematerialized form**, and all matters related to share transfers are handled by the Company's Registrar and Share Transfer Agent, **KFin Technologies Limited**.

In compliance with **Regulation 40(9) of the SEBI Listing Regulations**, the Company periodically obtains a certificate from a **Practicing Company Secretary** confirming that share certificates relating to transfers, sub-division, consolidation, etc., have been issued as required. A copy of the said certificate is duly submitted to the Stock Exchange.

Certificate from Company Secretary in Practice:

The Company has obtained a certificate from **M/s HDS & Associates**, Practicing Company Secretaries, confirming that **none of the Directors on the Board of the Company have been debarred or disqualified** from being appointed or continuing as Directors by the **Securities and Exchange Board of India (SEBI)**, the **Ministry of Corporate Affairs (MCA)**, or any other statutory authority.

The said certificate is annexed to this report as **Annexure – 1**.

Whistle Blower Policy and Access to the Audit Committee:

The Company has implemented a **Vigil Mechanism** through its **Whistle Blower Policy** in accordance with **Section 177(9) of the Companies Act, 2013**. This mechanism empowers Directors and employees to report concerns regarding unethical conduct, suspected fraud, or violations of the Company's code of conduct in a secure and confidential manner. It also provides protection against any form of victimization for those who raise such concerns.

No individual has been denied access to the Audit Committee, and there have been **no instances of restriction** on such access during the year.

The Whistle Blower Policy is available on the Company's website: www.shantispintex.com.

Details of Non-Compliance:

During the year under review, **no strictures or penalties** were imposed on the Company by the **Securities and Exchange Board of India (SEBI)** or any other statutory authority in connection with matters relating to the capital markets.

Recommendation of any committee of the board:

The Board has accepted all the recommendations of various committees of the Board during the year under review.

Details of total fees paid to Statutory Auditors:

As required under Regulation 34 read with Part C of the Schedule V of Listing Regulations, the details of total fees paid by the Company to the Statutory Auditors, are mentioned in the notes to the financial statements of the Company.

Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount: NIL

Non-Compliance of Requirements of Corporate Governance Report:

There has been **no non-compliance** with any of the requirements of the **Corporate Governance Report** as specified under the **SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**, read with **Schedule V** of the said Regulations.

Compliance with Corporate Governance Requirements as Specified in Regulation 17 to 27 and Clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the SEBI (LODR) Regulations, 2015:

Although the Company is listed on the **SME Platform of BSE Limited**, and hence the compliance with the provisions of **Regulations 17 to 27 and Clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015** is **not mandatory**, the Company has **voluntarily complied with the majority of these provisions**.

This proactive approach reflects the Company's commitment to maintaining **high standards of Corporate Governance**, transparency, and accountability.

DISCRETIONARY REQUIREMENTS:

(As specified in Part E of Schedule II of SEBI (LODR) Regulations, 2015)

The Board:

The Chairperson of the Company is an Executive Director and does **not maintain a separate office** at the Company's expense.

Shareholders' Rights:

The Company declares its financial results on a **half-yearly basis**, submits them to the Stock Exchange, and also places them on its website. In addition, all significant events and disclosures are made available on the Company's website for the benefit of shareholders.

Modified Opinion(s) in Audit Report:

The Statutory Auditor has issued an **unmodified opinion** on the financial statements of the Company for the financial year ended March 31, 2025.

Reporting of Internal Auditor:

The **Internal Auditors** of the Company report directly to the **Audit Committee** and are invited to attend its meetings to present their observations and findings.

Details of Shares Lying in Suspense Account:

NIL – There are no shares lying in any suspense account as on March 31, 2025.

OTHER CERTIFICATIONS & DECLARATIONS FOR THE FINANCIAL YEAR 2024-25:

Certification by Chief Financial Officer:

(Regulation 17(8) read with Part B of Schedule II of the SEBI Listing Regulations)

A certificate issued by the **Chief Financial Officer** of the Company, confirming the accuracy of the financial statements and adequacy of internal controls, is annexed as **Annexure – 2** to this Corporate Governance Report.

Declaration on Compliance with Code of Conduct:

(Regulation 17 of the SEBI Listing Regulations)

A declaration signed by the **Managing Director** of the Company for the year ended **March 31, 2025**, confirming that all members of the Board of Directors and Senior Management Personnel have affirmed compliance with the '**Code of Conduct for Board Members and Senior Management**', is annexed as **Annexure – 3** to this Report.

Certification on Corporate Governance:

(Schedule V – Para E of the SEBI Listing Regulations)

A certificate issued by the **Secretarial Auditor** of the Company confirming compliance with the conditions of Corporate Governance is annexed as **Annexure – 4** to this Report.

CONCLUSION:

Shanti Spintex Limited remains committed to maintaining the highest standards of corporate governance. The Company firmly believes that robust governance practices are essential to driving long-term value creation and sustaining stakeholder trust.

As the regulatory landscape continues to evolve, the Company will proactively align its governance framework with emerging best practices and global benchmarks, ensuring transparency, accountability, and ethical conduct in all its operations.

By Order of the Board of Directors

Date: 28.08.2025
Place: Ahmedabad

SD/-
BHARATBHUSAN O AGARWAL
Whole Time Director & CFO
(DIN 00302785)

SD/-
RIKIN B AGARWAL
Managing Director
(DIN 02435645)

Heti R. Gandhi (F.C.S, B.Com)
 300, Platinum Plaza, Opp. IOC Petrol Pump,
 Bodakdev, Ahmedabad - 380054
M +91 99095 87835 *E* hetidshah@gmail.com

HDS & Associates
 Company Secretaries 

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members
SHANTI SPINTEX LIMITED
 (Formerly Known as **SHANTI SPINTEX PRIVATE LIMITED**)
 CIN: **L17120GJ2010PLC062084**
 ISIN: **INE0QZQ01019**
 Scrip Code: **544059**
 Stock Exchange: **BSE -SME (Bombay Stock Exchange- Small and Medium Enterprise)**

Registered Office: Sub Plot 1, Unit 1, Survey No. 297, Dholi - Integrated Spinning Park Limited, Dholi, Dholka, Ahmedabad, Gujarat, India-382240

Corporate Office: A-1601, Navratna Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad, Daskroi, Gujarat, India-380058

We, **HDS & Associates**, Practicing Company Secretaries @ Ahmedabad, Gujarat have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **SHANTI SPINTEX LIMITED** (Formerly Known as **SHANTI SPINTEX PRIVATE LIMITED**) having CIN: **L17120GJ2010PLC062084** and having registered office at Sub Plot 1, Unit 1, Survey No. 297, Dholi - Integrated Spinning Park Dholi, Dholka, Ahmedabad, Gujarat, India-382240 (hereinafter referred to as 'the Company'), produced before us for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that **none of the Directors** on the Board of the Company as stated below for the Financial Year ending on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

SR. No.	Name of Director	DIN	Designation	Date of Appointment	Date of Cessation
1.	Bharat Bhushan Omprakash Agarwal	00302785	Whole-time director	20/08/2014	-
2.	Rikin Bharatbhushan Agarwal	02435645	Managing Director	20/08/2014	-
3.	Urmila Bharatbhushan Agarwal	01909441	Additional Non Executive Director	03/01/2025	-

4.	Monika Gaurav Gupta	09376887	Non Executive Independent Director	22/06/2024	-
5.	Kruti Vyas	10299486	Non Executive Independent Director	31/08/2023	-
6.	Bhavik Rameshbhai Talati	10263736	Non Executive Independent Director	31/07/2023	01/01/2025
7.	Sejal R. Agrawal	09376887	Non Executive Independent Director	31/08/2023	14/06/2024

There are changes in the Directorship and the Key Managerial Personnel of the Company since the last Annual General meeting.

Mr. Rikin B. Agarwal (DIN: 02435645), Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

Changes in the Directorship and Key Managerial Personnel of the Company since the Last Annual General Meeting:-

Name of the Directors	Designation	Date of Appointment / Change in Designation	Date of Resignation
Urmila Bharatbhushan Agarwal	Non Executive Additional Director (Appointment)	03/01/2025	-
Bhavik Rameshbhai Talati	Non Executive Director (Resignation)	-	01/01/2025
Monika Gaurav Gupta	Non Executive Independent Director (Change In Designation)	09/09/2024	-
Sejal R. Agrawal	Non Executive Non Independent Director (Resignation)	-	14/06/2024

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company.

Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 23-07-2025
Place: Ahmedabad

For HDS& Associates
(Practicing Company Secretaries)
Cop. No: 17840

Sd/-
CS Heti R. Gandhi
(Proprietor)
M. No. F11884
Pr. No. 1507/2021
UDIN: F011884G000845695

COMPLIANCE CERTIFICATE

(Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Board of Directors

Shanti Spintex Limited

Sub Plot Unit Survey No. 297 Dholi Integrated Spinning Park Limited,

Dholi Dholka Ahmedabad 382240

We, Rikin B. Agarwal, Managing Director and Bharatbhushan O. Agarwal, Chief Financial Officer of **Shanti Spintex Limited** ("the Company"), hereby certify to the Board that:

(a) We have reviewed the financial statements and the cash flow statement for the financial year ended 31.03.2025 and that to the best of our knowledge and belief:

- i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the Auditors and the Audit Committee:

- i. significant changes in internal control over financial reporting during the year;
- ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Shanti Spintex Limited

Date: 09.05.2025
Place: Ahmedabad

SD/-
BHARATBHUSAN O AGARWAL
Whole Time Director & CFO
(DIN 00302785)

SD/-
RIKIN B AGARWAL
Managing Director
(DIN 02435645)

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT
PERSONNEL WITH THE CODE OF CONDUCT**

This is to confirm that the Company has adopted Code of Conduct for its employees including for the Executive and Non-Executive Directors of the Company and Senior Management Personnel. The Code of Conduct and Business Ethics is posted on the Company's website.

I confirm that in respect of the financial year ended March 31, 2025, the Company has received from the Senior Management Team of the Company and the Members of the Board, declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Members of the Management one level below the Executive Directors including all functional heads as on March 31, 2025.

SD/-
RIKIN B AGARWAL
Managing Director
(DIN02435645)
Date: 28.08.2025
Place: Ahmedabad

Heti R. Gandhi (F.C.S, B.Com)
 300, Platinum Plaza, Opp. IOC Petrol Pump,
 Bodakdev, Ahmedabad - 380054
M +91 99095 87835 *E*: hetidshah@gmail.com

HDS & Associates
Company Secretaries



CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE

To,

The Members

SHANTI SPINTEX LIMITED

(Formerly Known as **SHANTI SPINTEX PRIVATE LIMITED**)

CIN: **L17120GJ2010PLC062084**

ISIN: INEQZQ01019

Scrip Code: 544059

Stock Exchange: BSE -SME (Bombay Stock Exchange- Small and Medium Enterprise)

Registered Office: Sub Plot 1, Unit 1, Survey No. 297, Dholi - Integrated Spinning Park Limited, Dholi, Dholka, Ahmedabad, Gujarat, India-382240

Corporate Office: A -1601, Navratna Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad, Daskroi, Gujarat, India- 380058

We, **HDS & Associates**, Practicing Company Secretaries @ Ahmedabad, Gujarat have examined the compliance of conditions of Corporate Governance by **SHANTI SPINTEX LIMITED** (Formerly Known as **SHANTI SPINTEX PRIVATE LIMITED**) ("the Company") for the year ended March 31, 2025 as stipulated under Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C,D and E of schedule V of the Securities and Exchange Board of India ((Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management.

Our examination was limited to the procedure and implementation thereof, adopted by the Company for ensuring the compliance of the regulations of Corporate Governance. It's neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with conditions of Corporate Governance as stipulated under the Listing Regulations except those non Compliances/Late Submissions of Compliances as mentioned in the Annexure-2 of the Secretarial Audit Report for the F.Y. 2024-25.

.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For HDS& Associates
(Practicing Company Secretaries)
Cop. No: 17840

Date : 23-07-2025
Place: Ahmedabad

Sd/-
CS Heti R. Gandhi
(Proprietor)
M. No. F11884
Pr. No. 1507/2021
UDIN: F011884G000846113

Management Discussion & Analysis

Strategic Insights & Performance Review



Business Performance

Comprehensive analysis of operational metrics, revenue growth, and strategic achievements across all business segments.



Operational Improvement

Key initiatives driving efficiency gains, process optimization, and sustainable operational excellence.



Key Highlights

Notable achievements, milestone accomplishments, and strategic wins that define our success story.



Market Analysis

In-depth examination of market trends, competitive landscape, and strategic positioning analysis.



Financial Highlights

Critical financial metrics, performance indicators, and fiscal achievements across reporting periods.



SWOT Analysis

Strategic assessment of organizational strengths, weaknesses, opportunities, and potential threats.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Pursuant to Regulation 34(2)(e) of the SEBI Listing Obligations and Disclosure Requirements Regulations, 2015, the Management Discussion and Analysis Report of Shanti Spintex Limited provides a comprehensive overview of the Company's financial performance, industry environment, key developments, opportunities, threats, risks, and future outlook for the financial year ended **March 31, 2025**. It aims to offer insights into the strategic direction and operational achievements of the Company during the year under review. This analysis should be read in conjunction with the Company's audited financial statements, notes, and other disclosures forming part of the Annual Report.

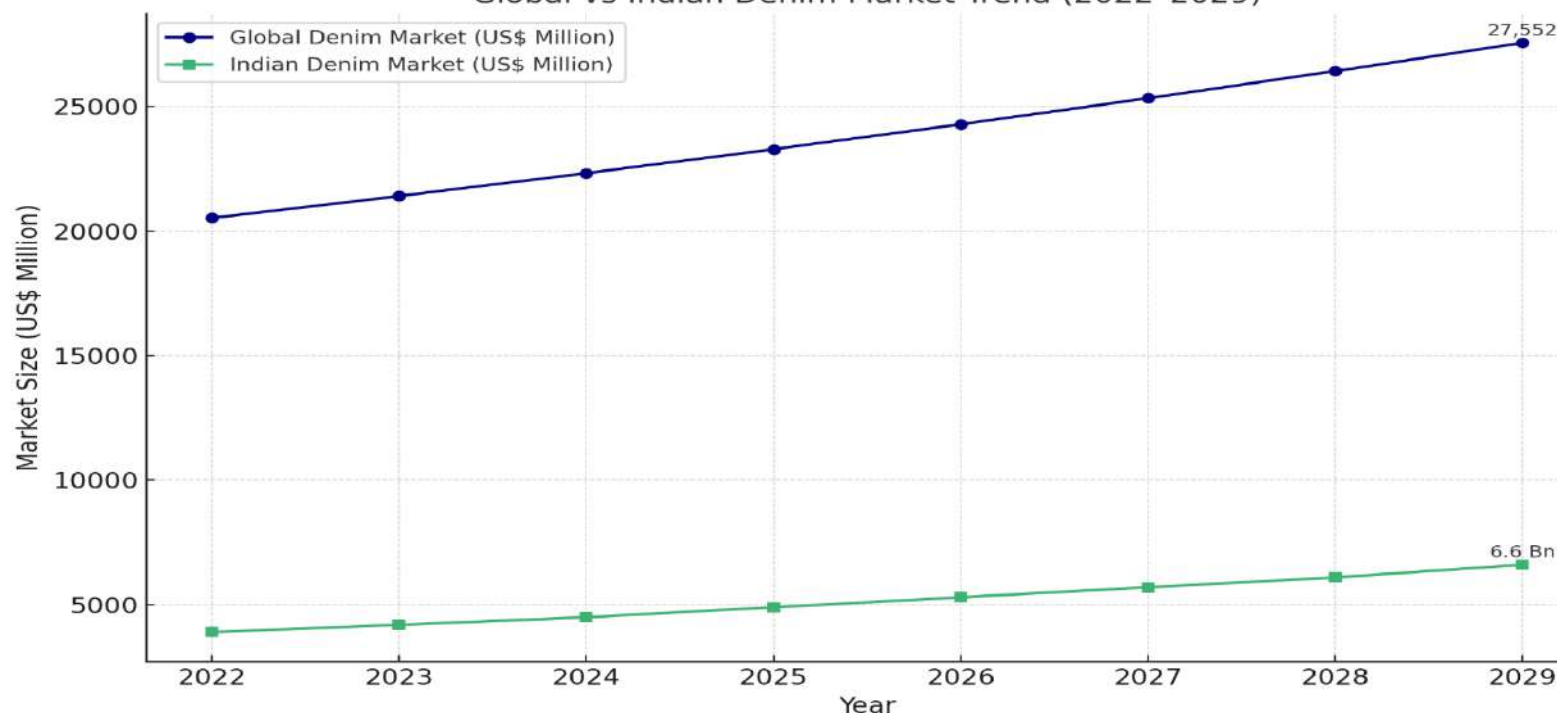
INDUSTRY STRUCTURE AND DEVELOPMENTS:

The denim fabric industry continues to evolve as a dynamic segment within the global textile value chain, marked by resilient growth, innovation, and a sharpened focus on sustainability. In FY 2024–25, the industry witnessed renewed momentum supported by a post-pandemic stabilization in global demand, rising export opportunities, and a growing shift toward circular and responsible fashion. Key players across the value chain have increasingly aligned with environmental, social, and governance (ESG) benchmarks, influencing sourcing and manufacturing decisions worldwide.

India has maintained its position as one of the world's leading denim fabric producers, benefiting from strong backward integration, cost-competitive manufacturing, and a skilled workforce. The domestic denim landscape is rapidly modernizing, with manufacturers embracing automation, digital production tools, and environmentally conscious techniques to meet both regulatory standards and evolving consumer expectations.

Denim consumption in India is also on the rise, driven by a younger demographic, increased urbanization, and the adoption of denim in workwear, ethnic fusion wear, and lifestyle apparel. Moreover, international brands sourcing from India are placing greater emphasis on traceability, compliance, and eco-label certifications, presenting both opportunities and challenges for manufacturers.

Global vs Indian Denim Market Trend (2022–2029)



Sustainable production practices—such as laser finishing, ozone washing, and reduced water usage—are becoming industry norms rather than differentiators. Indian manufacturers are responding by investing in low-impact dyeing technologies, alternative raw materials like hemp and recycled fibres, and closed-loop systems.

With global denim revenues projected to grow steadily through 2029, and India playing a pivotal role in the global supply chain, the industry outlook remains positive. Continued focus on innovation, compliance, and value-added offerings will be key for denim fabric manufacturers to sustain growth and remain globally competitive.

COMPANY OVERVIEW AND PERFORMANCE:

Established in 2010 and commencing commercial production in 2016, **Shanti Spintex Limited** has rapidly emerged as a leading manufacturer of high-quality denim fabrics in India. With a firm foundation in technical expertise and innovation, the Company is known for delivering sustainable, performance-driven denim solutions to fashion-forward markets.

Based in Gujarat, India, Shanti Spintex operates with a clear vision to integrate cutting-edge technology and environmentally responsible manufacturing practices. The Company has invested in advanced spinning and weaving infrastructure, coupled with efficient finishing processes that ensure consistent quality and operational excellence.

Sustainability is a core pillar of Shanti Spintex's business model. The Company actively harnesses renewable energy through a 2 MW Wind Turbine and 0.86 MW of installed Solar Energy, with plans to expand solar capacity to 1.5 MW. These efforts are designed to meet up to 90% of the Company's power requirements, significantly reducing its carbon footprint and aligning operations with global ESG standards.

Shanti Spintex places strong emphasis on innovation and R&D to develop denim fabrics with enhanced functionalities such as stretchability, moisture-wicking, and long-lasting durability. These differentiated offerings enable the Company to cater to niche and premium segments, expanding its customer base and driving value-added growth.

With a future-focused approach, ethical practices, and a commitment to sustainable progress, Shanti Spintex Limited continues to reinforce its position as a trusted and progressive name in the global textile industry.

KEY FINANCIAL HIGHLIGHTS (STANDALONE):

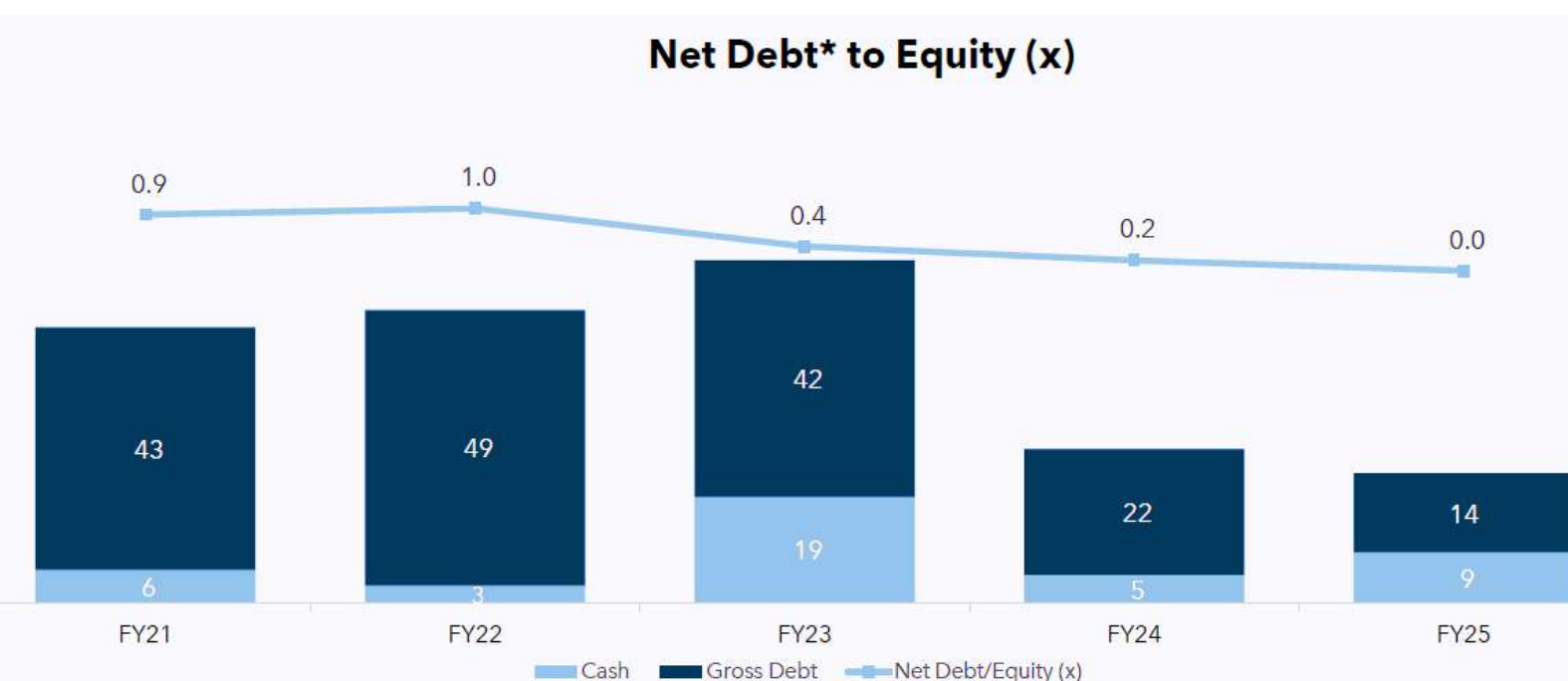
- **Revenue Growth:** Revenue from operations grew by **40.36%** year-on-year, reaching ₹70,994.01 lakhs, driven by increased market demand and expanded customer base in both domestic and international segments.
- **Profitability:** Net Profit After Tax (PAT) declined by **21.63%**, totalling ₹1,020.01 lakhs, primarily due to margin pressures and higher input costs despite strong top line growth.
- **Operational Efficiency:** Total expenses increased in line with the scale of operations, but overall cost efficiency was maintained, helping to sustain healthy EBITDA margins.
- **Earnings Per Share (EPS):** EPS stood at ₹6.04 compared to ₹8.71 in the previous year, reflecting the decrease in net profit.
- **Return on Capital Employed (ROCE):** ROCE metrics, while slightly moderated due to higher capital utilization, continue to reflect prudent capital deployment and sustainable business expansion.

Note: Detailed financial figures are available in the Financial Statements section.

KEY RATIOS:

Ratios	F.Y 2024-2025	F.Y 2023-2024	% Change	Reason for the variance of 25% or more
Current Ratio	1.42	1.18	21%	Not Applicable
Debt-Equity Ratio	0.14	0.36	-60%	Not Applicable
Debt Service Coverage Ratio	0.93	1.11	-16%	Not Applicable
Return on Equity Ratio	11%	15%	-30%	Not Applicable
Inventory turnover ratio	35.33	27.09	30%	Due to improved inventory movement and increased sales volumes.
Trade Receivables turnover ratio	8.93	6.40	40%	Due to Increase in sales by 40.35% and decrease in debtors by 23.20%
Trade payables turnover ratio	24.68	8.86	179%	Due to Increase in Purchases by 47.79% and decrease in creditors by 25.35%
Net capital turnover ratio	7.20	12.10	-41%	Not Applicable
Net profit ratio	1.44%	2.57%	-44%	Not Applicable
Return on Capital employed	13%	18%	-29%	Not Applicable
Return on Investment	6%	0.00	600%	Not Comparable

COMPARATIVE ANALYSIS OF KEY FINANCIAL RATIOS:

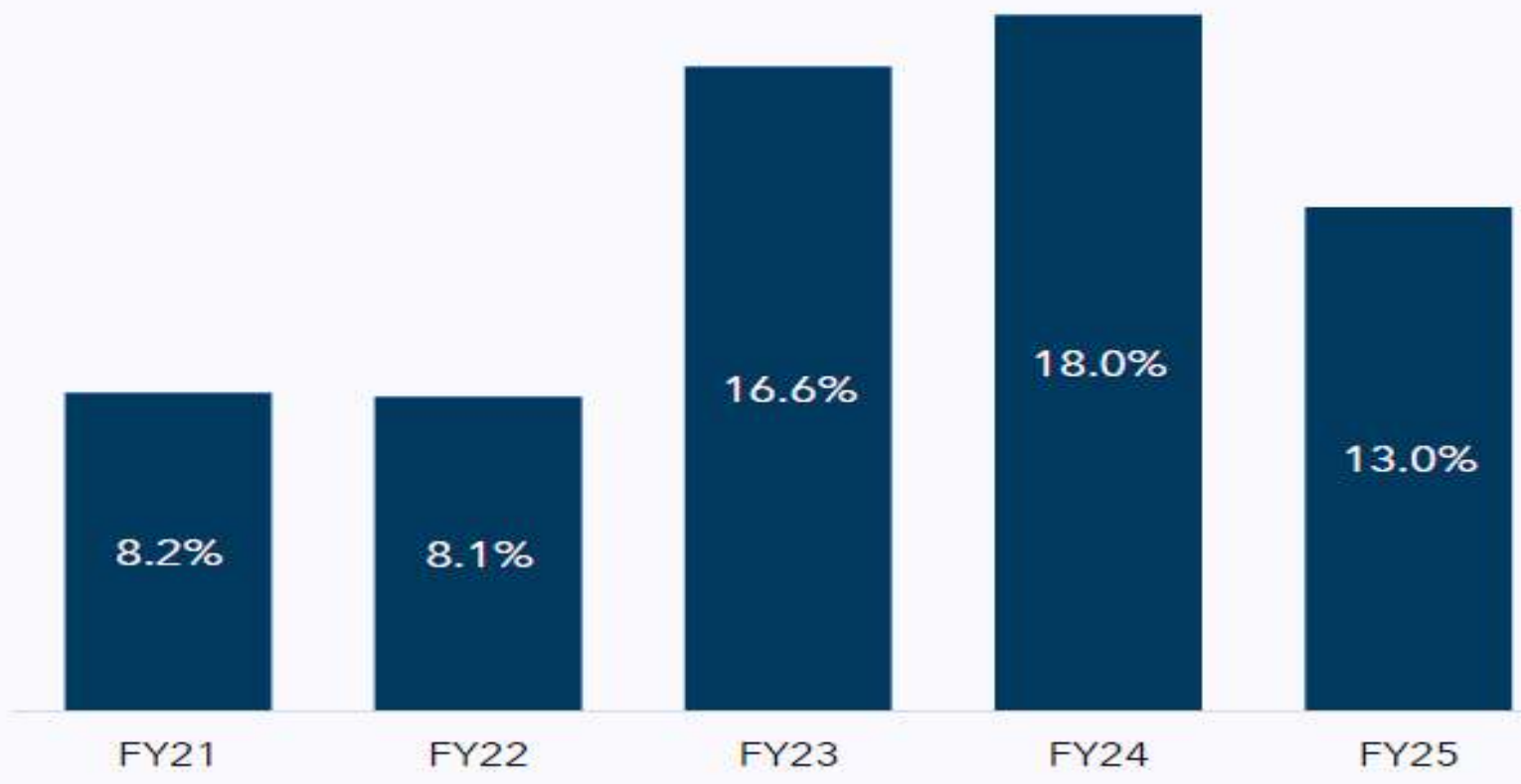


Note: *Cash consists of cash, bank, fixed deposits and current investments

Return on Equity:

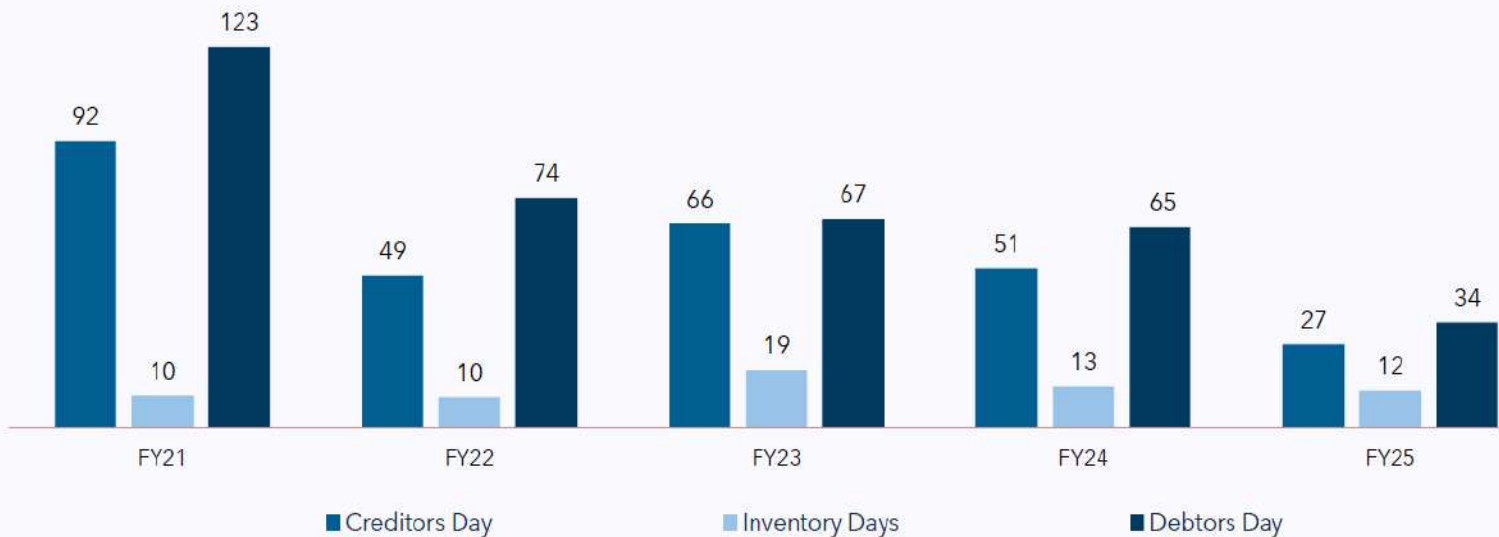


Return on Capital Employed:



Working Capital Cycle

(In days)



OPERATIONAL PERFORMANCE:

In FY 2024–25, Shanti Spintex Limited delivered strong operational performance, driven by higher capacity utilization, improved process efficiency, and robust demand. Strategic cost control and process automation helped maintain consistent production quality and output.

The Company also made notable progress toward its sustainability objectives by expanding the use of renewable energy and adopting resource-efficient manufacturing practices. Operational enhancements led to better working capital efficiency, while a continued focus on R&D and digital process integration enabled innovation and timely execution. These collective efforts strengthened overall productivity, operational resilience, and customer satisfaction.


STRATEGIC INITIATIVES:

During FY 2024–25, Shanti Spintex Limited undertook several strategic initiatives to strengthen its market position, enhance operational resilience, and drive sustainable growth:

- **Capacity Expansion:** The Company optimized plant operations and evaluated opportunities for capacity enhancement to meet growing demand across domestic and export markets.
- **Sustainability Integration:** Accelerated adoption of renewable energy sources and water-efficient processing methods to align with global ESG expectations and reduce environmental impact.
- **Product Innovation:** Focused R&D efforts led to the development of advanced denim fabrics with differentiated features such as high durability, stretch, and eco-friendly blends.
- **Strengthening Governance:** Enhanced internal controls, compliance frameworks, and reporting structures to ensure transparency, accountability, and long-term stakeholder value creation.

OPPORTUNITIES AND THREATS (SWOT ANALYSIS):



 **STRENGTHS:**

Record Financial Performance:

- Achieved ₹710 crores revenue - highest ever annual revenue with ₹102 crores PAT
- Demonstrates strong market position and operational efficiency

Debt Reduction:

- Significantly improved debt-equity ratio from 0.74 to 0.26
- Enhanced financial stability and reduced interest burden

High-Capacity Utilization:

- Operating at 89% capacity with 96 air-jet looms producing 19.2M metres annually
- Efficient use of manufacturing infrastructure

Working Capital Efficiency:

- Debtor days improved from 55.5 to 35.3 days
- Better cash flow management and collection efficiency

Renewable Energy:

- Wind farm and rooftop solar plant for sustainable operations
- Reduced operational costs and environmental impact

Product Diversification:

- Various denim types including power stretch, knit, lightweight, and rigid denim
- Ability to cater to diverse market segments



WEAKNESSES:

Small Market Cap:

- ₹117 crores market cap limits financial resources compared to larger competitors
- Restricts access to capital markets for expansion

Geographic Concentration:

- Heavy dependence on Gujarat-based customers creates regional risk
- Limited geographic diversification increases vulnerability

No Dividend Distribution:

- Despite strong profits, conservative cash management approach
- May affect investor attraction and stock performance

Single Location Risk:

- Operations concentrated in Ahmedabad creating operational vulnerability
- Risk of business disruption from local issues



OPPORTUNITIES:

Industry Growth:

- Indian textile industry expected to reach \$190 billion by FY 2026
- Strong domestic market expansion potential

Vertical Integration:

- Opportunities to invest in finishing and dyeing units for better margins
- Enhanced value addition and profit margins

Capacity Expansion:

- Scope to increase production capacity to meet growing demand
- Current utilization at 89% provides room for growth

Sustainable Fashion:

- Growing consumer preference for eco-friendly textiles
- Company's renewable energy initiatives align with market trends

Geographic Expansion:

- Expansion beyond Gujarat to serve pan-India markets
- Diversification of customer base and market reach



THREATS:

Intense Competition:

- Highly competitive denim manufacturing industry with established players
- Pressure on pricing and market share

Economic Sensitivity:

- Vulnerability to economic downturns affecting textile consumption
- Cyclical nature of the textile industry

Labour Availability and Cost Escalation:

- Increasing wages and statutory obligations are putting pressure on operational expenses, impacting cost structures.
- Limited availability of trained textile workers may constrain production scalability and affect quality consistency.

Key Strategic Insights



Financial Strength

Strong revenue growth with improved debt management positions the company well for future expansion



Market Position

Full capacity utilization and sustainable practices provide competitive advantage in growing market



Growth Strategy

Vertical integration and geographic expansion are key opportunities for margin improvement



Risk Management

Diversification of customer base and markets critical to reduce concentration risks

CHALLENGES AND RISK MANAGEMENT:

Shanti Spintex Limited operates in a dynamic environment where various internal and external factors can impact performance. The Company proactively identifies and mitigates key risks through strategic planning, operational controls, and governance frameworks.

OUTLOOK:

Shanti Spintex Limited enters FY 2025–26 with cautious optimism and a clear growth trajectory, backed by its strong operational foundation, consistent financial performance, and ongoing investments in sustainability and innovation.

The Indian denim fabric market continues to show promising signs of expansion, supported by rising domestic consumption, global demand for sustainable textiles, and favourable government policies. With increasing acceptance of denim across lifestyle segments and export markets, the Company is well-positioned to leverage this momentum.

Shanti Spintex aims to strengthen its market share through capacity optimization, product innovation, and vertical integration. Strategic focus will remain on geographic expansion, customer diversification, and enhancing value-added offerings to improve profitability.

The Company also recognizes the importance of responsible manufacturing. It will continue to invest in green technologies, renewable energy, and water-efficient practices, aligning business objectives with global ESG expectations.

While macroeconomic uncertainties, input cost volatility, and competitive pressures remain key risks, the Company's agile business model, efficient cost structures, and prudent risk management practices provide a resilient platform for sustainable growth.

With its clear strategic priorities and a robust execution framework, Shanti Spintex Limited remains committed to delivering long-term value to all stakeholders in the upcoming fiscal year and beyond.

CONCLUSION:

Shanti Spintex Limited has demonstrated resilient performance in FY 2024–25, underpinned by strategic clarity, operational efficiency, and a commitment to sustainability. The Company has strengthened its financial position, streamlined operations, and made significant progress in innovation and ESG alignment.

As the textile industry evolves, Shanti Spintex remains focused on seizing emerging opportunities while effectively managing associated risks. With a strong foundation, disciplined execution, and forward-looking strategies, the Company is well-positioned to sustain its growth trajectory and deliver long-term value to all stakeholders.

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

In accordance with the provisions of **Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014**, the required particulars relating to conservation of energy, technology absorption, and foreign exchange earnings and outgo for the financial year ended **March 31, 2025**, are given below:

CONSERVATION OF ENERGY:

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

In line with its commitment to sustainable operations, Shanti Spintex Limited continued to implement energy-saving measures aimed at improving efficiency and reducing environmental impact across its manufacturing processes. The key steps taken during the year include:

a. Identification and Monitoring of High-Energy Load Centers:

- Continuous identification of energy-intensive equipment such as compressors and other load centres.
- Daily tracking of power usage for critical equipment categories to ensure optimal energy performance

b. Utilization of Energy-Efficient Lighting Systems:

- Implement energy efficient lighting systems across facilities to reduce electricity consumption.
- Upgrade to LED technology and utilize automatic lighting controls where feasible.

c. Optimizing Equipment Usage:

- Operational changes to reduce unnecessary power consumption by switching off idle machines.
- Rerouting or rearranging workflows to illuminate only active areas, minimizing unproductive energy use.

d. Monitoring and Control of Auxiliary Equipment:

- Regular monitoring of auxiliary equipment energy usage.
- Adjustments made wherever necessary to enhance overall energy efficiency.

e. Employee Awareness and Engagement:

- Foster awareness among employees about the importance of energy conservation.
- Organize events such as Energy Conservation Week to educate and engage employees in energy-saving practices.

f. Sustainability Integration:

- Continued operations of in-house renewable energy assets (solar + wind) which now power ~90% of the facility.
- Carbon footprint per metre of fabric produced reduced by integrating clean energy and optimized energy efficiency.

ii. The steps taken by the unit for utilizing alternate sources of energy:

Shanti Spintex Limited has actively embraced renewable energy solutions to minimize reliance on conventional power sources. The Company has installed a **2 MW windmill** in *Amreli, Gujarat*, and an **852-kW rooftop solar power plant** at its manufacturing facility. These clean energy initiatives significantly reduce the Company's carbon footprint and contribute to long-term sustainability by promoting energy self-sufficiency and environmental responsibility.

iii. The capital investment on energy conservation equipment:

While the Company made substantial investments in solar and wind energy infrastructure during FY 2022-23, there were no significant capital expenditures incurred on energy conservation equipment during the year under review (FY 2024-25).

TECHNOLOGY ABSORPTION:

Shanti Spintex Limited continues to invest in cutting-edge technology to enhance product quality, efficiency, and innovation. Major initiatives during the year included:

i. Efforts made towards technology absorption:

Shanti Spintex Limited believes in staying updated with the latest technology. The company uses new and improved tools and systems in all parts of its business — like manufacturing, banking, finance, accounts, marketing, and company management. It also regularly trains its employees and shares new information with them, so they stay aware of the latest changes and improvements in their fields.

ii. Benefits derived as a result of the above efforts:

Through consistent adoption and implementation of modern technologies, the Company has achieved improvements in operational efficiency, resource optimization, and product quality. These efforts have also strengthened its competitive position and enabled sustainable long-term growth in the ever-evolving textile industry.

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

The Company has not imported any technology during the last three financial years.

iv. Expenditure incurred on Research and Development (R&D):

The Company has not incurred any specific expenditure on Research and Development during the year under review.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Particulars	<i>(Amount in lakhs)</i>	
	F.Y 2024-25	F.Y 2023-24
Foreign exchange earnings	32.90	0.00
Foreign exchange Outgo	0.00	0.00

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (“CSR”):

In accordance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, Shanti Spintex Limited has been undertaking activities that contribute to the overall development and welfare of society. The Company recognizes its responsibility toward the community and environment in which it operates and remains committed to conducting its business in a socially responsible and sustainable manner. This report outlines the CSR initiatives undertaken by the Company during the financial year **2024-25** and provides the requisite disclosures in the prescribed format.

BRIEF OUTLINE OF THE COMPANY’S CSR POLICY:

The CSR policy of **Shanti Spintex Limited** reflects the Company’s commitment to contribute to the sustainable development of society and the environment. The policy lays down the guiding principles and framework for selecting, implementing, monitoring, and evaluating CSR activities in line with Schedule VII of the Companies Act, 2013.

Shanti Spintex Limited’s CSR initiatives focus on promoting education, social welfare, healthcare, environmental sustainability, and philanthropic values. As a responsible corporate citizen, the Company strives to contribute positively to the development of society through a self-regulated framework that ensures compliance with the spirit of the law, ethical conduct, and a commitment to inclusive growth.

Central to the Company’s CSR philosophy is the principle of giving back to the society from which it draws its resources.

The detailed CSR Policy is available on the Company’s website at www.shantisintex.com.

CSR VISION:

To be a socially responsible organization that actively contributes to the well-being and development of the communities we operate in, while promoting inclusive, equitable, and sustainable growth for all stakeholders.

CSR MISSION:

To integrate social, environmental, and ethical responsibilities into our business operations by:

- Supporting initiatives that promote education, healthcare, and social welfare
- Encouraging sustainable environmental practices
- Partnering with credible institutions and communities to deliver measurable impact
- Adhering to the highest standards of integrity and accountability in all CSR activities

COMPOSITION OF CSR COMMITTEE AS ON MARCH 31, 2025:

Name of Member	Designation	Category	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
Bharatbhushan O. Agarwal	Chairperson	Whole-Time Director	1	1
Rikin B. Agarwal	Member	Managing Director	1	1
Kruti Vyas	Member	Independent Director	1	1

RESPONSIBILITY STATEMENT OF THE CSR COMMITTEE:

The CSR Committee affirms that it has diligently overseen the implementation and monitoring of the Company's Corporate Social Responsibility initiatives during the financial year. The Committee confirms that all CSR activities undertaken are in alignment with the objectives outlined in the CSR Policy of the Company and are in compliance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Committee has ensured that the projects selected are socially relevant, properly executed, and contribute meaningfully toward the Company's vision of sustainable and inclusive growth. Furthermore, the monitoring framework established by the Company has been effectively followed to track the progress and impact of each CSR initiative.

WEB-LINK TO CSR POLICY, PROJECTS APPROVED BY THE BOARD AND OTHER RELATED DOCUMENTS:

The CSR Policy is available on the Company's website at www.shantispintex.com.

DETAILS OF IMPACT ASSESSMENT:

Not applicable, as the Company has not undertaken any CSR project requiring impact assessment during the year under review.

CSR CALCULATION & EXPENDITURE:*(Amount in Lakhs)*

PARTICULARS	AMOUNT
Average net profit of the Company as per section 135(5) of the Companies Act, 2013	1167.50
Two percent of average net profit of the Company as per Section 135(5) of the Act	23.35
Surplus arising out of the CSR projects or programs or activities of the previous financial years.	0
Amount required to be set off for the financial year, if any	0.054
Total CSR obligation for the financial year	23.30
Amount spent on CSR Projects	24.00
Amount spent in Administrative Overheads	0
Amount spent on Impact Assessment, if applicable	0
Total amount spent for the Financial Year	24.00

MANNER IN WHICH THE AMOUNT SPENT DURING THE FINANCIAL YEAR IS DETAILED BELOW:

The CSR amount for the financial year 2024–25 was spent on eligible activities in accordance with Schedule VII of the Companies Act, 2013. The details of the projects, sectors, locations, and amounts utilized are presented below in the prescribed format.

(Amount in Lakhs)

S.R. NO.	Name of the NGO/Trust	Activity	Location	Amount Spent
1.	Arya Foundation	Distributing Food Packets/Grain to needy people, Rural Development, women Empowerment, Education, Medical and Environmental Activities	Anand, Gujarat	11.00
2.	Ekal Shrihari Vanvasi Vikas Trust	Development Enrichment and Empowerment of 300 Million Vanvasi of Bharat	Mumbai	2.00
3.	Shree Vishvas Seva Trust	Education and Awareness on Drug Addiction	Surendranagar, Gujarat	11.00

CSR AMOUNT SPENT OR UNSPENT FOR THE FINANCIAL YEAR:*(Amount in Lakhs)*

Total Amount Spent for the Financial Year	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 Fund	Amount	Date of Transfer
24.00	Not Applicable		Not Applicable		

EXCESS AMOUNT FOR SET-OFF:*(Amount in Lakhs)*

PARTICULARS	AMOUNT
Two percent of average net profit of the Company as per Section 135(5) of the Act	23.35
Total amount spent for the Financial Year	24.00
Excess amount spent for the Financial Year	0.65
Surplus arising out of the CSR projects or programs or activities of the previous financial years.	0.054
Amount available for set off in succeeding Financial Years	0.70
* Note: The excess amount spent shall remain as surplus with the Company and may be set off against future CSR obligations, as and when required, subject to the recommendation of the CSR Committee and approval of the Board, from time to time.	

DETAILS OF UNSPENT CSR AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:

There is **no unspent CSR amount** pertaining to any of the preceding three financial years.

IN CASE OF CREATION OR ACQUISITION OF CAPITAL ASSET:

No capital asset has been created or acquired by the Company out of CSR funds during the financial year 2024–25. Accordingly, the disclosure requirements relating to the creation or acquisition of capital assets through CSR expenditure are **not applicable**.

REASON FOR NOT SPENDING THE FULL 2% OF THE AVERAGE NET PROFIT AS PER SECTION 135(5):

The Company has spent the entire prescribed CSR amount of ₹23.35 lakhs for the financial year 2024–25. In fact, the Company has voluntarily spent an excess amount of ₹0.65 lakhs (total CSR spending: ₹24.00 lakhs), which may be carried forward and set off against future CSR obligations, as permitted under the Companies (CSR Policy) Rules, 2014.

CONCLUSION:

Shanti Spintex Limited continues to uphold its commitment to social responsibility by actively contributing to the well-being of communities through its CSR initiatives. During the financial year 2024–25, the Company effectively utilized its CSR budget towards meaningful projects aligned with its policy and the provisions of the Companies Act, 2013.

The Company firmly believes that sustainable and inclusive growth can only be achieved by working in harmony with society and the environment. It will continue to identify impactful projects, collaborate with credible partners, and strive to create long-term value for the communities it serves.

SD/-
Bharatbhushan Agarwal
Whole Time Director &
Chairman of CSR Committee
(DIN 00302785)

Date: 28.08.2025
Place: Ahmedabad

FORM NO. AOC-2

Pursuant to clause (h) of sub-section (3) of section 134 of The Companies Act, 2013 and rule 8(2) of The Companies (Accounts) Rules, 2014

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS:

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARM'S LENGTH BASIS:

SL. No. 1.	Particulars	Details
	Name (s) of the related party & nature of relationship	Rikin B. Agarwal Managing Director
	Nature of contracts/arrangements/transaction	Loan Taken and Paid Back
	Duration of the contracts/arrangements/transaction	N.A.
	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A.
	Amount (in Lakhs)	80.00
	Date of approval by the Board	13.05.2024
	Amount paid as advances, if any	N.A.

SL. No. 2.	Particulars	Details
	Name (s) of the related party & nature of relationship	Rikin B. Agarwal Managing Director
	Nature of contracts/arrangements/transaction	Loan Given and Received Back
	Duration of the contracts/arrangements/transaction	N.A.
	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A.
	Amount (in Lakhs)	100.00
	Date of approval by the Board	13.05.2024
	Amount paid as advances, if any	N.A.

SL. No. 3.	Particulars	Details
	Name (s) of the related party & nature of relationship	Bharat Polyfab Proprietorship of Bharatbhushan Agarwal
	Nature of contracts/arrangements/transaction	Purchases
	Duration of the contracts/arrangements/transaction	N.A.
	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A.
	Amount (in Lakhs)	12.13
	Date of approval by the Board	13.05.2024
	Amount paid as advances, if any	N.A.

SL. No. 4.	Particulars	Details
	Name (s) of the related party & nature of relationship	Bharat Polyfab Proprietorship of Bharatbhushan Agarwal
	Nature of contracts/arrangements/transaction	Sales
	Duration of the contracts/arrangements/transaction	N.A.
	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A.
	Amount (in Lakhs)	37.05
	Date of approval by the Board	13.05.2024
	Amount paid as advances, if any	N.A.

By Order of the Board of Directors

Date: 28.08.2025
Place: Ahmedabad

SD/-
BHARATBHUSAN O AGARWAL
Whole Time Director & CFO
(DIN 00302785)

SD/-
RIKIN B AGARWAL
Managing Director
(DIN 02435645)

DISCLOSURE OF REMUNERATION

Statement of Disclosure of Remuneration under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Details pertaining to remuneration as required under section 197(12) of The Companies Act, 2013, Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with the Companies (Appointment and Remuneration of Managerial Personnel) Amendments Rules, 2016:

Ratio of the remuneration of each director to the median remuneration of the Employees of the Company for the financial year 2024-25:

(In Lakhs)		
Name of the Director	Remuneration	Ratio
Rikin B. Agarwal	12.00	4.58:1
Bhavik Talati	4.48	1.71:1

Note: For this purpose, sitting fees paid to the Directors have not been considered as remuneration.

The percentage of increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the F.Y 2024-25: NIL

The median remuneration of the employees of the Company as on 31st March, 2025 was Rs. 2,62,080.00 per year.

The percentage increase in the median remuneration of employees in the financial year

Not applicable as this provision was not applicable to the Company last year.

The number of employees on the rolls of the company: 91

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

Not Applicable, as no increase in remuneration has been made for any managerial personnel.

Affirmation that the remuneration is as per the remuneration policy of the company:

We affirm that the remuneration is as per the remuneration policy of the company.

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2025**

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

To,

The Members

SHANTI SPINTEX LIMITED

(Formerly Known as **SHANTI SPINTEX PRIVATE LIMITED**)

CIN: L17120GJ2010PLC062084

ISIN: INE0QZQ01019

Scrip Code: 544059

Stock Exchange: BSE -SME (Bombay Stock Exchange- Small and Medium Enterprise)

Registered Office: Sub Plot 1, Unit 1, Survey No. 297, Dholi - Integrated Spinning Park Limited, Dholi, Dholka, Ahmedabad, Gujarat, India- 382240

Corporate Office: A-1601, Navratna Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad, Daskroi, Gujarat, India-380058

We, **HDS & Associates**, Practicing Company Secretaries @ Ahmedabad, Gujarat have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SHANTI SPINTEX LIMITED** (Formerly Known as **SHANTI SPINTEX PRIVATE LIMITED**) vide CIN: **L17120GJ2010PLC062084** (hereinafter called the Company).

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2025 complied with the statutory provisions listed hereunder and also state that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We, **HDS & Associates**, Practicing Company Secretaries @ Ahmedabad, Gujarat have examined the books, papers, minute books, forms and returns filed and other records maintained by SHANTI SPINTEX LIMITED (Formerly Known as **SHANTI SPINTEX PRIVATE LIMITED**) for the financial year ended on 31st March, 2025 according to the provisions of -

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (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;
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;- **Not applicable to the company during the audit period**
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;- **Not applicable to the company during the audit period.**
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;/securities and exchange board of India (share based employee benefits) regulations,2014;-**Not applicable to the company during the audit period**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;- **Not applicable to the company during the Audit Period**
 - (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 during the audit period**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;- **Not applicable to the Company during the Audit Period**
 - (i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015.

vi. Other laws applicable specifically to the company.

The management represent that there are no laws specifically applicable to the company which requires reporting.

We **HDS & Associates**, Practicing Company Secretaries @ Ahmedabad, Gujarat have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with the Stock exchanges in India including Agreement entered in pursuance to securities and exchange board of India (Listing obligations and disclosure requirements) regulations, 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further observe and report that:-

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- During the audit period, it was observed that although the Company had installed accounting software having an audit trail (edit log) feature, the said feature was not operational or effectively used for maintaining books of account throughout the financial year, as required under Rule 3(1) of the Companies (Accounts) Rules, 2014, as amended. The Board has acknowledged this observation in the Director's Report and has initiated corrective steps to ensure compliance from the next financial year onwards.

- During the reporting period we have found that no penalties have been imposed on the Company by the Stock exchange for the Late Submission / non-Compliances of the Compliances as per SEBI(LODR)Regulations, 2015.

Date: 28-07-2025

Place: Ahmedabad

For HDS& Associates
(Practicing Company Secretaries)
Cop. No: 17840

Sd/-
CS Heti R. Gandhi
(Proprietor)
M. No. F11884
Pr. No. 1507/2021
UDIN:F011884G000875835

(This report is to be read with our letter of even date which is annexed as Annexure 1 and forms an integral part of this report.)

Annexure-1'

To,

The Members

SHANTI SPINTEX LIMITED

(Formerly Known as **SHANTI SPINTEX PRIVATE LIMITED**)

CIN: L17120GJ2010PLC062084

ISIN: INE0QZQ01019

Scrip Code: 544059

Stock Exchange: BSE -SME (Bombay Stock Exchange- Small and Medium Enterprise)

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

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.

2. We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

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

6. 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.

Date: 28-07-2025

Place: Ahmedabad

For HDS& Associates
(Practicing Company Secretaries)
Cop. No: 17840

Sd/-
CS Heti R. Gandhi
(Proprietor)
M. No. F11884
Pr. No. 1507/2021
UDIN: F011884G000875835



INDEPENDENT AUDITORS' REPORT

UDIN: 25016613BMNSMT4939

TO,
THE MEMBERS OF SHANTI SPINTEX LIMITED
Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **SHANTI SPINTEX LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2025, and the statement of Profit and Loss, Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31/03/2025**, and its Profit and other comprehensive income and cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matters

Our report is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. In our opinion there is no Key Audit Matter to be reported.

Other Information (or another title if appropriate, such as "Information Other than the Standalone Financial Statements and Auditors' Report Thereon")

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the



Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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



influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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.

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 period 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India, in terms of sub section 11 of section 143 of the companies Act, 2013 in Our opinion and according to the information and explanation given to us, the details of the said Order specified in paragraph 3 and 4 of the order are given to the extent applicable in Annexure "A" to this Report.
2. As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India, in terms of sub section 11 of section 143 of the companies Act, 2013 in Our opinion and according to the information and explanation given to us, the details of the said Order specified in paragraph 3 and 4 of the order are given to the extent applicable in Annexure "A" to this Report.
3. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, the Company has used accounting software for maintaining it's books of accounts which has feature of recording audit trail (edit-log) facilities subject to notes on clause (g) here in after in respect of audit trail (edit – log), no audit trail enabled at the data base level for accounting software tally prime to any direct data.



(c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31/03/2025 taken on record by the Board of Directors, none of the directors is disqualified as 31/03/2025 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, we give report of the same in Annexure "B" to this Report.

(g) Based on our examination, the company, has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility except that no audit trail enabled at the database level for accounting software Tally Prime to log any direct data changes."

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, Reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirement for record retention is not maintained for the Financial year ended March 31, 2025.

(h) 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, remuneration has been paid by the Company to its directors during the year in compliance of the provisions of section 197 of the Act.

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



The Company has disclosed the impact of pending litigations on its financial position in its financial statements. (Refer Note No.36 & No 43.14)

- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund by the Company. The question of delay in transferring such sums does not arise.
- iv. **a)** The management has represented that to the best of its knowledge and belief, no funds have been advanced or loaned invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding. Whether recorded in writing or otherwise. that the intermediary shall :
- i) Directly or indirectly lend or invest in other persons or entities identified In any manner whatsoever ('Ultimate Beneficiaries') by or on behalf of the Company or
- ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- b)** The management has represented that to the best of its knowledge and belief, no Funds have been received by the Company from any persons or entities including foreign entities (Funding Parties). With the understanding, whether recorded in writing or otherwise that the Company shall:
- i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ('Ultimate Beneficiaries') by or on behalf of the Funding Party or
- ii) Provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries and
- c)** Based on such audit procedures as considered reasonable and appropriate in the circumstances. Nothing has come to our notice that has caused us to believe that the representations made in sub clause 4(a) and 4(b) above contain any material misstatement.
- d)** According to the information and explanations given to us the Company has not declared or paid dividend during the year.

FOR ANIL S SHAH & CO.
(Chartered Accountants)
F.R.N. : 100474W





(CA ANIL S SHAH)
Partner
M.No. : 016613

Date : 09.05.2025
Place : Ahmedabad

**Annexure – "A " to the Independent Auditor's report on the
standalone financial statements of SHANTI SPINTEX LIMITED for
the year ended 31st March, 2025.**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date).

- (i) (a) (A) The company has maintained proper records showing full particulars including quantitative details and situation of its Property, plant and equipment.
- (B) According to the information and explanations given to us the Company do not have any Intangible Assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company. In our opinion, this periodicity of physical verification of its property, plant and equipment, is reasonable having regard to size of the company and the nature of its assets. 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. The title deeds of the immovable properties (other than immovable properties where the company is the lessee and the lease agreements are duly executed in favor of lessee) disclosed in the financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property plant and equipment during the year.
- (e) According to the information and explanation given to us, No proceedings have been initiated or are pending against the Company as at March 31,2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
- (b) According to the information and explanations given to us on the basis of our examination of the records of the Company. The Company is in receipt of any working capital loan during the reporting period, further monthly /quarterly returns/statements file by the company with the bank are in agreement with the books of the accounts for the company.



(iii) (a)(i) During the year the Company has granted interest free loans to director amounting to Rs.100.00 lakhs (P.Y. Rs.Nil) and balance outstanding at the balance sheet date with respect to such advances as on 31st March,2025 is Rs. NIL/-(P.Y. Rs. NIL).

(ii) During the year the Company has granted Loans to other parties and balance outstanding as on 31st March, 2025 is as follow.

Details of loans and advances of the company during the period under audit: (Rs. In lakhs)

	Guarantees	Security	Loans	Advance in nature of loans
Aggregate amount granted/provided during the year				
-Subsidiaries	Nil	Nil	NIL	Nil
-Joint Ventures	Nil	Nil	Nil	Nil
-Associates	Nil	Nil	Nil	Nil
-Others -Director	NIL	NIL	100.00	NIL
- (loans and advances to related parties and staff)	Nil	Nil	NIL	Nil
Balance Outstanding as at balance sheet date in respect of above cases				
-Subsidiaries	Nil	Nil	Nil	Nil
-Joint Ventures	Nil	Nil	Nil	Nil
-Associates	NIL	NIL	NIL	NIL
-Others -Director	NIL	NIL	NIL	NIL
-(loans and advances to related parties and staff)	NIL	NIL	NIL	NIL

(b) According to information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the loans given are prima facie, not prejudicial to the interest of the Company.

(c) According to information and explanations given to us and on the basis of our examination of the records of the Company. In the case of loans and advances given, the repayment of interest free principal has been stipulated on demand and repayments or receipts have been regular and paid whenever it is due.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company. There is no overdue amount for more than ninety days in respect of loans given.

(e) According to information and explanations given to us and on the basis of our examination of the records of the Company. There is no loan granted during the year by the company to settle the over dues of existing loans given to the same party.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company. The Company has not given any loans either repayable on demand or without specifying any terms or period of repayment.

iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has given interest free loans to director, further the Company has not provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further the Company has complied with the provision of Section 186 of the Companies Act, 2013 except non charging of interest in relation to loans given under section 186(7).



(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly clause 3(v) of the order is not applicable.

(vi) Pursuant to the rules made by the Central government of India, the Company is required to maintain cost records as specified under section 148(1) of the Act. We have broadly review the same and are of the opinion that prima facie, the prescribe accounts and records have been made and maintained. However, we have not made detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) According to information and explanations given to us and based on our examination of records of the Company has been generally regular in depositing the undisputed statutory dues including Goods and Service Tax, Provident Fund, Investor education fund, Employee state insurance, Income tax and any other material statutory dues applicable to it with the appropriate authorities.

According to information and explanation given to there is no undisputed statutory tax payable outstanding as at 31st March, 2025 for a period of more than Six Months from the date of they become payable.

Name of the Statue	Nature of Dues	Financial Year.	Amount
Gram Panchayat Tax	Local Tax	2024-25	20000
Gram Panchayat Tax	Local Tax	2023-24	20000

(b) According to information and explanations given to us there are no dues of Goods and Service Tax, Provident Fund, Investor education fund, Employee state insurance, Income tax and any other material statutory dues which have not been deposited by the Company on account of dispute except given below :

Name of the Statue	Nature of Dues	Financial Year.	Amount	Forum where dispute is Pending
Income Tax Act., 1961	Income-Tax & Interest	2021-22	677862	CIT-(A)
Income Tax Act., 1961	Income Tax & Interest	2018-19	76577	Rectification at CPC Bengaluru

(viii) According to the information and explanations given by the management, No transactions which are not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961

(ix) (a) According to the information and explanations and on the basis of our examination of the records of the Company, the Company has not defaulted from any loans or borrowings from any lender during the year.



(b) According to the information and explanations given to us and on the basis of our examination the records of the Company, the Company has not been declared wilful defaulter by any bank of financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has applied the funds of the term loan for the purpose for which it was obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short term basis for long term basis by the Company. Accordingly clause 3(ix) (d) of the Order is not applicable.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix) (e) of the order is not applicable.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly clause 3(ix) (f) of the Order is not applicable.

(x) (a) During the year the Company has not raised moneys by way of Initial Public Offer. Accordingly clause 3(x) (a) 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 not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly clause 3(x) (b) of the order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering principles of materiality outlined in the Standards on Auditing. We report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit during the year.

(b) According to the information and explanations given to us, no report under subsection (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have not received any information about Whistle Blower Complaints from the Company.



(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with the related parties are in compliance with the Section 177 and 188 of the Companies Act, 2013 where applicable, and the details of the related party transactions have been disclosed in the Standalone financial statements as required by the applicable Indian Accounting Standards.

(xiv) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business of the Company. We have considered the report of internal auditor for the period under audit received till the date of this report.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly clause 3(xv) (a) of the order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly clause 3(xvi) (b) of the Order is not applicable.

(c) The Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India. Accordingly clause 3(xvi) (c) of the Order is not applicable.

(d) According to the information and explanations provided to us during the course audit, the Group does not have any CIC. Accordingly the requirements of the clause 3(xv) (d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year:

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly clause 3(xviii) of the order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, aging and expected dates of realisation of financial assets and payment of the financial liabilities, other information accompanying the financial statements, our knowledge of the board of directors and managements 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 audit report that the 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 facts upto 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) According to the information and explanation given to us and the record of the company examined by us, there were no unspent amount required to be transferred to special amount as required by section 135 of the Companies Act, 2013. Accordingly, provisions of sub clause (a) and (b) of clause (xx) of the company's (Auditor's report) order, 2020 are not applicable to the company.

Date : 09.05.2025
Place : Ahmedabad

FOR ANIL S SHAH & CO.
(Chartered Accountants)
F.R.N. : 100474W



(CA ANIL S SHAH)
Partner
M. No. : 016613

Annexure - 'B'

To the Independent Auditors' Report to the members of SHANTI SPINTEX LIMITED for the year ended 31st March, 2025 on the financial statements

(Referred to in paragraph 2(F) under ` Report on Other Legal and Regulatory Requirements ` section of our report of even date)

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

We have audited the internal financial controls over standalone financial reporting of SHANTI SPINTEX LIMITED as at 31st March, 2025 in conjunction with our audit of financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial 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.

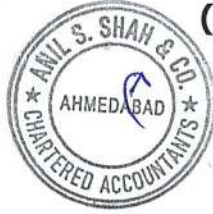
Opinion

In our opinion, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March



2025, 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.

Date : 09.05.2025
Place : Ahmedabad



FOR ANIL S SHAH & CO.
(Chartered Accountants)
F.R.N. : 100474W

A handwritten signature in blue ink, appearing to read "Anil S. Shah".

(CA ANIL S SHAH)
Partner
M.No. : 016613

SHANTI SPINTEX LIMITED
Sub Plot 1, Unit 1, Survey No. 297, Dholi Integrated Spinning Park Limited, Dholi, Dholka
Ahmedabad -382240, Gujarat
CIN: L17120GJ2010PLC062084
BALANCE SHEET AS ON 31st March,2025

			Amount in Lakhs
Particulars	Note No.	As at 31st March,2025	As at 31st March,2024
A EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	3	1688.80	1688.80
(b) Reserves and Surplus	4	7987.99	6967.98
(c) Money received against share warrants			
2 Share application money pending allotment		0.00	0.00
3 Non-Current Liabilities			
(a) Long-Term Borrowings	5	215.00	1447.74
(b) Deferred tax liabilities (net)	14	871.29	873.37
(c) Other Long-Term Liabilities	6	65.82	87.42
(d) Long-term provisions	7	09.14	07.53
4 Current Liabilities			
(a) Short-Term Borrowings	8	1152.55	773.64
(b) Trade Payables			
(i) Total outstanding dues of micro and small enterprises	9	119.70	145.38
(ii) Total outstanding dues of Creditors other than micro and small	9	5194.91	6978.71
(c) Other Current Liabilities	10	48.17	62.20
(d) Short-term provisions	11	352.97	366.74
TOTAL		17706.34	19399.51
B ASSETS			
1 Non-Current Assets			
(a) Property, Plant & Equipment and Intangible assets			
(i) Property, Plant & Equipment	12	6289.38	6732.47
(ii) Intangible Assets		0.00	0.00
(iii) Capital Work in Progress	12(a)	0.00	0.00
(iv) Intangible assets under development			
(b) Non-Current Investments	13	0.00	0.00
(c) Deferred Tax Assets (net)	14		
(d) Long-Term Loans and Advances	15	0.00	0.00
(e) Other non-current assets	16	148.87	159.21
2 Current Assets			
(a) Current investments	17	148.36	0.00
(b) Inventories	18	2169.88	1849.42
(c) Trade Receivables	19	6862.21	8969.39
(d) Cash and Bank Balances	20	791.44	503.24
(e) Short-Term Loans and Advances	21	1262.56	1138.19
(f) Other current assets	22	33.65	47.58
TOTAL		17706.34	19399.51

The Schedules referred to above are an integral part of Profit & Loss Significant Accounting Policies and Notes on Accounts as Note "1 to 43"

As per our report of even date,

UDIN: 25016613BMNSMT4939

For M/s ANIL SHAH & CO.

Chartered Accountants

FRN : 100474W

ANIL SHAH

Partner

Membership No : 016613

Place : Ahmedabad

Date: 09/05/2025

For and on behalf of the Board

Bharatbhushan Agarwal

Whole Time Director & CFO

DIN: 302785

Rikin Agarwal

Managing Director

DIN: 2435645

Mohini Singhal

Company Secretary

Membership No. A47724

Place : Ahmedabad

Date: 09/05/2025

SHANTI SPINTEX LIMITED
CIN: L17120GJ2010PLC062084
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDING ON 31st March, 2025

			Amount in Lakhs	
Particulars	Note No.	As at 31st March, 2025	As at 31st March, 2024	
A CONTINUING OPERATIONS				
1 Revenue from Operations	23	70994.01	50583.06	
2 Other Income	24	52.41	125.46	
Total Income		71046.43	50708.52	
3 Expenses				
(a) Cost of materials consumed	25	67479.43	45659.71	
(b) Purchases of Stock-in-trade	26	0.00	0.00	
(c) Changes in inventories of finished goods, work-in-progress and stock in trade		-410.47	76.55	
(d) Manufacturing Expenses	26.1	1495.82	1901.31	
(e) Employee Benefits Expense	27	226.11	218.58	
(f) Finance Costs	28	171.83	322.60	
(g) Depreciation & Amortisation Expense	12	504.41	477.10	
(h) Other Expenses	29	221.53	262.93	
Total Expenses		69688.67	48918.79	
4 Profit / (Loss) before exceptional and extraordinary items & tax		1357.76	1789.74	
5 Exceptional Items		0.00	0.00	
6 Profit / (Loss) before extraordinary items & tax		1357.76	1789.74	
7 Extraordinary Items		0.00	0.00	
8 Profit / (Loss) before tax		1357.76	1789.74	
9 Tax Expense :				
Current Tax		330.00	348.00	
Deferred Tax		-02.08	135.21	
Tax adjustment of Earlier Years		09.83	04.77	
Net Tax Expense		337.75	487.99	
10 Profit/ (Loss) from continuing operations for the Year		1020.01	1301.75	
Profit/(loss) from discontinuing operations		0.00	0.00	
Tax expense of discontinuing operations		0.00	0.00	
Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		0.00	0.00	
Profit/ (Loss) after tax (XI + XIV)		1020.01	1301.75	
Earnings Per Equity Share (F. V. of ₹ 10/- each) :	32			
Basic and Diluted (in ₹)				
1) Basic		6.04	8.71	
2) Diluted		6.04	8.71	

The Schedules referred to above are an integral part of Profit & Loss
Significant Accounting Policies and Notes on Accounts as Note "1 to 43"

As per our report of even date,
UDIN: 25016613BMNSMT4939
For M/s ANIL SHAH & CO.

Chartered Accountants

FRN: 100474W

ANIL SHAH

Partner

Membership No : 016613

Place : Ahmedabad

Date: 09/05/2025

Bharatbhushan Agarwal
Whole Time Director & CFO
DIN: 302785

Rikin Agarwal
Managing Director
DIN: 2435645

Mohini Singhal
Company Secretary
Membership No. A47724

Place : Ahmedabad
Date: 09/05/2025

SHANTI SPINTEX LIMITED

Sub Plot 1, Unit 1, Survey No. 297, Dholi Integrated Spinning Park Limited, Dholi, Dholka Ahmedabad -382240, Gujarat

CIN: L17120GJ2010PLC062084

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st March,2025

Amount in Lakhs

Particulars	Note No.	As at 31st March,2025	As at 31st March,2024
A. Cash Flow from Operating Activities			
Net Profit After Tax		1020.01	1301.75
Adjustments for :			
Depreciation and amortisation expense		504.41	477.10
Interest expenses		171.83	322.60
Interest and other income on investments		-29.87	-09.71
Gain on Redumption of Mutual Fund		0.00	-99.07
Deffered tax Asset/ Liabilities		-02.08	135.21
Operating Profit Before Working Capital Changes		1664.30	2127.88
Changes in Working Capital :			
(Increase)/ Decrease in Inventories		-320.46	36.05
(Increase)/ Decrease in Trade Receivables		2107.77	-2216.27
(Increase)/ Decrease in Advances		-124.37	496.41
Increase / (Decrease) in Trade Payables		-1809.48	458.45
Increase / (Decrease) in Short Term Provisions		-13.28	96.07
Increase / (Decrease) in Other Current Liabilities		-14.51	-36.32
(Increase) / Decrease in Other Current Investments		-148.36	0.00
(Increase) / Decrease in Other Current Assets		13.93	-15.20
(Increase) / Decrease in Other Non- Current Assets		09.76	23.66
Increase / (Decrease) in Short Term Borrowings		378.91	-340.73
Increase / (Decrease) in Other Long Term Liabilities		-21.59	66.73
Net Cash flow from / (used in) Operating Activities		58.32	-1431.17
B. Cash Flow from Investing Activities			
Aquisition of Property Plant and Equipment		-67.84	-794.37
Sale of Property Plant and Equipment		06.52	
Interest Received		29.87	09.71
Redemption of Mutual Fund		0.00	299.07
Net Cash from / (used in) Investing Activities		-31.45	-485.59
C. Cash Flow from Financing Activities			
Proceeds from IPO of Equity Shares		0.00	268.80
Share Premium on Issue of IPO		0.00	1612.80
Payment of IPO related Expenses		0.00	-136.28
Decrease in Long Term Borrowings		-1232.74	-1615.55
Decrease in Long Term Loans and Advances		01.61	0.24
Interest expenses		-171.83	-322.60
Net Cash from / (used in) Financing Activities		-1402.97	-192.58
Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)		288.20	18.55
Cash & Cash Equivalents at beginning of the year		503.24	484.69
Cash & Cash Equivalents at end of the year		791.44	503.24
Cash and cash equivalents includes the following Amounts			
Cash on hand		0.20	0.12
Balance with Bank			
- In Current Account		0.98	267.34
- In Fixed Deposit		790.26	235.78
TOTAL		791.44	503.24

Note: 1 Statement of Cash Flow has been prepared under the indirect method as set out AS 3 on "Statement of Cash Flows" specified under section 133 of the Companies Act,2013 read with rule 7 of the Companies (Accounts) Rules,2014.

Note: 2 Figures in bracket indicated cash outflow

The Schedules referred to above are an integral part of Profit & Loss
Significant Accounting Policies and Notes on Accounts as Note "1 to 43 "

As per our report of even date,

UDIN: 25016613BMNSMT4939

For M/s ANIL SHAH & CO.

Chartered Accountants

FRN : 100474W

AMHEDABAD

Anil Shah

Partner

Membership No : 016613

Place : Ahmedabad

Date: 09/05/2025



Bharatbhusan Agarwal
Whole Time Director & CFO
DIN: 302785

For and on behalf of the Board

Rikin Agarwal
Managing Director
DIN: 2435645

Mohini Singhal
Company Secretary
Membership No. A47724

Place : Ahmedabad

Date: 09/05/2025

SHANTI SPINTEX LIMITED
CIN: L17120GJ2010PLC062084

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31.03.2025

NOTE NO: 1: COMPANY INFORMATION

The company was incorporated as private limited company on 23/08/2010 under the Companies Act, 1956, and converted in to public limited company on 18.08.2023 and Company's equity share are listed on SME emerge platform of BSE with effect from 27th December 2023. The company was primarily engaged in trading of textile products, and has successfully implemented denim weaving plant since 2016-17, at Block No. 297, admeasuring 8660 Sq. Meters on lease hold land from M/s. Dholi Integrated Spinning Park Ltd. Weaving Project phase -1 and phase -2, at Dholi Integrated Spinning Park, Village Dholi, TA : Dholka, Dist.: Ahmedabad.

NOTE NO: 2: SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of Financial Statements:-

These financial statements have been prepared under historical cost convention from books of accounts maintained on an accrual basis in conformity with accounting principles generally accepted in India and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India and referred to Sec 129 & 133 of the Companies Act, 2013, of India. The accounting policies applied by the company are consistent with those used in previous year.

2.2 Disclosure of Accounting Policies:-

The Accounting Principles and policies recognized as appropriate for measurement and reporting of the financial performance and the financial position on mercantile system and recognize items of income and expenditure on accrual basis. The statement on Significant Accounting policy excludes disclosures regarding Accounting Standards in respect of which there are no material transactions during year.

2.3 Revenue recognition:-

Revenue is recognized to the extent that it is probable that economic benefits will flow to the company and the revenue can be reliably measured. Commission/discount Income has been recognized on accrual basis.

2.4 Valuation of Inventories:-

Inventories are measured at cost and net realizable value, whichever is lower. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost necessary to make the sale. Cost in respect of raw materials and stock in trade are determined on FIFO basis. Costs in respect of all other Inventories are computed on weighted average basis method. Finished goods and process stock include cost of conversion and other costs incurred in acquiring the inventory and bringing them to their present location and condition.

2.5 Property Plant & Equipment and Capital Work in Progress :-

a) Fixed assets are stated at cost of acquisition or construction. All cost relating to the acquisition and installation of fixed assets (Net of CENVAT/VAT/GST credits where ever applicable) are capitalized and include borrowing costs directly attributable to construction or acquisition of fixed assets, up to the date of asset is put to use and adjustment arising out of exchange rate variation relating to liabilities attributable to those fixed assets.

b) Advances paid towards the acquisition of fixed assets outstanding at each balance sheet date and cost of fixed assets not ready for their intended use before such date are disclosed under capital work-in progress. Work-in progress excludes expenditure pending for capitalization..

2.6 Depreciation :-

Depreciation of Property, Plant and Equipment Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately

on straight-line method. Parts of plant and equipment that are technically advised to be replaced at prescribed intervals / periods of operation, insurance spares and cost of inspection/ overhauling are depreciated separately based on their specific useful life provided these are of significant amounts. The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset. Depreciable amount of an item of property, plant and equipment is arrived at after deducting estimated residual value. The depreciable amount of an asset is allocated on a systematic basis over its useful life. The Company reviews the residual value and useful life at each financial year-end and, if expectations differ from previous estimates, the residual value and useful lives are changed prospectively and accounted for as a change in accounting estimate. Depreciation commences when the item of property, plant and equipment is in the location and condition necessary for it to be capable of operating in the manner intended by management.

2.7 Leases:-

At inception of contract, the Company assesses whether the Contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At inception or on reassessment of a contract that contains a lease component, the Company allocates consideration in the contract to each lease component on the basis of their relative standalone price.

As a lessee

i) Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to dismantle. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The Company presents right-to-use assets that do not meet the definition of investment property in 'Property, plant and equipment'.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company generally uses its incremental borrowing rate at the lease commencement date if the discount rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount is remeasured when there is a change in future lease payments arising from a change in index or rate. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

The Company presents lease liabilities under financial liabilities in the Balance Sheet.

iii) Short term leases and leases of low value of assets

The Company applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

2.8 Employee Benefits

Short Term Employee Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months as at the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period.

Other Long Term Employee Benefits

The known liabilities for earned leaves that are not expected to be settled wholly within twelve months are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

Post-Employment Benefits

- **Defined Benefit Plans**

The known liability, if any, recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. If any liability in a financial year it is charged to Statement of Profit and Loss account. The defined benefit obligation if any, is calculated annually by Actuaries using the projected unit credit method. In other cases, such expenditure are charged to Statement of Profit and Loss Account considering it as Short Term Benefits when it is crystalizes.

- **Defined Contribution Plan**

Defined contributions, if any, to Statutory Schemes are charged to the statement of profit and loss of the year.

Termination Benefit

Expenditure incurred on Voluntary Retirement Scheme is charged to the statement of profit and loss immediately.

2.9 Government Grants

Assistance by government in the form of transfers of resources to the Company in return for past or future compliance with certain conditions relating to operating activities of the entity other than those which cannot reasonably have a value placed upon them or those that cannot be distinguished from normal trading transactions of the Company are termed as government grants. All government grants are identified as either relating to assets or relating to income. Government grants whose primary condition is that a Company qualifying for them should purchase, construct or otherwise acquire long-term assets are identified as grants related to assets. Grants other than those related to assets are identified as related to income. Government grants are recognised when there is a reasonable assurance that the Company will comply with the conditions attaching to them and the grants will be received. A forgivable loan from government is treated as a government grant when there is a reasonable assurance that the entity will meet the terms for forgiveness of the loan. The Company recognises Government grants in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Grants related to assets, including non-monetary grants at fair value, are presented in the balance sheet as deferred income. Deferred income is recognised in profit or loss on the basis the related assets are depreciated or amortised if they are related to asset or under other income when the grant becomes receivable. Grants related to income are presented in profit or loss under other income. Grants received

in advance before fulfilment of conditions are recognised as Other Liability classified into current or non-current, as appropriate in the circumstances of the case.

2.10 Borrowing Costs

Interest and other costs that the Company incurs in connection with the borrowing of funds are identified as borrowing costs. The Company capitalizes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which it is incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. The Company identifies the borrowings into specific borrowings and general borrowings. Specific borrowings are borrowings that are specifically taken for the purpose of obtaining a qualifying asset. General borrowings include all other borrowings except the amount outstanding as on the balance sheet date of specific borrowings for assets that are not yet ready for use. Borrowing cost incurred actually

2.11 Accounting for Investments:-

Long term Investments are stated at cost less amount written off, where there is a diminution in its value of other than temporary nature. Current investments are stated at lower of cost and fair value determined on an individual basis. Gain or loss arising from sale or disposal of investment is accounted at the time of actual sale or disposal in the statement of Profit and Loss.

2.12 Foreign Currency transaction:-

Transaction arising in foreign currencies during the year are converted at the rates closely approximating the rates ruling on the transaction dates. Liabilities and receivables in foreign currency are restated at the year-end exchange rates. All exchange rate differences arising from conversion in terms of the above are included in the statement of Profit and Loss.

2.13 Taxes on Income:-

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax is recognized, on timing differences, being the Difference between taxable incomes and accounting income that originates in one period and are capable of reversal in one or more subsequent periods, if any.

Minimum Alternate Tax (MAT) Credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during specified period. In the year in which the MAT credit becomes eligible, to be recognized as an asset. In accordance with recommendation contained in the guidance note issued by ICAI, said asset is created by way of credit/reversal of provisions to Profit and Loss A/c and shown as MAT Credit Entitlements in Loans and Advances. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, unabsorbed losses and tax credits to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and tax credits will be utilised. The carrying amount of deferred tax assets is reviewed at the end of financial year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is expected to be settled or the asset realised, based on tax rates and tax laws that have been substantively enacted by the balance sheet date. Deferred tax assets and liabilities are offset when

there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

2.14 Contingencies and Events occurring after Balance sheet date:-

Material Events occurring after Balance sheet date are taken into cognizance. There have been no material changes or events since the date of balance sheet affecting financial statements as on the Balance sheet date. Further, the dates of Balance sheet, no events or circumstances have occurred, through properly excluded from the accounts, are of such importance that they should be disclosed through any medium.

2.15 Preliminary Expenditure:-

Preliminary Expenditure is to be apportioned in five equal installments, commencing from the year in which operation has commenced.

2.16 Preoperative Expenses:-

As regards in direct expenditure on project implementation/ construction, are treated as preoperative expenditure pending allocation to fixed assets in progress and is shown as "Preoperative Expenses" under "Other Non-Current Assets". The same is transferred to fixed assets on progressive basis and is capitalized along with fixed assets on commencement of commercial activities on pro-rata basis to respective assets.

2.17 Earnings per Share

Basic earnings per share is calculated by dividing the profit or loss for the period attributable to the equity holders of the Company by the weighted average number of ordinary shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. (Refer Note 34)

2.18 Provisions:-

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an out flow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determine based on best estimate required to settle the obligations at the balance sheet date these are review at each balance sheet date and adjusted to reflect the best estimates.

2.19 Contingent Liabilities:-

Contingent Liabilities are determined on the basis of available information and explanations given to us and are disclosed by way of note to the accounts, if any.



SHANTI SPINTEX LIMITED
CIN: L17120GJ2010PLC062084
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note : 3 SHARE CAPITAL	As at 31st March, 2025		As at 31st March, 2024	
	No. of Shares	Amounts in Lakhs	No. of Shares	Amounts in Lakhs
(a) Authorised :				
Equity Shares of ₹10/- each with voting rights	2,00,00,000	2000.00	2,00,00,000	2000.00
(b) Issued, Subscribed & Fully paid-up :				
Equity Shares of ₹10/- each with voting rights	1,68,88,000	1688.80	1,68,88,000	1688.80
	1,68,88,000	1688.80	1,68,88,000	1688.80

The Authorised Share Capital of the Company has been raised from Rs.10 crores consisting of 100,00,000 Equity shares of Rs. 10 ,up to Rs. 20 crores consisting of 200,00,000 Equity shares of Rs. 10 each with the approval of Shareholders in their meeting held on 20th June, 2023.

(a) **Terms / Rights attached to Equity Shares**

The Company has only one class of Equity Shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. Any shareholder whose name is entered in the Register of Members of the Company shall enjoy the same rights and be subject to the same liabilities as all other shareholders of the same class.

In the event of liquidation of the Company, Equity Shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of the equity shares held by the shareholders.

(b) **Details of Shareholders holding more than 5 % (percent) shares in the Company**

	As at 31st March, 2025		As at 31st March, 2024	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity Shares of ₹ 10 each fully paid-up				
Name of the Shareholders				
1. Bharatbhusan O. Agarwal	30,33,800	17.96%	30,33,800	17.96%
2. Rikin B. Agarwal	30,28,400	17.93%	30,28,400	17.93%
3. Umiladevi B. Agarwal	10,37,800	6.15%	10,37,800	6.15%
4. Kautilya Traders Pvt. Ltd.	27,72,000	16.41%	27,72,000	16.41%
5. Vijay Subham Contrade Pvt. Ltd.	25,52,000	15.11%	25,52,000	15.11%

(c) **Reconciliation of number of shares outstanding is set out below:**

	As at 31st March, 2025		As at 31st March, 2024	
	No. of Shares	Amounts in Lakhs	No. of Shares	Amounts in Lakhs
Equity shares at the beginning of the year	71,00,000	710.00	71,00,000	710.00
Add: Bonus Shares issued during the year (Refer Note No : 3.1)	71,00,000	710.00	71,00,000	710.00
Add: Issue of shares under IPO during the year (Refer Note No :39)	26,88,000	268.80	26,88,000	268.80
Less: Buy Back	-	0.00	-	0.00
Equity shares at the end of the year	1,68,88,000	1688.80	1,68,88,000	1688.80

Note :3.1 During the financial year 2023-24 the Company has issued bonus shares in the ratios 1:1 out of share premium account on 02.08.2023 vide Board resolution passed on 31.07.2023

(f) **Shareholding of Promoters as at 31-03-2025**

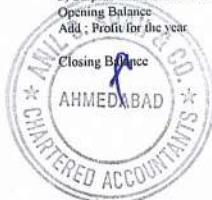
S. No.	Promotor	No. of Shares	% of total shares	% Change during the year
1	Bharatbhusan O. Agarwal	30,33,800	21.36%	0.00%
2	Rikin B. Agarwal	30,28,400	21.33%	0.00%
	Total	60,62,200	42.69%	0.00%

Shareholding of Promoters as at 31-03-2024

S. No.	Promotor	No. of Shares	% of total shares	% Change during the year
1	Bharatbhusan O. Agarwal	30,33,800	21.36%	0.00%
2	Rikin B. Agarwal	30,28,400	21.33%	0.00%
	Total	60,62,200	42.69%	0.00%

As per records of the Company, including its registers of Shareholders / Members and other declarations received from Shareholders regarding beneficial Interest, the above shareholding represents both legal and beneficial ownerships of shares.

Note : 4 RESERVES AND SURPLUS		31/03/2025	31/03/2024
1) Capital Reserve : Balance as per last year		452.67	452.67
2) Securities Premium Account :			
balance at the beginning of the year	2874.52		2108.00
Less: Issue of Bonus share	0.00		710.00
Less: IPO exp	0.00		136.28
Add: Share premium on IPO	0.00		1612.80
Securities Premium Account balance at the end of the year		2874.52	2874.52
		3327.19	3327.19
3) Surplus in the Statement of Profit and Loss :			
Opening Balance		3640.79	2339.03
Add : Profit for the year		1020.01	1301.75
Closing Balance		4660.79	3640.79
		7987.99	4899.70



SHANTI SPINTEX LIMITED
CIN: L17120GJ2010PLC062084
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note : 5 LONG-TERM BORROWINGS	31/03/2025	Amounts in Lakhs 31/03/2024
Secured:		
Term Loan From Bank Term Loan -1 (Refer Note 5.1)	0.00	01.68
Term Loan From Bank Term Loan -2 (Refer Note 5.1)	0.00	709.09
Working Capital Term Loan From GECL (Refer Note 5.1)	0.00	100.34
Working Capital Term Loan From GECL Extension (Refer Note 5.1)	0.00	313.53
Term Loan From Bank Car Loan (Refer Note 5.1)	0.00	05.62
Term Loan From Bank -Wind Mill (Refer Note 5.1)	0.00	876.12
	0.00	2006.38
Less: Current Maturities of Term Loan 1 & 2	0.00	451.68
Less: Current Maturities of GECL-1 & 2	0.00	216.98
Less: Current Maturities of Car Loan	0.00	08.98
Less: Current Maturities of Wind Mill Term Loan (Refer Note No:8)	0.00	96.00
	0.00	1232.74
Unsecured:		
From Body Corporates	215.00	215.00
	215.00	1447.74

Refer Note No. 5.1

(A) Details of Term Loan and Security Provided

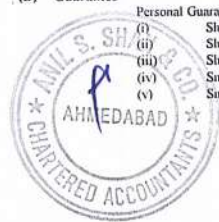
TERMS OF REPAYMENT	Rate of Interest	31/03/2025	31/03/2024
Term Loan 1 Repayable in Total 27 Quarterly installments commencing from April, 2018 and ending on February, 2025.	up to Dec'23 @11.65% ,there after @9.55	-	01.68
Term Loan 2 Repayable in Total 83 Monthly installments commencing from February, 2019 and ending on June, 2026.	11.65%	-	709.09
GECL Loan Repayable in Total 36 Monthly installments commencing from August, 2021 and ending on July, 2024 after a moratorium period of 12 months from the date of disbursement.	9.25%	-	100.34
GECL Extension Loan Repayable in Total 36 Monthly installments commencing from November, 2023 and ending on October, 2026 after a moratorium period of 24 months from the date of disbursement.	9.25%	-	313.53
Car Loan Repayable in Total 84 EMI starting after one month of disbursement	8.60%	-	05.62
Term Loan 3 Repayable in Total 90 Monthly installments commencing from April 2023 and ending on September 2030	11.65%	-	96.00

For Previous financial year for all the term loan the term and condition of the banks are as under, during the year the Company has pay off all the secured term loan.

- (B)(i) **Primary Security with Bank for Term Loan 1, Term Loan 2 and GECL**
Hypothecati Hypothecation of Stock & Receivables
Hypothecatio Hypothecation of Plant & Machinery located at Weaving Unit 1, Survey No. 297, Dholi Integrated Spinning Park Ltd., Dholka, Ahmedabad-382240, Gujarat
- (ii) **Primary Security with Bank for Term Loan 3 (Wind Mill)**
Hypothecation of Stock & Receivables
Hypothecation of Plant & Machinery located at Weaving Unit 1, Survey No. 297, Dholi Integrated Spinning Park Ltd., Dholka, Ahmedabad-382240, Gujarat
Hypothecation of Wind Mill and related Plant & Machinery Purchased out of the Bank Finance located at 217/1, Taluka, Savar Kundla, Amreli
- (C) **Collateral Security with Bank for Term Loan 1, Term Loan 2 and GECL and Term Loan 3(Wind Mill)**
(i) Equitable Mortgage over immovable property at Plot No. 544 owned by M/s. Krishna Traders & 545 owned by M/s. Star Traders admeasuring 644sq. Yards each located at Survey No. 138, Vraj Garden, Nr. 200 Feet Ring Road and Shanti Asiatic School Road, Sanand, Ahmedabad -380058
(ii) Equitable Mortgage over Factory Land and Building (admeasuring 8660.36 sqft. Metres) at Weaving Unit 1, Survey No. 297, Dholi Integrated Spinning Park, Dholka, Ahmedabad -382240
(iii) Equitable Mortgage over Immovable property (admeasuring 598 sq. mtrs.) at Flat No./ Plot No.: Unit no. 330, Survey No. / House No. Block No. 161, Vraj Garden, Aksat C.J. Society Ltd., behind Applewoods Scheme, Near Sahara City, Ahmedabad -380058 Owned by Vedprakash Chiripal
(iv) Pledge of Fixed Deposit Receipt of Rs.NIL (Previous year Rs. 1,70,00,000/-)
(Refer Note No. 13 & Note No. 20.2)

(D) Guarantee

- Personal Guarantee
(i) Shri Bharatbhushan Agarwal
(ii) Shri Rikin Agarwal
(iii) Shri Vedprakash Chiripal
(iv) Smt. Urmiladevi Chiripal
(v) Smt. Savitidevi Chiripal



SHANTI SPINTEX LIMITED
CIN: L17120GJ2010PLC062084
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	Amounts in Lakhs
Corporate Guarantee	
(i) M/s. Krishna Traders (Proprietary Firm)	
(ii) M/s. Star Traders (Proprietary Firm)	
(E) Primary Security with Bank for Car Loan	
Hypothecation of vehicle purchased out of Bank Finance. It is a multi Utility Vehicle.	
24.89% margin with personal eurance of Directors Bharat Bhushan Agarwal & Rikin Bharat Bhushan Agarwal	

Note : 6 OTHER LONG-TERM LIABILITIES

	31/03/2025	31/03/2024
Trade Payable		
Creditors for MSME		
Creditors for Others	0.00	21.99
	65.82	65.82
	65.82	87.42

Trade Payables ageing schedule as at 31-03-2025

Sl. No.	Particulars	Outstanding for following periods from due date of payment				Total
		Less than 1	1-2 years	2-3 years	More than 3	
(i)	MSME (Refer note no. 6.1)		0.00			
(ii)	Others		0.96			0.00
(iii)	Disputed dues- MSME	0.00	0.00	64.86	0.00	65.82
(iv)	Disputed dues - Others	0.00	0.00	0.00	0.00	0.00
	Total	0.00	0.96	64.86	0.00	65.82

Trade Payables ageing schedule as at 31-03-2024

Sl. No.	Particulars	Outstanding for following periods from due date of payment				Total
		Less than 1	1-2 years	2-3 years	More than 3	
(i)	MSME (Refer note no. 6.1)		0.00			
(ii)	Others	0.00	0.00	21.99		21.99
(iii)	Disputed dues- MSME	0.00	65.42	0.00		65.42
(iv)	Disputed dues - Others	0.00	0.00	0.00	0.00	0.00
	Total	0.00	65.42	21.99	0.00	87.42

Note No. 6.1 During the year the company has gathered information in respect of whether supplier of goods & services are covered under the MSME Act 2006, the information has been provided as per informations and explanation provided by the company.

Note No.:6.2 Outstanding Balances are subject to confirmation and reconciliation, if any.

Note : 7 LONG-TERM PROVISIONS

	31/03/2025	31/03/2024
Provision for Grauity		
	09.14	07.53
	09.14	07.29

Note : 8 SHORT-TERM BORROWINGS

	As at 31st March,2025	As at 31st March,2024
(a) Secured Loans :		
(i) Cash credit Limits From Punjab National Bank LTD.		
Refer Note No : 8(1) for terms & conditions	1152.55	0.00
(ii) Current Maturities of long-term borrowings		
(Refer No Note:5)	0.00	773.64
	1152.55	773.64

Note No : 8.1 During the year the Company has availed Secured Cash Credit limit of Rs. 45.00 Crore (Rupees forty five Crore) against hypothecation of current assets as stated in sanction letter from Punjab National Bank , bearing interest rate 8.70% with monthly rest, for 12 months, subject to renewable every year and other terms and condition as stated in sanction letter dt., 29.06.2024.

1) PRIMARY SECURITIES:

As provided in sanction letter, exclusive charge on entire Current Assets of the Company (present & future) including stock of raw materials, stock in progress, finished goods, consumables, receivables/book debts , stores and spares etc., having bank margin 25 %.

2) COLLATERAL OF SECURITY:

Factory land and building at weaving unit no 1, Situated and lying on freehold bonafied industrial purpose land being Surety no 297 paiki having plot area of 8650.36 Sq.Mts. undivided area (out of total area of 64851 Sq.Mts.), in the scheme known as "the spinning park "Situated at Mouje village, Dholi, Dholka, Ahmedabad Dholka-382240.

BOUNDED BY: NORTH: Open land, SOUTH: Road EAST: Road WEST: S N 301

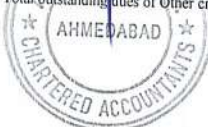
(3) PERSONAL GUARANTEE:

Personal Guarantee provided/given by Mr. Bharatbhusan Agarwal and Mr. Rikin Bharatbhusan Agarwal as mention in Sanction letter attached herewith.

The charge of Punjab National Bank has been registered with Registrar of Company as on 07.10.2024

Note : 9 TRADE PAYABLES

	31/03/2025	31/03/2024
Total outstanding dues of micro & small enterprises (refer note no. 9.1)	30.10	145.38
Total outstanding dues of Creditors other than micro & small enterprises	89.60	3439.64
Total outstanding dues of Other creditors	5194.91	3539.08
	5314.61	7124.09



12 NON-CURRENT ASSETS
PROPERTY, PLANT & EQUIPMENT

Particulars	Gross carrying amount			Depreciation			Net carrying amount	
	As at 01-04-2024	Additions	Deletions/ adjustments	As at 31-03-2025	As at 01-04-2024	Additions	As at 31-03-2025	As at 31-03-2024
Phase-I								
Air Compressor Machine	65.12	0.00		65.12	46.23	06.19	12.70	18.88
Airjet Looms	2453.22			2453.22	743.38	93.22	1616.61	1709.83
CC TV & Accessories	16.63			16.63	03.50	03.16	09.96	13.12
Computer & Peripherals	02.78			02.78	02.72		0.06	0.06
Electric Fix	154.04			154.04	97.23	14.63	42.18	56.81
Factory Building	486.42			486.42	332.96	46.21	107.25	153.46
Free Hold Land	280.86	0.00		280.86	0.00	0.00	280.86	280.86
Furniture & Fixtures	03.96			03.96	02.67	0.38	0.91	01.29
H. Plant (Luva)	125.79			125.79	90.61	11.95	23.23	35.18
Innova Hycross	0.00	29.78		29.78	0.00	03.54	26.24	0.00
Lease Land	230.00			230.00	17.65	02.21	210.14	212.35
Office Equipments	03.19	0.38		03.56	02.35	0.65	0.56	0.83
OHTC (Overhead Travelling Cle	13.57			13.57	09.64	01.29	02.65	03.94
Profiled Reed	13.58			13.58	09.44	01.29	02.85	04.14
Rooftop Solar	380.82	0.00		380.82	24.05	38.00	342.82	366.87
Store & Spare Parts	132.45			132.45	13.95	12.58	26.51	39.09
Todo Warp Typing Machine	52.60			52.60	37.35	05.00	10.26	15.25
Transformer	16.63			16.63	11.81	01.58	03.24	04.82
Two Wheeler Tractor Trailor	09.60			09.60	06.10	0.91	02.59	03.50
Volvo Car	62.14			62.14	42.69	07.38	12.07	19.45
Wind Mill	1241.36			1241.36	95.44	53.60	1092.32	1145.92
Phase-I Total	5744.76	30.15	0.00	5774.92	1659.08	289.82	3826.02	4085.68
Phase-II								
Air Compressor Machine	208.60			208.60	125.52	19.82	63.26	83.07
Airjet Looms	2371.35	20.00		2391.35	587.32	90.36	1713.66	1784.03
Electric Fix	88.04			88.04	48.11	08.34	31.59	39.93
Factory Building	493.02			493.02	293.00	46.84	153.19	200.02
H. Plant (Luva)	79.11			79.11	47.61	07.52	23.99	31.51
OHTC (Overhead Travelling Cle	12.23			12.23	05.25	01.16	05.82	06.98
Store & Spare Parts	169.72			169.72	99.34	16.12	54.25	70.38
Todo Typing Machine	39.17			39.17	23.57	03.72	11.88	15.60
Todo Warp Typing Machine	33.53			33.53	20.17	03.18	10.17	13.35
Utilities	29.51	0.25		29.76	05.40	0.94	23.42	24.11
Phase-II Total	3524.28	20.25	0.00	3544.53	1255.31	198.01	2091.22	2268.98
Other								
Office (Navratna)	264.60	0.00	02.90	261.70	03.80	04.10	253.80	260.80
Office (Civil work - Navratna)	14.93	0.00		14.93	0.01	0.24	14.68	14.91
Office Furniture &	83.87	15.66	03.62	95.91	0.37	08.55	86.99	83.50
Ele. (Navratna)								
Computer & Peripherals	02.75	0.22		02.97	0.09	0.91	01.98	02.66
(Navratna)								
Office Equipments (Navratna)	03.88	0.80		04.67	0.03	0.81	03.83	03.84
Air Condition (Navratna)	05.94	0.75		06.69	0.03	0.61	06.05	05.92
Instrument (Navratna)	07.18	0.00		07.18	01.00	01.36	04.82	06.18
Other Total	383.14	17.43	06.52	394.06	05.33	16.58	372.15	377.81
Grand Total	9652.19	67.84	06.52	9713.50	2919.71	504.41	6289.38	6732.47
Figures of previous year	8857.82	819.82	25.46	9652.19	2442.61	477.96	6732.47	6415.21

SHANTI SPINTEX LIMITED
CIN: L17120GJ2010PLC062084
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Trade Payables ageing schedule as at 31st March, 2025

Amounts in Lakhs

Sl. No.	Particulars	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME		119.70				119.70
(ii) Others		5194.91				5194.91
(iii) Disputed dues- MSME		-	-	-	-	-
(iv) Disputed dues - Others		-	-	-	-	-
Total		5314.61	-	-	-	5314.61

Trade Payables ageing schedule as at 31st March, 2024

Sl. No.	Particulars	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME		3585.01				3585.01
(ii) Others		3539.08	0.00			3539.08
(iii) Disputed dues- MSME		0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues - Others		0.00	0.00	0.00	0.00	0.00
Total		7124.09	0.00	0.00	0.00	7124.09

Note No. 9.1 During the year the company has gathered information in respect of whether supplier of goods & services are covered under the MSME Act 2006, the information has been provided as per informations and explanation provided by the company

Note No.:9.2 Outstanding Balances are subject to confirmation and reconciliation, if any.

Note : 10 OTHER CURRENT LIABILITIES

	31/03/2025	31/03/2024
Statutory Liabilities		
Other Liabilities	11.46	13.69
Unpaid Expenses	0.00	0.00
	36.71	48.51
	48.17	98.32

Note : 11 SHORT-TERM PROVISIONS

	31/03/2025	31/03/2024
Provision for Employee Benefits	22.18	17.95
Provision for Current Tax	330.00	348.00
Provision for Income Tax A.Y. 2019-20	0.77	0.77
Short Term Provision for Gratuity	0.03	0.02
	352.97	270.67

Note : 13 NON-CURRENT INVESTMENTS

	31/03/2025	31/03/2024
A Trade Investments		
B Other Investments (at cost) (Un-Quoted)	0.00	0.00
	0.00	-
	0.00	-

Note : 14 DEFERRED TAX LIABILITIES

	31/03/2025	31/03/2024
Opening Balance		
Current Year DTA	-873.37	-738.16
i) Difference in WDV between Books & Tax return & Gratuity	02.08	-135.21
	-871.29	-873.37

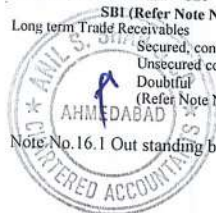
Note : 15 LONG-TERM LOANS AND ADVANCES

	31/03/2025	31/03/2024
Unsecured Considered Good		
Capital Advances		
Loans & Advances to related parties		
Other loans & advances		
	0.00	0.00

Note : 16 OTHER NON-CURRENT ASSETS

	31/03/2025	31/03/2024
Security Deposits		
Gujarat Pollution Control Board	0.50	0.50
UGVCL(C.Y. includes accrued interest)	95.54	93.52
Vat Deposit	0.20	0.20
Security Deposit CDSL	0.90	0.90
Security Deposit Torrent power ltd	03.08	
Security Deposit NSDL	0.90	0.90
Security Deposit BSE	0.00	31.25
Fixed Deposits with Bank - SBI		
SBI (Refer Note No. 20)		
Long term Trade Receivables	0.00	17.34
Secured, considered good	0.00	0.00
Unsecured considered good	47.75	14.61
Doubtful	0.00	0.00
(Refer Note No. 16.1)	148.87	159.21

Note No.16.1 Out standing balances are subject to confirmation and recociliatin, if any.



SHANTI SPINTEX LIMITED
CIN: L17120GJ2010PLC062084
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Amounts in Lakhs

Long Trade Receivables ageing schedule as at 31-03-2025

Sl. No.	Particulars	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade receivables - considered good	0.00		47.75	0.00	0.00	47.75
(ii)	Undisputed Trade receivables - considered doubtful	0.00	0.00	0.00		0.00	0.00
(iii)	Disputed trade receivables - considered good	0.00	0.00	0.00		0.00	0.00
(iv)	Disputed trade receivables - considered doubtful	0.00	0.00	0.00		0.00	0.00
	Total	0.00	0.00	47.75		0.00	47.75

Long Trade Receivables ageing schedule as at 31-03-2024

Sl. No.	Particulars	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade receivables - considered good	0.00	0.00	14.61		0.00	14.61
(ii)	Undisputed Trade receivables - considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00
(iii)	Disputed trade receivables - considered good	0.00	0.00	0.00	0.00	0.00	0.00
(iv)	Disputed trade receivables - considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00
	Total	0.00	0.00	14.61	0.00	0.00	14.61

Note : 17 CURRENT INVESTMENTS		31/03/2025	31/03/2024
CURRENT INVESTMENTS (Quoted at Cost)			
Shares -	PMS (Dream strategy) (Market Value Rs. 66,31,454)	70.29	
	PMS (India Raisin) (Market Value Rs. 70,57,794)	78.06	
	Refer Note 17 (i)	148.36	0.00

Note No : 17(i) The market price of quoted current investment as on 31.03.25 is Rs.1,36,89,248/- (P.Y. Rs NIL)
The Share/securities are held by Hem Securities Limited under Port folio Management scheme

Note : 18 INVENTORIES		31/03/2025	31/03/2024
(i)	Raw Materials	442.89	532.90
(ii)	Work in Progress	515.79	117.09
(iii)	Finished Goods		
	(a) Grey Fabrics	143.37	114.57
	(b) Finished Fabrics	1067.83	1084.86
	Total	2169.88	1849.42

Note No. 18.1 The closing stock is as taken valued and certified by the Management

Note : 19 TRADE RECEIVABLES		31/03/2025	31/03/2024
Secured, considered good		0.00	0.00
Unsecured considered good		6862.21	8969.39
Doubtful		0.00	0.00
	Total	6862.21	8969.39

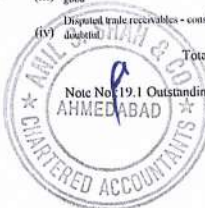
Trade Receivables ageing schedule as at 31-03-2025

Sl. No.	Particulars	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade receivables - considered good	6861.62	0.59	0.00	0.00	0.00	6862.21
(ii)	Undisputed Trade receivables - considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00
(iii)	Disputed trade receivables - considered good	0.00	0.00	0.00	0.00	0.00	0.00
(iv)	Disputed trade receivables - considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00
	Total	6861.62	0.59	0.00	0.00	0.00	6862.21

Trade Receivables ageing schedule as at 31-03-2024

Sl. No.	Particulars	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade receivables - considered good	8969.39	0.00	0.00	0.00	0.00	8969.39
(ii)	Undisputed Trade receivables - considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00
(iii)	Disputed trade receivables - considered good	0.00	0.00	0.00	0.00	0.00	0.00
(iv)	Disputed trade receivables - considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00
	Total	8969.39	0.00	0.00	0.00	0.00	8969.39

Note No. 19.1 Outstanding Balances are subject to confirmation and reconciliation, if any.



SHANTI SPINTEX LIMITED

CIN: L17120GJ2010PLC062084

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note : 20 CASH EQUIVALENTS AND BANK BALANCES	31/03/2025	31/03/2024
Balances with Banks		
In Current Accounts	0.98	267.34
Cash in Hand	0.20	0.12
In Deposit Account		
a) Term Deposits with Nationalised Bank		
b) Fixed Deposits having maturity of less than 3 months	0.00	0.00
Other Bank Balance		
c) Fixed Deposits with Punjab National Bank having maturity of more than 3 months	757.66	0.00
d) Fixed Deposits with State Bank of India having maturity of more than 3 months	0.00	172.37
(For P.Y. Refer Note No. 5.1(c)(iv) and (Note no.20.2))		
d) Fixed Deposits with State Bank of India having maturity of more than 3 months (Refer Note No.20.3)	32.59	63.41
e) Fixed Deposits having maturity of more than 12 months	0.00	17.34
Deposit with SBI (Refer Note No.20.3)		
Fixed Deposits having maturity of more than 12 months	0.00	17.34
(Refer Note No.16)		
Less:		
	791.44	503.24

Note No. 20.1 : Fixed Deposits are inclusive of accrued interest thereon.

Note No.20.2 Deposit pledge with State Bank of India as per terms of sanction .

Note No. 20.3 Deposit with bank are under lien against various bank guarantee issued and are inclusive of accrued interest as on 31.03.2025 Rs.32,59,304/- (Previous year ₹ 80,74,759/-)

Note : 21 SHORT-TERM LOANS AND ADVANCES	31/03/2025	31/03/2024
Unsecured considered good		
Loan and Advances to related parties		
a) Subsidiaries	0.00	0.00
b) Others		
Other Loans and Advances		
Balances with Statutory Authorities	0.00	0.00
Inverted IGST Claim Refund	48.83	51.97
State GST Refund Receivable (Phase 1)	631.01	494.30
Tull Capital Subsidy Receivable A/c (Phase 1)	56.96	56.96
Tull Capital Subsidy Receivable A/c (Phase 2)	229.05	229.05
GST receivable	05.04	37.49
TDS / TCS Receivable	73.33	56.74
Advance Income Tax Paid for F.Y. 2024-25 (P.Y. 2023-24)	203.00	200.00
Other advances recoverable in cash or in kind or for value to be received		
Advance for purchase of Assets & other expenses	0.10	04.70
Balance with Hem Securities Ltd under port folio management sche	09.00	0.00
Interest receivable on -SBI FD	0.68	0.00
Prepaid Expenses	05.56	06.97
	1262.56	1138.19

Note : 22 OTHER CURRENT ASSETS	31/03/2025	31/03/2024
Income Receivable for WindMill Power Generation	33.65	47.58
	33.65	47.58

Note : 23 REVENUE FROM OPERATIONS	31/03/2025	31/03/2024
(a) Sale of Products		
Sale of Goods	0.00	0.00
Fabrics Sales , Less: Discount	70275.79	39487.29
Weaving Job Work Sales	0.20	14.24
Yarn / Bottom Yarn Sales	233.18	10634.20
Sales (Store)	0.00	0.18
Export Sales	32.90	0.00
(b) Supply of Services		
Wind Mill Power Generation Income (Gross)(Refer Note No :24.1)	352.16	377.74
Solar Roof Top generation Income	99.78	69.41
	70994.01	50583.06

Note No : 24.1 Includes prior period Rs.Nil/- (P.Y.1246345/-)

Note : 24 OTHER INCOME	31/03/2025	31/03/2024
Interest on Fixed Deposit	23.60	05.89
Interest on Deposit with UGVCL	06.08	03.83
Interest on Deposit with Torrent Power	0.20	
Prior Period Income	10.27	0.00
Scrap & Wastage Sales	01.70	0.78
Excess prov.written off for ROC Exps.	0.00	0.01
Excess prov.written off	-0.31	
Rebate	0.69	0.87
Dividend from Company	0.34	0.00
Custom duty draw back	0.38	0.00
Sundry Creditors w/off	0.05	11.22
Short Term capital gain on sale of shares	08.28	0.00
Actuarial Gain (Gratuity)	01.15	03.80
Long Term Gain on Mutual Fund redemption	0.00	99.07
	52.41	125.46



SHANTI SPINTEX LIMITED

CIN: L17120GJ2010PLC062084

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

		Amounts in Lakhs	
Note	25 COST OF MATERIALS CONSUMED	31/03/2025	31/03/2024
	MATERIALS CONSUMED :		
	Opening Stock	532.90	492.40
	Add: Purchases (Yarn, Fabric & Others, etc.)	67389.42	45700.22
	Less: Closing Stock (As taken and valued and certified the management)	442.89	532.90
		<u>67479.43</u>	<u>45659.71</u>
Note	26 CHANGES IN INVENTORIES	31/03/2025	31/03/2024
	(i) Work in Progress	398.70	-56.23
	(ii) Finished Goods		
	(a) Grey Fabrics	28.80	-628.08
	(b) Finished Fabrics	-17.03	607.76
		<u>410.47</u>	<u>-76.55</u>
Note	26.1 MANUFACTURING EXPENSES :		
	Drawing & Knotting Charges	16.62	14.29
	Inspection Charges	06.11	08.39
	Electricity Charges	600.12	644.39
	Windmill Operating Expenses	52.29	45.44
	Solar Operation Expenses	11.83	07.14
	Job Work charges	808.85	1181.66
		<u>1495.82</u>	<u>1901.31</u>
Note	27 EMPLOYEE BENEFITS EXPENSE	31/03/2025	31/03/2024
	Managerial Remuneration	16.48	17.14
	Salary & Wages	204.17	195.09
	Contribution to Employee Deposit Linked Insurance Scheme	0.05	0.08
	Staff Welfare Expenses, Medical exp	0.19	0.20
	Gratuity Expenses	03.78	03.88
	Provident Fund Employer	01.38	02.10
	Provident Fund Exp	0.06	0.11
		<u>226.11</u>	<u>218.58</u>
Note.27.1 Retirement Benefits		31/03/2025	31/03/2024
A)	Defined Benefit Plans:		
	Particulars		
i)	Amounts recognised in the Balance Sheet in respect of Gratuity		
	Present Value of the funded Defined Benefit Obligations at the end of the year	09.16	07.47
	Fair Value of Plan Assets	0.00	0.00
	Net (Asset)/ Liability	<u>09.16</u>	<u>07.47</u>
	Employee Benefits		
	Current Service Cost	03.24	03.31
	Interest on Net Defined Benefit Liability /(Assets)	0.55	0.56
	Net actuarial (gain)/loss recognised in the period	-01.15	-03.80
	Expenses to be recognised in P&L	<u>02.64</u>	<u>0.08</u>
ii)	Reconciliation of Present Value of the Obligation and the Fair Value of the Plan of Assets :		
	Change in Net Liabilities/ (Assets)		
	Opening gross Defined Benefit Liabilities/(Assets)	07.55	07.47
	Expenses Charged to Profit & Loss	02.64	0.08
	Amount Recognised Outside Profit and Loss -OCI		
	Employer Contribution		
	Closing Net Defined Benefit Liabilities/ (Assets)	<u>10.19</u>	<u>07.55</u>
iii)	Quantitive Sensitivity Analysis for Significant Assumption is as below :		
	Increase/ Decrease in Present Value of Defined Benefits Obligation at the end of the year		
	Particulars		
	Deined Benefit Obligation (Base)	09.16	07.55
	Liability with 1.00 % Increase in Discount Rate	08.53	06.79
	Liability with 1.00 % Decrease in Discount Rate	09.88	08.46
	Liability with 1.00 % Increase in Rate of Salary Increase	09.89	08.47
	Liability with 1.00 % Decrease in Rate of Salary Increase	08.51	06.77
	Liability with 1.00 % Increase in Withdrawal Rate	09.12	07.56
	Liability with 1.00 % Decrease in Withdrawal Rate	09.19	07.51
	Particulars		
	Principal Actuarial Assumptions at the Balance Sheet Date		
	Discount Rate	7.50 % per annum	7.50 % per annum
	Salary Escalation		
	Salary Escalation - Staff	5.00 % per annum	5.00 % per annum
	Mortality Rate during Employment	IALM 2012-14	IALM 2012-14
	Rate of Employee Turnover	5.00 % per annum	5.00 % per annum

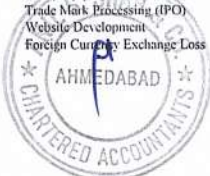
SHANTI SPINTEX LIMITED

CIN: L17120GJ2010PLC062084

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Amounts in Lakhs

Current Liability		
Current Liability (Short Term)	0.03	0.19
Non Current Liability (Long Term)	09.14	07.29
Total Liability	09.16	07.47
Benefits Valued		
Normal Retirement Age	60Years	60Years
Salary	Last drawing qualifying salary	Last drawing qualifying salary
Vesting Period	5 years of service	5 years of service
Benefits on Normal Retirement	15/26*Salary*Past service (yr.)	15/26*Salary*Past service (yr.)
Benefit on early exit due to death and disability Limit	As above except that no vesting conditions apply 20.00	As above except that no vesting conditions apply 20.00
Note : 28 FINANCE COSTS		
	31/03/2025	31/03/2024
Interest on Wind Mill Loan	69.06	101.47
Interest on Car Loan	0.12	0.88
Interest on PNB CC A/c	15.19	0.00
Interest on Term Loan	51.76	168.06
Interest on GECL Loan	22.18	51.63
Other Borrowing Costs (Bank charges)	05.49	0.50
Interest on Late payment of GST	0.00	0.04
Interest on Late payment of TDS	0.01	0.01
Interest on late payment of PF	0.00	0.00
Mortgage Charges	08.02	0.00
	171.83	322.60
Note : 29 OPERATING AND OTHER EXPENSES		
	31/03/2025	31/03/2024
OTHER DIRECT EXPENSES :		
Loading & Unloading Expenses	15.65	14.87
Catch Code Yarn	02.63	02.88
Insurance Expenses	13.40	17.00
Rent, Rates & Taxes	02.78	0.23
Freight Expenses	03.70	39.15
Plant Expenses	0.71	0.67
Plant Sundry Material	0.14	0.12
Stores & Spares	21.64	19.10
Rate Difference & Quality Claim	0.00	14.52
	60.65	108.53
Payments to Auditor (Refer Note : 29.1)	01.90	03.72
GST Audit Fees	0.25	0.25
Bank -Guarantee Commission	0.16	0.47
Cartoon Expenses	0.00	06.08
Car Hire	02.83	03.17
Petrol/Diesel Expenses [car & tractor]	06.50	04.32
Conveyance Expenses	0.21	0.32
Commission & Brokerage	0.47	0.28
Computer Repairing	0.56	0.39
Consultancy & Professional Fees	05.80	03.07
CSR Activities	24.00	09.10
Electric Exp Navratna office	02.67	
Housekeeping Expenses	09.77	09.29
Factory Exp	0.08	
Factory Licence Fees	0.28	0.28
GST Expenses	03.33	01.10
Car Insurance Charges	01.25	01.20
Internet Broadband Expenses	0.48	0.50
Investor Relation Services Exp	03.40	
Late Fees GST	0.00	0.00
Lease Rent Expense	0.04	0.04
Legal and Professional Fees	13.63	11.78
GPCB Consent Fees	0.11	0.01
Mobile Expenses	0.26	0.31
Office Expenses	07.23	03.66
Misc. Exp	0.00	0.07
Outward Freight Expenses	37.02	48.00
Park Maintenance Expenses	05.46	05.46
Penalty	0.02	03.77
Postage & Courier	0.08	0.03
Prior Period Expenses	05.49	03.68
Photography Editing, and Cinematography	0.18	
Printing & Stationery	01.04	01.75
Reed Repairing	0.00	0.37
Repairs and Maintenance	03.98	02.23
ROC Expenses	0.09	0.54
Round Off	0.00	0.00
Security Charges	0.00	0.87
Portfolio Exp	01.32	0.00
Sundry Debtors w/off	0.00	07.40
Property Tax (Navratna)	01.07	01.05
Tally Cloud User Fees	0.58	0.94
Travelling Expenses	01.21	01.82
Vehicle Repairing	13.78	06.07
Water Expenses	01.12	0.41
Annual Listing Fees (BSE)	02.64	01.18
Authorised Capital - Increase	0.00	07.50
PIT Archive Structured Digital Database Software	0.13	0.03
Stamp Duty for Bonus Shares Allotment (IPO)	0.00	0.71
Trade Mark Processing (IPO)	0.00	0.10
Website Development	0.00	01.07
Foreign Currency Exchange Loss	0.48	
	160.88	154.40



SHANTI SPINTEX LIMITED
CIN: L17120GJ2010PLC062084
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Amounts in Lakhs

Note: 29.1

Payments to the Auditor
As auditors - statutory audit fees
Tax Audit report
Income Tax Return
Others

1- IPO Professional Charges (Charges to Security Premium Account)
2- ADS and Certification Charges

221.53

262.93

01.40

01.25

0.25

0.25

0.25

0.25

0.00

0.00

0.00

03.25

0.00

01.97

01.90

06.97



Note : 30 Disclosure required under companies Act, 2013.

Amounts in Lakhs		
Directors Remuneration		
Particulars	Current year(Rs)	Last year (Rs)
Remuneration to Director		
1) Rikin BharatBhushan Agarwal	12.00	12.00
2) Bhavik Talati	04.48	05.14
Contribution to superannuation fund	Nil	Nil

Note: 31

LEASE EXPENSES

Operating Lease : Rental is expenses with reference to lease terms and other considerations

(a) The company has taken on sub- lease land at Village Likhala, Taluka Savar Kundla, District Amreli, owned by Government of India and leased by Gujrat Fluorochemicals . The total lease rent paid on the same amounting to Rs. 15000/-and taken on lease w.e.f. .29.12.2021

(b) The company has taken on lease land at Survey No. 402, Dholi Integrated Spinning Park Limited from Dholi Integrated Spinning Park Limited. The total lease rent paid on the same amounting to Rs. 4330/- and taken on lease w.e.f. 21-09-2015.

Amounts in Lakhs		
Particulars	Current year(Rs)	Last year (Rs)
Not later than one year	0.19	0.19
Later than one year and not later than five years	0.77	0.77
Later than five years	04.54	04.54
Lease payment recognised in profit & loss A/c for the period	0.19	0.19
The total yearly lease payment is	0.19	0.19
Minimum lease per annum	0.19	0.19

Note: 32

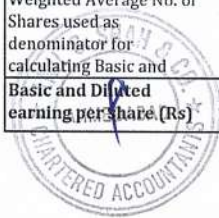
In accordance with accounting standard 22 "Accounting for Taxes on Income" (AS22) issued by the ICAI. The company has accounted for deferred taxes during the year.

Following are the major components of deferred tax assets/ (liabilities) :

Amounts in Lakhs			
Component	Deferred Tax Assets / (Liabilities) as at 01.04.2024	Current year DTA / (DTL)	Deferred Tax Assets / (Liabilities) as at 31.03.2025
Opening Balance	-873.37		-873.37
1) Difference in depreciation between accounting books and tax return & Gratuity		02.08	02.08
Total	-873.37	02.08	-871.29

Note: 33 Earning Per Share

Amounts in Lakhs		
Particulars	31/03/2025	31/03/2024
Numerator used for calculating Basic and Diluted Earning Per Share (Profit After Tax)	1020.01	1301.75
Nominal Value per Share	10	10
Weighted Average No. of Shares used as denominator for calculating Basic and	16888000	14943803
Basic and Diluted earning per share (Rs)	6.04	8.71



Note: 34

Related party Discloser (Accounting Standard 18)

Description of relationship
Key Management Personnel

Names of related parties

- 1) Bharatbhushan Agrawal
- 2) Rikin Agarwal
- 3) Sejal Ronak Agrawal(w.e.f. 31.08.2023 & resigned w.e.f.14.06.2024)
- 4) Kruti Vyas(w.e.f.31.08.2023)
- 5) Mohini Singhal (C.S. w.e.f.02.08.2023)
- 6) Bhavik Rameshbhai Talati (w.e.f.31.07.2023 & resigned w.e.f.01.01.2025)
- 7) Urmiladevi Agrawal (w.e.f. 03.01.2025)
- 8) Monika Gaurav Gupta (w.e.f 22.06.2024)

Associates

Rikin Fabrics Pvt. Ltd.
Sparsh Fabric Pvt. Ltd
Teesta Spintex Pvt. Ltd

Relatives Of Key Management Personnel

- 1) Deepika Agrawal
- 2) Sneha Bhavik Talati

List of Relatives of Key Managerial Personnel and Enterprise over which Key Management Personnel and their relative exercise significant influence with whom transaction have taken place during the year.

NIL

A Transaction with related parties

Amounts in Lakhs

PARTICULARS	Key Managerial Personnel		Relatives of Key Managerial Personnel		Associates	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
1) LOAN TAKEN (Unsecured loan)						
Rikin Agarwal	80.00					
Sparsh Fabrics P Ltd					2162.00	
Smt. Urmiladevi B Agrawal				147.00		
2) LOANS GIVEN						
Rikin Agarwal	100.00					
3) LOAN RECEIVED BACK						
Rikin Agarwal	100.00					
4) LOAN RETURN						
Bharat Bhushan Agrawal		387.34				
Rikin Agarwal	80.00					
Smt. Urmiladevi B Agrawal				147.00		
Sparsh Fabrics P Ltd					2162.00	
5) Material Advance Given						
Rikin Chemical	0.00	0.72				
5) Material Advance Received back						
Rikin Chemical	0.00	0.72				
4) PURCHASES						
Sparsh Fabrics Pvt. Ltd.					123.09	296.96
Rikin Fabrics Pvt. Ltd.					614.38	177.64
Teesta Spintex Pvt Ltd					488.69	
Bharat Bhushan Agrawal	12.13					
Prop Bharat Polyfab		1216.22				
5) SALES						
Sparsh Fabrics Pvt. Ltd.					257.34	967.00
Teesta Spintex Pvt Ltd					01.51	
Bharat Bhushan Agrawal	37.05					
Prop Bharat Polyfab						
6) REMUNARATION						
1) Rikin Agarwal	12.00	12.00				
2) Mohini Singhal	03.53	01.87				
3) Bhavik Talati	04.48	05.14				
4) Sneha Talati			04.48	05.17		
7) SITTING FEE						
1) Sejal Ronak Agrawal	0.12	0.34				
2) Kruti Vyas	01.00	0.60				
3) Monika Gaurav Gupta	0.38	-				
OUTSTANDING BALANCES:-						
1) LOAN TAKEN						
2) LOAN GIVEN						
3) DEBTORS						
4) CREDITORS						

5) SALARY PAYABLE					
1)Rikin Agarwal	0.85	0.85			
2)Mohini Singhal	0.30	0.30			
6) SITTING FEES PAYABLE					
1) Sejal Ronak Agrawal	0.00	0.34			
2) Kruti Vyas	0.00	0.60			

Note: 35

Particular	Amounts in Lakhs	
	Foreign Exchange Earnings/outgoings	Foreign Exchange Earnings/outgoings
	2024-25	2023-24
Revenue in foreign	32.90	0.00
Out going Expenditure in foreign currency	0.00	0.00

Note: 36 Contingent liabilities and commitments (to the extent not provided for)

Contingent liabilities	Amounts in Lakhs	
	As at 31 March, 2025	As at 31 March, 2024
(a) Claims against the Company not acknowledged as debt	NIL	NIL
(b) Unexpired Guarantees		
(i) Export Obligation under "0" duty EPCG in favour of DGFT amounting to ₹ NIL (P.Y. Rs.18,00,47,484)	NIL	45.15
(ii) GEDCO against the transmission charges	31.13	31.13
(c) Other money for which the Company is contingently liable	NIL	NIL
(d) Income tax Liability for A.Y. 2022-23 Rs. 677862/-	06.78	06.78
(f) Other commitments : The estimated amount of contracts remaining to be executed on capital account and not provided for against which advance have been paid	0	0

Note: 37

Provision for current year's income tax aggregating Rs. 330.00 Lakhs/- (P.Y. Rs. 348.00 Lakhs/-) has been made on estimated basis for the accounting year ended on 31.03.2025. The actual tax liabilities of the company will be determined on the basis of taxable income of the company for F.Y year 2024-25

Note: 38

During F.Y.2023-24 ,Company was converted from closely held to Public Limited Company on 18.08.2023 and had completed its Initial Public Offering ("IPO") of 26,88,000 new equity share of face value of Rs.10/- each at premium of Rs.60/- per equity share aggregating to Rs.1881.60 Lakhs and offer for sale number of equity shares 17,76,000 of face value of Rs.10/- each at premium of Rs.60/- . expenses related to IPO Rs.136.28, Lakhs /- was debited against securities premium Account as per Section 52 of Companies Act,2013. Pursuant to the IPO , the equity shares of company have to got listed on the SME Platform of BSE on 27th December, 2023.

Note:39

Others

- 39.1 In the opinion of the Board, all the current assets, Loans and advances have a value on the realization in the ordinary course of the business at least equal to the amount at which they are stated.
- 39.2 Balances of sundry debtors, sundry creditors and loans and advances etc., are subject to confirmation and reconciliation, and consequential adjustment, if any.
- 39.3 Previous year figures have been regrouped/ rearranged so as to make them comparable with current year's figures.

Note : 40

There is no Expenditure incurred on employees in receipt of remuneration of not less than Rs.24.00 lakhs (Rupees twenty four lakh only) per annum or Rs 2.00 lakhs (Rupees two lac only) per month, if employed throughout the year or part of the year.

Note :41

In the Note No. 6.1 & Note No. : 9 during the year the company has gathered information in respect of whether supplier of goods & services are covered under the MSME Act 2006, the information has been incorporated as per informations and explanation provided by the company.

Note: 42 Segment Reporting

For Management Purpose, the Company is currently organised into two major operating activities – 1) Textile Manufacturing and 2) Renewable energy : Windmill Operations and rooftop solar energy .These divisions are the basis on which the Company reports its primary segment information

(i) Segment assets and liabilities:

Company is having two segments of business, Assets and Liabilities are bifurcated segment wise.

(ii) Segment revenue and expenses

Segment revenue and expenses are taken directly as attributable to the segment. It does not include interest income on inter-deposits, Profit on sale of investments, Interest expense, Provision for Contingencies and Income-tax.

The company operates primarily in India and there is no other significant geographical segment

Amounts in Lakhs

PARTICULARS	31/03/2025	31/03/2025	31/03/2025	31/03/2024	31/03/2024	31/03/2024
	Textile	Renewable Energy	TOTAL	Textile	Renewable Energy	TOTAL
REVENUE						
Domestic Income	70542.07	451.94	70994.01	50135.91	447.15	50583.06
Export Income	NIL	NIL	NIL	NIL	NIL	NIL
Inter-segment Income	NIL	NIL	NIL	NIL	NIL	NIL
RESULTS						
Segment Results	NIL	NIL	NIL	NIL	NIL	NIL
Unallocated Corporate Exps	NIL	NIL	69516.84	NIL	NIL	48596.19
Operating Profit	NIL	NIL	NIL	NIL	NIL	NIL
Interest Expense	102.77	69.06	171.83	221.13	101.47	322.60
Interest Income	NIL	NIL	NIL	NIL	NIL	NIL
Other Income	52.41	NIL	52.41	125.46	NIL	125.46
Deferred tax	NIL	NIL	-02.08	NIL	NIL	135.21
Income tax	NIL	NIL	339.83	NIL	NIL	352.77
Net Profit	NIL	NIL	1020.01	NIL	NIL	1301.75
OTHER INFORMATION						
Segment assets	16271.21	1435.14	17706.34	17886.71	1512.80	19399.51
Unallocated Corporate Asset	NIL	NIL		NIL	NIL	
Total Assets	16271.21	1435.14	17706.34	17886.71	1512.80	19399.51
Segment Liabilities	8029.56	0.00	8029.56	9866.60	876.12	10742.73
Unallocated Corporate Liabilities	NIL	NIL	NIL	NIL	NIL	NIL
Capital Expenditure	NIL	NIL	NIL	NIL	NIL	NIL
Depreciation	426.75	77.66	504.41	409.55	67.55	477.10
Other on Capital Expenditure	NIL	NIL	NIL	NIL	NIL	NIL

Notes to Financial statements for the year ended 31st March,2025

Note: 43 Other Statutory Disclosure

43.1 (a) There is no such property wherein there is an issue with the title, hence the title deeds related disclosures are not given

(b) The company does not have any investment in property hence, comment related to revaluation is not made

(c) During the year, the company has not revalued its intangible assets or any asset of Property, Plant & Equipment, hence, disclosure related to revaluation is not made

(d) The company has given loans and advances which are either repayable on demand or are without specifying any terms or period of repayment. The disclosures related to loans and advances given to related party are given as under -

Type of Borrower	31.03.25		31.03.24	
	Amount of loan or advance in the nature of loan outstanding 31.03.2025	percentage to the total loans and advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding 31.03.2024	percentage to the total loans and advances in the nature of loans
Promoters	NIL	NIL	NIL	NIL
Directors	NIL	NIL	NIL	NIL
KMPs	NIL	NIL	NIL	NIL
Related Parties	NIL	NIL	NIL	NIL

43.2 Ageing schedule of CWIP is given during the year:

For FY 2024-25

(a) For Capital-work-in progress

(Amount in Rs.)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years		More than 3 years	
No such Project	-	-	-	-	-
	-	-	-	-	-

There is no capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its

(Amount in Rs.)

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects	No such CWIP				

For FY 2023-24

(b) For Capital-work-in progress

(Amount in Rs.)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years		More than 3 years	

(Amount in Rs.)

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects	No such CWIP				

43.3 The company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

43.4 As on the reporting date, the company has borrowings from banks or financial institutions which is sanctioned as on 29.06.2024 and started utilising it from 27.12.2024 on the basis of security of current assets and for which quarterly returns are submitted and the details thereof are as they are as under.

quarterly returns are submitted and the details thereof are as they are as under :					Amounts in Lakhs
	As submitted to Bank		As Per Books		Remarks
	Book Debts (within six -Month)	Stock	Total Book Debts (within six-months)	Stock	
Q1	0.00	0.00	0.00	0.00	Refe Note no 43.4.1
Q2	0.00	0.00	0.00	0.00	
Q3	6074.71	2081.69	6074.71	2185.87	
Q4	6886.96	2170.50	6882.02	2169.88	

43.4.1 The above figure has been provided as per a copy of statement submitted to the bank duly acknowledge(sign) by the bank and the figure as per book are system generated we are unable to give our opinion on the same

43.5 The company is not declared a wilful defaulter by any bank or financial Institution or other lender.

43.6 The company does not have any transactions with struck off Companies.

43.7 There is no registration of charge or satisfaction /modification of charge which is required to be registered with ROC is pending.

43.8 Company has complied with with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017

43.9 Ratios for FY 24-25 and FY 23-24 are presented as under:

Ratio	Numerator	Denominator	Current period	Previous period	% variance	Reason for variance
- Current Ratio	Current Assets	Current Liabilities	1.42	1.18	21%	See Note 43.9.1
- Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.14	0.36	-60%	See Note 43.9.1
- Debt Service Coverage Ratio	Earnings for debt service	Debt service (Interest & Lease Payments + Principal Repayments)	0.93	1.11	-16%	
- Return on Equity Ratio	Net profit after tax - Preference Dividend	Average shareholder's equity	11%	15%	-30%	See Note 43.9.1
- Inventory turnover ratio	Cost of goods sold	Average Inventory	35.33	27.09	30%	See Note 43.9.1
- Trade Receivables turnover ratio	Net Credit sales (Gross credit sales - sales return)	Average Trade Receivables	8.93	6.40	40%	See Note 43.9.1
- Trade payables turnover ratio	Net credit purchase (Gross credit purchases - purchase return)	Average Trade payables	24.68	8.85	179%	See Note 43.9.1
- Net capital turnover ratio	Net sales (Total sales - sales Return)	Working capital (Current assets - Current liabilities)	7.20	12.10	-41%	See Note 43.9.1
- Net profit ratio	Net profit after tax	Net sales (Total sales - Sales Return)	1.44%	2.57%	-44%	See Note 43.9.1
- Return on Capital employed	Earnings before interest and tax	Capital Employed (Tangible Net worth + Total Debt + Deferred Tax Liability)	13%	18%	-29%	See Note 43.9.1
- Return on investment	Interest (Financial Income)	Investment	6%	0.00	600%	Not Comparable

43.9.1 DEBT-Equity Ratio: Due to Prepayment of Debt by 38.44 % (Rs. 854 Lakhs) and Increase in Equity and Reserve and Surplus by 11.79% (Rs.1020.01 Lakhs)

Return on Equity Ratio: Due to Decrease in Profit after Tax 21.61%

Trade Receivable turnover ratio : Increase in Sales by 40.35% and Decrease in Debtors by 23.20%

Trade payables turnover ratio : Increase in Purchase by 47.79% and Decrease in Creditors by 25.35%

Net Capital Turnover Ratio : Increase in Sales by 40.35 % and Increase in Working Capital gap by 76.06%

Net Profit Ratio : Decrease in Net Profit by 21.61% and Increase in Sales by 40.35%

Return on capital employed : Due to Decrease in Profit 21.61%

43.10 During the year, company has not entered in any scheme of arrangements as specified in Section-230 to Section 237 of the Companies Act,2013

43.11 The company has not advanced or loaned or invested funds to any other person(s) or entity(ies) including foreign entities (Intermediaries) with the understanding 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.

43.12 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 :

- (i) 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
- (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

43.13 The company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

43.14 During the year the Income Tax department has made order u/s 147 on 28.03.2025 for Assessment year 2021-22 raising the demand of Rs.7.57 Lakhs however management is referring rectification application u/s 154, Management is of the view that substantial demand raised will be reduced, leaving no material liability for tax payable hence no provision has been made in the account during the year. During the Preceeding year u/s 147 & u/s143(3) for Assessment Year 2022-23 on 31.03.2024, raised the demand of Rs. 6.78 Lakhs for Assessment year 2022-23 , the company has filed an appeal with Income Tax department before CIT-A for Assessment year 2022-23. In view of preffering appeal no provision have been made of tax & interest payable total amounting to Rs. 6.78 Lakhs has been made in the accounts. Till date the appeal is pending for hearing.
2) Further the company has received notice U/ S 148 for assesment of the company for A.Y.2016-17. The scrutiny proceeding and proceddings U/S 148 have been initiated pursuant to a search & seizure operation carried by the Income Tax Authorities on Chiripal Groups and their key person on 20.07.2022 in which our company's has been mentioned warrant. In the opinion of management prima facie the Company does not expect additional liability as a result of scrutiny assessment, hence no provision has been made by the Company.

43.15

The Company has complied with the provision of section 135 of the Companies Act,2013.

1) Amount required to be spent by Company during the year Rs.24,00,000/-.

2A) Amount of expenditure incurred Rs.11,00,000/- payment made to Arya Foundation having project of Rural development Feed to needy people Women empoerment and Helath environment programs Old age welfare Poor people help. 2B) Amount of expenditure Incurred Rs.11,00,000/- payment made to Ekal Shree Hari Vanvasi Foundation havinfproject of upliftment of pur tribal Brothers and Sisters in about 1,12,624 villages in various part of our country through Panchmukhi Shiksha.

2C) Amount of expenditure incurred Rs.2,00,000/- payment made to Shree Vishvas Seva Trust having project of developing on spreading eduction of drug addiction in youth across India.

3) Short

fall at to end of the year Rs. Nil/-(P.Y. Nil)

Signatures to Notes on Account Note no :1 to 43

For M/s ANIL SHAH & CO.

Chartered Accountants

FRN : 100474W

AHMEDABAD

Anil Shah

Partner

Membership No : 016613

Place: Ahmedabad

Date: 09/05/2025

Bharatbhushan Agarwal
Whole Time Director & CFO
DIN: 44287

SPINTEX LIMITED
Rikin Agarwal
Managing Director
DIN: 100474W

Mohini Singhal
Company Secretary
Membership No. A47724

Place : Ahmedabad

Date: 09/05/2025



Date: 15.09.2024

To,
The Board of Directors of
Shanti Spintex Limited
Sub Plot 1, Unit 1, Survey No. 297,
Dholi - Integrated Spinning Park Limited,
Dholi, Dholka, Ahmedabad, – 382 240

Dear Sir,

We refer to the letter dated 15.09.2024 informing us about our appointment/ratification as the auditors of the Company. You have requested that we audit the financial statements of the Company as defined in Section 2(40) of the Companies Act, 2013 ('2013 Act'), for the financial year(s) beginning April 1, 2024 and ending March 31, 2025. The financial statements of the Company include The Balance sheet as at 31.03.2025, and statement Profit & Loss, the cash flow statement for the financial year 2024-25. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter.

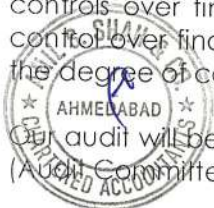
Our audit will be conducted with the objective of our expressing an opinion if the aforesaid financial statements give the information required by the 2013 Act in the manner so required, and give a true and fair view in conformity with the applicable accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2025, and its profit/loss and its cash flows for the year ended on that date which, *inter alia*, includes reporting in conjunction whether the Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. In forming our opinion on the financial statements.

We will conduct our audit in accordance with the Standards on Auditing (SAs), issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed by the Central Government in accordance with Section 143(10) of the 2013 Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

Because of the inherent limitations of an audit, including the possibility of collusion or improper management override of controls, there is an unavoidable risk that material misstatements due to fraud or error may occur and not be detected, even though the audit is properly planned and performed in accordance with the SAs. 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.

Our audit will be conducted on the basis that the Management and those charged with governance (Audit Committee / Board) acknowledge and understand that they have the responsibility:



- (a) For the preparation of financial statements that give a true and fair view in accordance with the applicable Financial Reporting Standards and other generally accepted accounting principles in India. This includes:
- Compliance with the applicable provisions of the 2013 Act;
 - Proper maintenance of accounts and other matters connected therewith;
 - The responsibility for the preparation of the financial statements on a going concern basis;
 - The preparation of the annual accounts in accordance with, the applicable accounting standards and providing proper explanation relating to any material departures from those accounting standards;
 - Selection of accounting policies and applying them consistently and making 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;
 - Taking proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the 2013 Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
 - Laying down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
 - Devising proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- (b) Identifying and informing us of financial transactions or matters that may have any adverse effect on the functioning of the Company.
- (c) Identifying and informing us of :
- All the pending litigations and confirming that the impact of the pending litigations on the Company's financial position has been disclosed in its financial statements;
 - All material foreseeable losses, if any, on long term contracts including derivative contracts and the accrual for such losses as required under any law or accounting standards; and
 - Any delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- (d) Informing us of facts that may affect the financial statements, of which Management may become aware during the period from the date of our report to the date the financial statements are issued.
- (e) Identifying and informing us as to whether any director is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the 2013 Act. This should be supported by written representations received from the directors as on March 31, 2025 and taken on record by the Board of Directors.
- (f) To provide us, *inter alia*, with:
- (i) Access, at all times, to all information, including the books, accounts, vouchers and other records and documentation of the Company, whether kept at the Head Office or elsewhere, of which the Management is aware that are relevant to the preparation of the financial statements such as records, documentation and other matters. This will include books of account maintained in electronic mode;
 - (ii) Access, at all times, to the records of all the subsidiaries (including associate companies and joint ventures as per Explanation to Section 129(3) of the 2013 Act) of the Company in so far as it relates to the consolidation of its financial statements, as envisaged in the 2013 Act;



- (iii) Access to reports, if any, relating to internal reporting on frauds (e.g., vigil mechanism reports etc.), including those submitted by cost accountant or company secretary in practice to the extent it relates to their reporting on frauds in accordance with the requirements of Section 143(12) of the 2013 Act;
- (iv) Additional information that I / we may request from the Management for the purposes of my / our audit;
- (v) Unrestricted access to persons within the Company from whom we deem it necessary to obtain audit evidence. This includes our entitlement to require from the officers of the Company such information and explanations as we may think necessary for the performance of our duties as the auditors of the Company; and
- (vi) All the required support to discharge my / our duties as the statutory auditors as stipulated under the Companies Act, 2013/ ICAI standards on auditing and applicable guidance.

As part of our audit process, we will request from the Management written confirmation concerning representations made to us in connection with our audit.

Our report prepared in accordance with relevant provisions of the 2013 Act would be addressed to the shareholders of the Company for adoption of the accounts at the Annual General Meeting. In respect of other services, our report would be addressed to the Board of Directors. The form and content of our report may need to be amended in the light of our audit findings.

In accordance with the requirements of Section 143(12) of the 2013 Act, if in the course of performance of our duties as auditor, we have reason to believe that an offence involving fraud is being or has been committed against the Company by officers or employees of the Company, we will be required to report to the Central Government, in accordance with the rules prescribed in this regard which, *inter alia*, requires us to forward our report to the Board or Audit Committee, as the case may be, seeking their reply or observations, to enable us to forward the same to the Central Government.

As stated above, given that we are required as per Section 143(12) of the Act to report on frauds, such reporting will be made in good faith and, therefore, cannot be considered as breach of maintenance of client confidentiality requirements or be subject to any suit, prosecution or other legal proceeding since it is done in pursuance of the 2013 Act or of any rules or orders made thereunder.

We also wish to invite your attention to the fact that our audit process is subject to 'peer review' / 'quality review' under the Chartered Accountants Act, 1949. The reviewer(s) may inspect, examine or take abstract of our working papers during the course of the peer review/quality review.

We may involve specialists and staff from our affiliated network firms to perform certain specific audit procedures during the course of our audit.



In terms of Standard on Auditing 720 – "The Auditor's Responsibility in Relation to Other Information in Documents Containing Audited Financial Statements" issued by the ICAI and deemed to be prescribed by the Central Government in accordance with Section 143(10) of the 2013 Act, we request you to provide to us a Draft of the Annual Report containing the audited financial statements so as to enable us to read the same and communicate

material inconsistencies, if any, with the audited financial statements, before issuing the auditor's report on the financial statements.

This letter should be read in conjunction with our letter dated 15.09.2024 for the Audit of Internal Financial Controls over Financial Reporting under the 2013 Act, in respect of which separate fees have been fixed/will be mutually agreed.

We look forward to full cooperation from your staff during our audit.

Please sign and return the attached copy of this letter to indicate your acknowledgement of, and agreement with, the arrangements for our audit of the financial statements including our respective responsibilities.

Yours faithfully.

For, M/S. Anil S Shah & Co.,

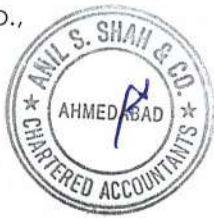


Anil S Shah

Partner

Date: 15.09.2024

Place: Ahmedabad



Acknowledged on behalf of
Shanti Spintex Limited



Name:

Director

Date: 20.09.2024

