



**MOHIT**<sup>®</sup>  
**INDUSTRIES LTD.**

One of the Top Notch Manufacturers of  
Fabrics & Texturised Yarns



**33<sup>RD</sup>**  
**ANNUAL REPORT**  
**2022 – 23**

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**CORPORATE INFORMATION****REGISTERED OFFICE**

Office No. 908, 9th Floor, Rajhans Montessa, Dumas Road, Magdalla Choryasi, Surat- 395007,  
Gujarat, India

**BOARD OF DIRECTORS**

Mr. Narayan Sitaram Saboo	Chairman & Director
Mr. Naresh Sitaram Saboo	Executive Director
Mr. Manish Narayan Saboo	Executive Director & Chief Financial Officer
Mr. Jayesh Rasiklal Gandhi	Non-Executive, Independent Director
Mr. Sachinkumar Pramod Jain	Non-Executive, Independent Director
Mrs. Pragya Rahul Memani	Non-Executive, Independent Director

**COMPANY SECRETARY & COMPLIANCE OFFICER**

Ms. Janvi Shirawala  
(W.e.f. 30.03.2023)

**STATUTORY AUDITOR**

**M/s. Rajendra Sharma & Associates**  
3032, Jash Yarn & Textile Market, Ring Road, Surat- 395002  
Ph. No. 0261-2312322

**SECRETARIAL AUDITOR**

**M/s. Dhirren R Dave & Co.**  
B-103, International Commerce Center (ICC), Near Kadiwala School, Ring Road, Surat- 395002  
Ph. No. 0261-2460903, 2475122

**INTERNAL AUDITOR**

**M/s. R B Hardwani & Co.**  
Bala ji Shiv Mandir, Plot No. 22, Arya Nagar, Nagpur, Maharashtra- 440026  
Ph. No. +91 82379-31030

**REGISTRAR & SHARE TRANSFER AGENT**

**M/s. Adroit Corporate Services Private Limited**  
17-20, Jafferbhoy, Industrial Estate, 1<sup>st</sup> Floor, Makwana Road, Marol Naka, Andheri (East),  
Mumbai-400059  
Email Id: [info@adroitcorporate.com](mailto:info@adroitcorporate.com) Website: [www.adroitcorporate.com](http://www.adroitcorporate.com)  
Tel: +91-022-42270400 / 28596060, Fax: +91-022-28503748

**BANKERS**

Axis Bank Limited  
The SVC Co-operative Bank Limited

## NOTICE OF 33<sup>RD</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 33<sup>rd</sup> Annual General Meeting of the members of **Mohit Industries Limited** will be held on Monday, 28<sup>th</sup> August, 2023 at 3<sup>rd</sup> Floor, Rajhans Montessa, Dumas Road, Magdalla, Surat-395007 at 11:00 A.M. to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2023 together with the Report of the Board of Director's and the Auditor's thereon.
2. To appoint a Director in place of Mr. Naresh Sitaram Saboo, Director (DIN: 00223350), liable to retire by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, seeks re-appointment.

### SPECIAL BUSINESS:

#### 3. RATIFICATION OF REMUNERATION OF THE COST AUDITOR FOR THE FINANCIAL YEAR 2023-24

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 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), remuneration payable to M/s. Nainesh Kantliwala & Co., Cost Accountants (Registration No. 001303) of Surat appointed by the Board of Directors of the Company as Cost Auditor for conducting the audit of the cost records of the Company, for the Financial Year 2023-24, at remuneration of Rs. 50,000/- (Rupees Fifty Thousand Only) plus applicable taxes & reimbursement of out-of-pocket expenses be and is hereby ratified and approved.”

#### 4. TO PROVIDE AUTHORITY UNDER SECTION 186 OF COMPANIES ACT, 2013

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

**“RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time and other applicable provisions of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof for the time being in force), if any, the consent of the Shareholders of the Company, be and is hereby accorded to (a) give any loan to any person(s) or other body corporate(s); (b) give any guarantee or provide security in connection with a loan to any person(s) or other body corporate(s) ; and (c) acquire by way of subscription, purchase or otherwise, securities of any other body corporate from time to time in one or more tranches as the Board of Directors in their absolute discretion deem beneficial and in the interest of the Company, provided that the total amount of such loans or investments made, guarantees/ securities already given and proposed to be given shall not exceed in aggregate Rs. 80,00,00,000 (Rupees Eighty Crores Only) at any time, notwithstanding that the aggregate of such loans and security/ guarantee so far given or to be given and investments so far made or to be made exceed the limits/ will exceed the limits prescribed under Section 186 of the Companies Act, 2013.

**RESOLVED FURTHER THAT** any Director and/or Company Secretary of the Company, be and are hereby severally authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and file returns with Registrar of Companies, that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

**5. TO PROVIDE AUTHORITY UNDER SECTION 185 OF COMPANIES ACT, 2013**

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

**“RESOLVED THAT**, pursuant to the Section 185 and all other applicable provisions of the Companies Act, 2013 and Rules made thereunder as amended from time to time, the consent of the members of the Company be and is hereby accorded to authorize the Board of Directors of the Company (here in after referred to as the Board, which term shall be deemed to include, unless the context otherwise required, any committee of the Board or any director or officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution) to advance any loan including any loan represented by a book debt, and/or give any guarantee, and/or provide any security in connection with any loan taken/ to be taken from financial institutions / banks / insurance companies / other investing agencies or any other person(s) / bodies corporate by a Subsidiary or Wholly Owned Subsidiary or Associate or Joint Venture or group entities or any other person/entity, (said entity(ies) covered under the category of a person in whom any of the director of the company is interested’ as specified in the explanation to Sub-section (b) of Section 2 of the said section) or to Managing Director or Whole time director of the company upto an aggregate sum of INR 150 Crores (Rupees One Hundred and Fifty Crores Only) in their absolute discretion deem beneficial and in the interest of the Company, provided that such loans are utilized by the borrowing company for its principal business activities.

**RESOLVED FURTHER THAT**, for the purpose of giving effect to this resolution the Board of Directors of the Company be and are hereby authorized to negotiate, finalize and agree to the terms and conditions of the aforesaid Loans / Guarantees / Securities, and to take all necessary steps, to execute all such documents, instruments and writings and do all acts, deeds and things in their absolute discretion that may be considered necessary, proper and expedient or incidental for the purpose of giving effect to this resolution in the interest of the Company.”

By order of the Board  
**For Mohit Industries Limited**

**Sd/-**  
**Narayan Sitaram Saboo**  
**Chairman & Managing Director**  
**DIN: 00223324**

**Place: Surat**  
**Date: 02-08-2023**

**Registered Office:**  
Office No. 908, 9th Floor,  
Rajhans Montessa, Dumas Road,  
Magdalla, Choryasi,  
Surat-395007, Gujarat.



**Notes:**

1. A member entitled to attend and vote at the annual general meeting (the “meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the Company.  
The instrument appointing the proxy, duly completed, must be deposited at the company’s registered office not less than 48 hours before the commencement of the meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. Corporate members intending to send their authorized representative to attend the meeting are requested to send to the Company a certified copy of Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. Relevant documents referred to in the above Notice and Explanatory Statement will be kept open for inspection at the Registered Office of the Company on all working days between 10:00 a.m. and 4:00 p.m. up to the date of the Annual General Meeting.
4. Members/Proxy holders/ Authorized representatives are requested to bring their copy of Annual Report and Attendance slip sent herewith, duly filled-in for attending the Annual General Meeting.
5. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
6. The Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, 22.08.2023 to Monday, 28.08.2023 (Both days inclusive).
7. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the R & T Agent of the Company. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.
8. As per the “Green Initiative” taken by Ministry of Corporate Affairs, the Annual Report 2022-23, the Notice of the 33<sup>rd</sup> AGM and instructions for e-voting along with the Attendance Slip and Proxy form, are being sent by electronic mode to all the members whose email addresses are registered with the Company/ Depository Participant(s), unless a member has requested for a physical copy of documents.
9. To support the “Green Initiative” and for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically, company requests those members who have not yet registered their e-mail address, to register the same along with the contact numbers directly with their DP, in case shares are held in electronic form or with the company by sending details to investor\_relations@mohitindustries.com or with R & T Agent- Adroit Corporate Services Pvt. Ltd. at info@adroitcorporate.com
10. Members may also note that the Notice of the 33<sup>rd</sup> AGM and the Annual Report 2022-23 will be available on Company’s website at [www.mohitindustries.com](http://www.mohitindustries.com).
11. Pursuant to the provisions of Section 124 of the Act and IEPF Rules 2016, the amount of dividend not encashed or claimed for a period of seven years from the date of transfer to the unpaid dividend account of the Company, is required to be transferred to the Investor Education and Protection Fund (“IEPF”) of the Central Government.

Shareholders are requested to ensure that they claim the dividend(s) from the company before transfer of said dividend amount to the IEPF. Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 31<sup>st</sup> March, 2023 on the website of the Company ([www.mohitindustries.com](http://www.mohitindustries.com)). The details of unclaimed dividends for the Financial Year 2015-16 onwards and the last date for claiming such dividends are given below:

<b>Financial Year</b>	<b>Date of Declaration of Dividend</b>	<b>Unclaimed Amount as on 31<sup>st</sup> March, 2023</b>	<b>Due Date for transfer to IEPF</b>
2015-2016 (Final Dividend)	23/08/2016	₹ 59,781.00	22/09/2023

It may be noted that no claims shall lie against the Company in respect of any amount of dividend remaining unclaimed/unpaid after period of seven (7) years from the due dates of the payment.

12. Attention of Members is invited to the provisions of Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016

amended from time to time, which inter alia requires Company to transfer the equity shares on which the dividend has not been encashed or unclaimed for a continuous period of seven years or more to designated Demat account of Investor Education and Protection Fund Authority ('IEPF Demat Account'). Details of these shares are available in the Company's website and can be viewed at [www.mohitindustries.com](http://www.mohitindustries.com). The Statement of Unclaimed Dividend amount for 7 consecutive years or more and Shares due for transfer to IEPF Demat Account is placed on the website of the Company at [www.mohitindustries.com](http://www.mohitindustries.com). The said Shares, once transferred to the said Demat account of the IEPF Authority can be claimed after following due procedure prescribed under the said IEPF rules.

13. Members Seeking any information relating to the Accounts may write to the company at least 10 days before the date of the Meeting, at following address: Mohit Industries Limited, Office No. 908, 9<sup>th</sup> Floor, Rajhans Montessa, Dumas Road, Magdalla, Surat-395007, Ph: +91-261-2463262/63 or [contact@mohitindustries.com](mailto:contact@mohitindustries.com), so as to enable the Company to keep the information ready.
14. Additional information, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the directors seeking appointment/re- appointment at the AGM, is furnished as annexure to the Notice. The directors have furnished consent / declaration for their appointment/ re-appointment as required under the Companies Act, 2013 and the Rules there under.
15. The route map of the venue of the Annual General Meeting is appended to this Report.

**16. Information and other instructions relating to e-voting are as under:**

- I. Pursuant to Section 108 of the Companies Act, 2013 ("the Act") read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by NSDL.
- II. The members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through 'polling paper'. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- III. M/s. Dhiren R. Dave & Co., Practicing Company Secretary has been appointed to act as the Scrutinizer for conducting the remote e-voting process as well as the voting through Poll Paper, in a fair and transparent manner.
- IV. The Scrutinizer, after scrutinizing the votes cast at the meeting (polling paper) and through remote e-voting, will, not later than 2 days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company. The results shall be communicated to the Stock Exchanges.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:**

The remote e- voting facility will be available during the following voting period:

<b>Commencement of remote e- voting</b>	<b>End of remote e- voting</b>
Friday, 25 <sup>th</sup> August, 2023 at 09:00 A.M.	Sunday, 27 <sup>th</sup> August, 2023 at 05:00 P.M.

The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. **21<sup>st</sup> August, 2023** may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **21<sup>st</sup> August, 2023**.


**How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

**STEP 1: ACCESS TO NSDL E -VOTING SYSTEM:**
**A) Login method for e-Voting for Individual shareholders holding securities in demat mode:**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div style="text-align: center;">  </div> <div style="text-align: center;">  </div> </div> </div>



<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>

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

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

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

**B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 121502 then user ID is 121502001***

5. Password details for shareholders other than Individual shareholders are given below:
  - (a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - (b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - (c) How to retrieve your ‘initial password’?
    - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
  - a) Click on “[Forgot User Details/Password?](#)”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) [Physical User Reset Password?](#) (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
  8. Now, you will have to click on “Login” button.
  9. After you click on the “Login” button, Home page of e-Voting will open.

## **STEP 2: CAST YOUR VOTE ELECTRONICALLY ON NSDL E -VOTING SYSTEM.**

### **How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders:**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [drd@drdcs.net](mailto:drd@drdcs.net) of Scrutinizer with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Pallavi Mhatre (Senior Manager) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### **Process for those shareholders whose email ids are not registered with the depositories/ company for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [contact@mohitindustries.com](mailto:contact@mohitindustries.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [contact@mohitindustires.com](mailto:contact@mohitindustires.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

By order of the Board  
**For Mohit Industries Limited**

**Sd/-**  
**Narayan Sitaram Saboo**  
**Chairman & Managing Director**  
**DIN: 00223324**

**Place: Surat**  
**Date: 02-08-2023**

**Registered Office:**  
Office No. 908, 9th Floor,  
Rajhans Montessa, Dumas Road,  
Magdalla, Choryasi,  
Surat-395007, Gujarat.

**ANNEXURE TO NOTICE**

**EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013 (“THE ACT”)**

**ITEM NO. 3: RATIFICATION OF REMUNERATION OF COST AUDITOR FOR FINANCIAL YEAR 2023-24**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditor to conduct the audit of the cost records of the Company across various segments, for the Financial Year 2023-24 as per the following details:

Sr. No.	Name of the Cost Auditor	Audit Fees
1	Nainesh Kantliwala & Co.	Rs. 50,000/- plus applicable taxes & re-imbursment of out-of- pocket expenses

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 3 for ratification of the remuneration payable to the Cost Auditors for the Financial Year 2023-24.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in passing of this resolution.

**ITEM NO. 4: TO PROVIDE AUTHORITY UNDER SECTION 186 OF COMPANIES ACT, 2013.**

In order to make optimum utilization of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate as and when required.

Members may note that pursuant to Section 186 of the Companies Act, 2013 (“Act”), the Company can give loan or give any guarantee or provide security in connection with a loan to any other body corporate or person and acquire securities of any other body corporate, in excess of 60% of its paid up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more, with the approval of Members by special resolution passed at the annual general meeting.

In view of the aforesaid, it is proposed to take approval under Section 186 of the Companies Act, 2013, by way of special resolution, up to a limit of Rs. 80 Crores, as proposed in the Notice. The above proposal is in the interest of the Company and the Board recommends the Resolution as set out at Item No.4 for approval by the members of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in passing of this resolution. The Board recommends the resolution at Item no. 4 to be passed as Special Resolution.

**ITEM NO. 5: TO PROVIDE AUTHORITY UNDER SECTION 185 OF COMPANIES ACT, 2013**

Pursuant to Section 185 of the Companies Act, 2013 (as amended by the Companies (Amendment) Act, 2017, a Company may advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loan taken by subsidiaries, wholly owned subsidiaries, associates, joint venture and any entity (said entity(ies) covered under the category of ‘a person in whom any of the director of the Company is interested’ as specified in the explanation to Section 185(2)(b) of the Companies Act, 2013, after passing a special resolution in the general meeting.

The Company is expected to grant loan or give guarantee or provide security in respect of any loan granted to subsidiaries, wholly owned subsidiaries, associates, joint venture and such entities and the proposed loan



shall be at the interest rate of prevailing market rate and shall be used by the borrowing Company for its principal business activities only.

The Board proposes the Resolution at Item No. 5 for approval of the Shareholders by a Special Resolution to authorize the Board of Directors of the Company to grant loan or give guarantee or provide security to such entities within the aggregate amount of Rs 150 Cr.

Except Mr. Narayan Sitaram Saboo, Mr. Naresh Sitaram Saboo and Mr. Manish Narayan Saboo, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in passing of this resolution. The Board recommends the resolution at Item no. 5 to be passed as Special Resolution.

**ANNEXURE TO THE NOTICE**

**DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING: (Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) and Secretarial Standard 2 on General Meeting issued by the Institute of Company Secretaries of India**

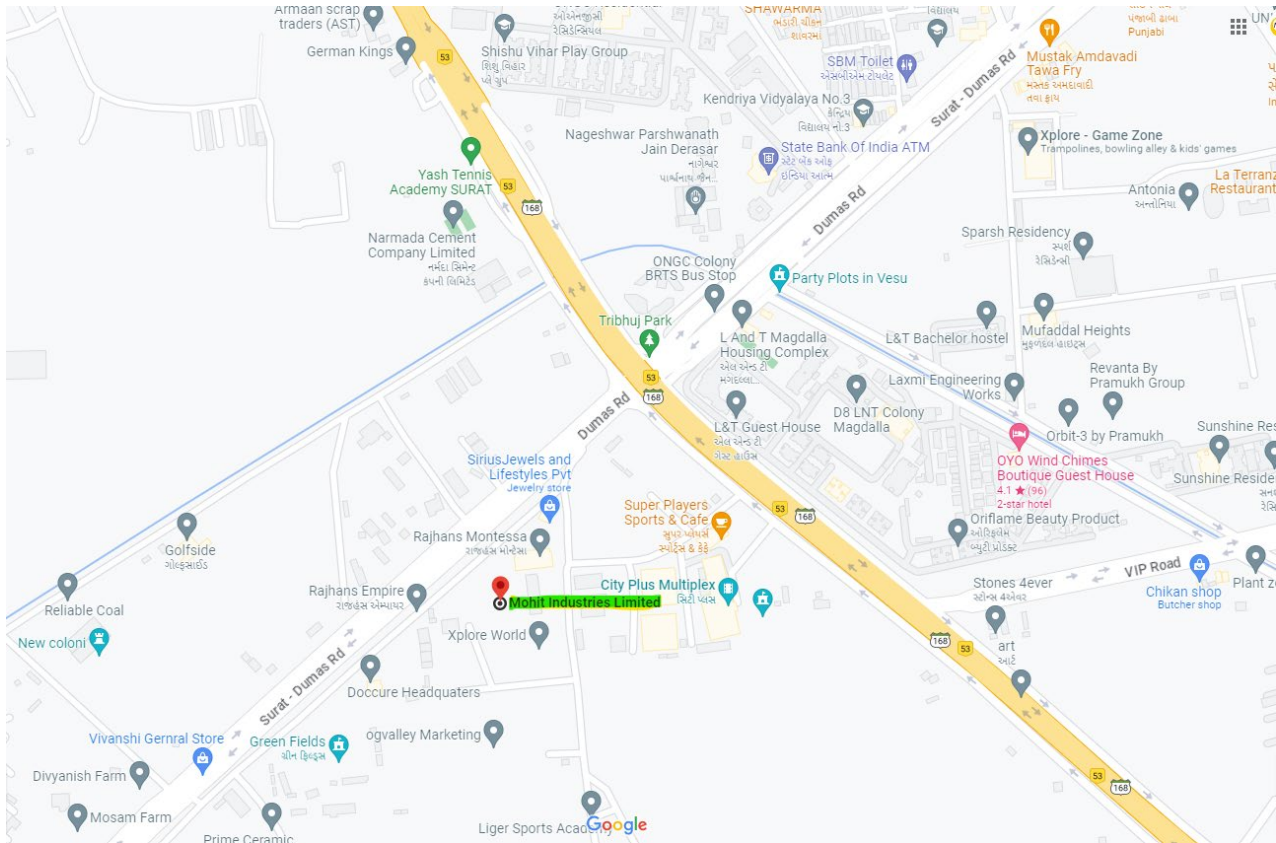
<b>Name of Director</b>	<b>Mr. Naresh Sitaram Saboo</b>
<b>DIN No.</b>	00223350
<b>Date of Birth</b>	14.11.1973
<b>Date of Original Appointment</b>	
<b>Expertise in Specific Functional Area</b>	<ul style="list-style-type: none"> <li>• More than 24 years of rich experience in Textile Business</li> <li>• 9 years of experience in export of Textile products</li> <li>• Vast experience in providing strategic direction in selection of technology and machineries in setting up new manufacturing facilities, improvement of production processes and new ventures.</li> <li>• International exposure and awareness regarding the latest trends in the industry and wide experience in dealing with International companies and agencies.</li> </ul>
<b>Qualification</b>	Under Graduate
<b>Terms and conditions of appointment/reappointment</b>	Re-appointment on retire by rotation
<b>Remuneration paid</b>	NIL
<b>Number of Board Meetings attended during the F.Y. 2022-23</b>	7
<b>Disclosure of relationship of Directors with Manager and KMP of the Company</b>	Mr. Naresh Sitaram Saboo is a brother of Mr. Narayan Sitaram Saboo-Chairman & Managing Director of the Company.
<b>Names of listed entities in which person holds Directorship and the membership of the committees of the Board</b>	<ol style="list-style-type: none"> <li>1. Bigbloc Construction Limited <ul style="list-style-type: none"> <li>• Audit Committee – Member</li> <li>• Stakeholders Relationship Committee – Member</li> <li>• Corporate Social Responsibility Committee – Member</li> </ul> </li> <li>2. Mask Investments Limited</li> </ol>
<b>No. of Shares held in the company on the date of appointment</b>	2,68,445 Equity shares
<b>Justification for appointment of Independent Director</b>	N.A.
<b>Names of companies along with listed entities in which person has resigned in the past three years.</b>	1. Mask Investments Limited
<b>Skills and capabilities required for the role and the manner in which the proposed person meets such requirements</b>	The Board of the Company is of the opinion that Mr. Naresh Sitaram Saboo is a person of integrity and skills. Considering his extensive knowledge and rich experience in the industry, his re-appointment as Director is in the interest of the Company.

By order of the Board  
**For Mohit Industries Limited**

*Sd/-*  
**Narayan Sitaram Saboo**  
**Chairman & Managing Director**  
**DIN: 00223324**

Place: Surat  
Date: 02-08-2023

**ROUTE MAP TO THE VENUE OF THE 33<sup>rd</sup> ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD ON 28<sup>th</sup> AUGUST, 2023 AT 11.00 A.M. AT 3<sup>rd</sup> FLOOR, RAJHANS MONTESSA, DUMAS ROAD, MAGDALLA, SURAT-395007, GUJARAT.**



**MOHIT INDUSTRIES LIMITED  
CIN NO. L17119GJ1991PLC015074**

**Regd. office:** Office no. 908, 9<sup>th</sup> Floor, Rajhans Montessa, Dumas Road, Magdalla, Surat – 395007, Gujarat  
Phone: +91-261-2463262, 2463263  
Email: [Contact@mohitindustries.com](mailto:Contact@mohitindustries.com) Website: [www.mohitindustries.com](http://www.mohitindustries.com)

**ATTENDANCE SLIP**

<b>Folio No./DP ID#/ Client ID#</b>	
<b>No. of Equity Shares Held</b>	
<b>Full Name of the Member</b>	
<b>Full name of the joint-holder (To be filled in if first named Joint- holder does not attend meeting)</b>	
<b>Name of Proxy/ Authorized Representative* (To be filled in if Proxy Form has been duly deposited with the Company)</b>	

#Applicable for Shareholders holding Shares in Demat Form.

\* Strike out whichever is not applicable

I hereby record my attendance at the **33<sup>rd</sup> Annual General Meeting** of the Company held on **Monday, 28<sup>th</sup> August, 2023 at 11:00 A.M.** at 3<sup>rd</sup> Floor, Rajhans Montessa, Dumas Road, Surat-395007, Gujarat.

\_\_\_\_\_  
**Member's/Proxy's Signature**

**Note:**

1. Please fill this attendance slip and hand it over at the entrance of the Meeting Hall.
2. Members signature should be in accordance with the specimen signature in the Register of Members of the Company.
3. Members are requested to bring their copy of the Annual Report and this Attendance Slip at the Annual General Meeting of the Company.

**MOHIT INDUSTRIES LIMITED  
CIN NO. L17119GJ1991PLC015074**

**Regd. office:** Office no. 908, 9<sup>th</sup> Floor, Rajhans Montessa, Dumas Road, Magdalla, Surat – 395007, Gujarat  
Phone: +91-261-2463262, 2463263  
Email: [Contact@mohitindustries.com](mailto:Contact@mohitindustries.com) Website: [www.mohitindustries.com](http://www.mohitindustries.com)

**Form MGT-11 - PROXY FORM**

**[Pursuant to section 105(6) if the Companies Act, 2013 and rule 19(3) if the Companies (Management and Administration Rules, 2014]**

Name of the member(s)	
Registered Address	
E-mail ID	
Folio No/ Client ID/DP ID	

I/We, being the member(s) of ..... Shares of the above named company, hereby appoint

- Name:.....Address:.....  
.....  
E-mail ID: .....Signature: .....Or  
failing him
- Name:.....Address:.....  
.....  
E-mail ID: .....Signature: ..... Or  
failing him
- Name:.....Address:.....  
.....  
E-mail ID: .....Signature: .....

As my/our proxy to attend and vote (on a poll) for me/ us and my/our behalf at the **33<sup>rd</sup> Annual General Meeting** of the Company, to be held on **Monday, 28<sup>th</sup> August, 2023 at 11:00 A.M.** at 3<sup>rd</sup> Floor, Rajhans Montessa, Dumas Road, Magdalla, Surat – 395007, Gujarat and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Ordinary Resolution	For	Against
<b>Ordinary Business</b>			
1	Adoption of Annual Accounts and Report of Auditor's & Director's thereon for the Financial Year 2022-23. (Ordinary Resolution)		
2	Re-appointment of Mr. Naresh Sitaram Saboo (DIN: 00223350), Director, who retires by rotation and being eligible, offers himself for re-appointment. (Ordinary Resolution)		
<b>Special Business</b>			
3	Ratification of remuneration of the Cost Auditor for the Financial Year 2023-24. (Ordinary Resolution)		
4	To provide authority under Section 186 of Companies Act, 2013. (Special Resolution)		
5	To provide authority under Section 185 of Companies Act, 2013. (Special Resolution)		

Signed this \_\_\_\_\_ day of August, 2023.

Affix Rs. 1  
Revenue  
Stamp

\_\_\_\_\_  
**Signature of Shareholder**

\_\_\_\_\_  
**Signature of Proxy**

**Note:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



**MOHIT INDUSTRIES LIMITED  
CIN NO. L17119GJ1991PLC015074**

**Regd. office:** Office no. 908, 9<sup>th</sup> Floor, Rajhans Montessa, Dumas Road, Magdalla, Surat – 395007, Gujarat  
Phone: +91-261-2463262, 2463263  
Email: [Contact@mohitindustries.com](mailto:Contact@mohitindustries.com) Website: [www.mohitindustries.com](http://www.mohitindustries.com)

**Form No. MGT- 12  
POLLING PAPER / BALLOT PAPER**

**[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]**

Sr. No.	Particulars	Details
1.	Name(s) of Member(s) (Including joint holders, if any)	
2.	Registered address of the Sole/first named Member	
3.	Registered folio No./DP ID No./Client ID No.* (*Applicable to investors holding Shares in dematerialized form)	
4.	Class of Shares	Equity Share of Rs. 10/- each

I/We hereby exercise my/our vote in respect of the Resolution to be passed through Postal Ballot for the Business stated in the Postal Ballot Notice and Explanatory Statement annexed thereto by sending my/our assent (FOR) or dissent (AGAINST) to the said resolution by placing the tick (✓) mark at the appropriate box below:

Item No.	Item	Nature of Resolution	No. of shares	I/We Assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)	(ABSTAIN)
1	Adoption of Annual Accounts and Report of Auditor's & Director's thereon for the Financial Year 2022-23.	Ordinary				
2	Re-appointment of Mr. Naresh Sitaram Saboo (DIN: 00223350), Director, who retires by rotation and being eligible, offers himself for re-appointment.	Ordinary				
3	Ratification of remuneration of the Cost Auditor for the Financial Year 2023-24.	Ordinary				
4	To provide authority under Section 186 of Companies Act, 2013.	Special				
5	To provide authority under Section 185 of Companies Act, 2013	Special				

**Place:**

**Date:**

**(Signature of Member)**

## DIRECTOR'S REPORT

**To,  
The Members  
Mohit Industries Limited**

Your Directors are pleased to represent the 33<sup>rd</sup> Annual Report of the Business and operations of your Company and the Audited Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2023.

### 1. FINANCIAL RESULTS & PERFORMANCE

Particulars	(Rs. in Lakhs)			
	Standalone		Consolidated	
	Financial year ended 31-03-2023	Financial year ended 31-03-2022	Financial year ended 31-03-2023	Financial year ended 31-03-2022
Revenue from operations	16718.57	16665.45	16718.57	16665.45
Other Income	274.01	320.72	274.01	320.72
<b>Total Revenue</b>	<b>16992.58</b>	<b>16986.16</b>	<b>16992.58</b>	<b>16986.16</b>
Profit before tax and Exceptional Items	(128.99)	35.42	(128.99)	35.42
Exceptional Items	-	0.81	-	0.81
<b>Profit/(Loss) before Taxation</b>	<b>(128.99)</b>	<b>36.23</b>	<b>(128.99)</b>	<b>36.23</b>
-Current Tax	-	20.72	-	20.72
-Deferred Tax	(2.24)	(20.22)	(2.24)	(20.22)
-Short Provision for Income Tax expense relating to prior Year	20.59	7.26	20.59	7.26
<b>Net Profit/ (Loss) For The Year</b>	<b>(147.33)</b>	<b>28.47</b>	<b>(147.33)</b>	<b>28.47</b>
Other Comprehensive Income for the Year, Net of Tax	414.20	569.63	4403.69	8436.91
<b>Total Comprehensive Income for the Year</b>	<b>266.86</b>	<b>598.10</b>	<b>4259.21</b>	<b>8449.32</b>

### 2. STATE OF COMPANY'S AFFAIR

During the year, your Company recorded total revenue of Rs. 16,992.58 Lakhs against Rs. 16,986.16 Lakhs in the previous year, resulting into Loss before Tax of Rs. 128.99 Lakhs during the year as compared to Profit before Tax Rs. 36.23 Lakhs in previous year. Total Comprehensive Income during the year was Rs. 266.86 Lakhs as compared to Rs. 598.10 Lakhs in the previous year. A detailed analysis on the Company's performance is included in the "Management Discussion and Analysis" Report, which forms part of this Report.

### 3. EXPORT

The Company has exported Polyester Draw Texturized Yarn (DTY) with a Premium and in its Brand Name to South Korea, Thailand, Czech Republic, Denmark, Bangladesh, Egypt, Nepal and many more Countries. During the year under review, your company has recorded export turnover of ₹ 3,260.83 lakhs, against last year's figure of ₹ 5,160.16 lakhs. Your company also holds Certificate of Oeko-Tex® Standard 100.

### 4. DIVIDEND

With a view to conserve the resources for the Company's Business operations, your directors have not recommended any dividend for the year ended 31<sup>st</sup> March, 2023.

### 5. UNCLAIMED DIVIDEND

Pursuant to the provisions of Section 124(5) of the Act, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven consecutive years from the date of such transfer then the said unclaimed or unpaid dividend amount shall be transferred by the Company along with interest accrued, if any, to the Investor Education and Protection Fund ("the IEPF"), a fund established under sub-section (1) of Section 125 of the Act.

Before transferring the unclaimed dividends to IEPF, individual letters are sent to those Members whose unclaimed dividends are due for transfer to enable them to claim the dividends before the due date for such transfer. The details of unclaimed/unpaid dividend are available on the website of the Company viz., [www.mohitindustries.com](http://www.mohitindustries.com).

Details of Unclaimed Dividend as on March 31, 2023 and due dates for transfer are as follows:

Financial Year	Date of declaration of Dividend	Unclaimed Amount (Rs.)	Due date for transfer to IEPF account
2015-16 (Final Dividend)	23.08.2016	59,781.00	22.09.2023

#### 6. TRANSFER TO RESERVE

During the year under review, Company has not transferred any amount from profit to General Reserve.

#### 7. SHARE CAPITAL

The Authorized Share Capital of the Company as on 31<sup>st</sup> March, 2023 was Rs. 25,00,00,000/- divided into 2,50,00,000 Equity share of Rs. 10/- each and paid-up share capital of the Company as on 31<sup>st</sup> March, 2023 was Rs. 14,15,75,750/- divided into 1,41,57,575 Equity Shares of Rs. 10/- each. During the year under review, Company has not issued shares or convertible securities or shares with differential voting rights and has also not granted any stock options or sweat equity or warrants.

#### 8. FORFEITURE OF SHARES

During the year under review, the Company has not forfeited any equity shares.

#### 9. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company does not have any Subsidiary or Joint Venture Company. The Company has following Associate Company withing the meaning of Section 2(26) of Companies Act, 2013:

Sr. No.	Name of company	Nature of relation
1.	Mohit Overseas Limited	Associates Company
2.	Mohit Yarns Limited	Associates Company

The Consolidated Financial Statements of Mohit Industries Limited with its associate companies is prepared in accordance with Ind AS- 110 on Consolidated Financial statements and Equity method of accounting given in Ind AS - 28 on "Accounting of Investments in Associates in Consolidated Financial statements".

#### 10. PERFORMANCE AND FINANCIAL POSITION OF THE SUBSIDIARY COMPANIES/JOINT VENTURE/ ASSOCIATE COMPANY

A statement containing the salient features of the financial statement of the Company's Associates under the provisions of Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014 has been annexed as "**Annexure-I**" in prescribed form AOC-1.

#### 11. CHANGE IN NATURE OF BUSINESS

During the year under review, there was no change in the nature of business of the Company.

#### 12. DEPOSITS

During the year, Company has not accepted any deposits from public within the meaning of the Section 73 of the Companies Act, 2013.

#### 13. ANNUAL RETURN

Annual Return of the Company for the Financial year 2022-23 pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, is placed on the Company's website at [www.mohitindustries.com](http://www.mohitindustries.com)

#### 14. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with Section 152(6) of the Companies Act, 2013 read with the Articles of Association of the Company, Mr. Naresh Sitaram Saboo (DIN: 00223350), Director shall retire by rotation at 33<sup>rd</sup> Annual General Meeting of the Company and is being eligible has offered himself for re-appointment. Based on the confirmations received from Directors, none of the Directors are disqualified under Section 164 of the Companies Act, 2013.

During year under review, Mrs. Mittal Shah resigned from the post of Company Secretary and Compliance officer w.e.f. 10<sup>th</sup> February, 2023 and Ms. Janvi Shirawala was appointed as Company Secretary and Compliance officer of the Company w.e.f. 30<sup>th</sup> March, 2023.

#### **15. MEETING OF BOARD HELD DURING THE YEAR**

During the Year under review, the Board met 8 (Eight) times and has accepted all recommendations made to it by its various committees. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Secretarial Standards as prescribed by the Institute of Company Secretaries of India.

The Details of all meeting of Board of Directors had taken place during the year and their details along with their attendance forms part of the Corporate Governance Report.

#### **16. DETAILS OF COMMITTEE OF DIRECTORS**

Detailed note on Composition of Audit Committee of Directors, Nomination and Remuneration Committee of Directors, and Stakeholders Relationship Committee of Directors, number of meetings held of each Committee during the Financial Year 2022-23 and meetings attended by each member of the Committee as required under the Companies Act, 2013 are provided in Corporate Governance Report.

#### **17. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS**

Pursuant to Section 149(6) of the Companies Act, 2013, Independent Directors of the Company have made a declaration confirming the compliance of the conditions of the independence stipulated in the aforesaid section read with Schedule IV of the Companies Act, 2013.

#### **18. 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 ability, hereby confirm:

- A. That in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departments;
- B. That 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 if the Company at the end of the financial year and of the profit and loss of the Company for that period;
- C. That the directors had 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 for preventing and detecting fraud and other irregularities;
- D. That the directors had prepared the annual accounts on a going concern basis; and
- E. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- F. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **19. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

During the year under review, The Company do not falls under the criteria mentioned under Section 135 of Companies Act, 2013, hence the disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable to the Company.

#### **20. ANNUAL EVALUATION**

Pursuant to the applicable provisions of the Act and the Listing Regulations, the Board has carried out an Annual Evaluation of its own performance, performance of the Directors and the working of its committees based on the evaluation criteria defined by Nomination and Remuneration Committee (NRC) for performance evaluation process of the Board, its Committees and Directors. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specified duties, obligations and governance.

The performance evaluation of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as participation in decision making; participation in developing corporate governance; providing advice and suggestion etc. The Committees of the Board were assessed on the degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

A separate exercise was carried out to evaluate the performance of individual Directors, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company, constructive suggestions and its minority shareholders etc.

In a separate meeting of independent directors held on 30<sup>th</sup> March, 2023, performance of non-independent directors, performance of the board as a whole and performance of the chairman was evaluated, taking into account the views of executive directors and non-executive directors. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

The reports on performance evaluation of the Individual Directors were reviewed by the Chairman of the Board.

## **21. INTERNAL FINANCIAL CONTROL SYSTEM**

Company's success as an organization depends on its ability to identify and leverage the opportunities while managing the risks. In the opinion of the Board, the Company has robust internal financial controls which are adequate and effective during the year under review. The Company has a well-placed, proper and adequate internal financial control system which is commensurate with the size and nature of business and which ensures that all the assets are safeguarded and protected and that the transactions are authorized recorded and reported correctly.

The internal control systems of the Company are monitored and evaluated by internal auditors and their audit reports are periodically reviewed by the Audit Committee of the Board of Directors. Mrs. Vaidehi Wate, Chartered Accountant was appointed as Internal Auditor of the company for the Financial Year 2022-23. The internal audit covers a wide variety of operational matters and ensures compliance with specific standard with regards to availability and suitability of policies and procedures. During the year no reportable material weakness in the design or operation were observed.

Further, M/s. R B Hardwani and Co, Chartered Account (Firm Registration No. 147133W) is appointed to carry out internal audit of the Company for the Financial Year 2023-24.

## **22. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

The Companies Act, 2013 re-emphasizes the need for an effective internal financial control system in the company. Rule 8(5) (viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of internal financial controls with reference to the financial statements to be disclosed in the board' report. The detailed report forms part of Independent Auditors Report.

## **23. APPOINTMENT AND REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed a policy and defined the scope of the Committee which is in line with the provisions of the Companies Act, 2013. The policy is available on Company's website and weblink for the same is <https://www.mohitindustries.com/upload/files/download/NOMINATION%20AND%20REMUNERATION%20POLICY.pdf>.

## **24. VIGIL MECHANISM**

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The Policy provides for adequate safe guards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. The Whistle Blower Policy has been posted on the website of the Company [www.mohitindustries.com](http://www.mohitindustries.com) and the weblink for the same is <https://www.mohitindustries.com/upload/files/download/Whistle%20Blower%20Policy.pdf>.



## 25. RISK MANAGEMENT

Risk Management is a structured approach to manage uncertainty. An enterprise wide approach to Risk Management is being adopted by the Company and key risks will now be managed within a unitary framework. As a formal roll-out, all business divisions and corporate functions will embrace Risk Management Structure, and make use of these in their decision making. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews. The risk management process over the period of time will become embedded into the Company's business system and processes, such that our responses to risk remain current and dynamic. Company has voluntarily adopted the Risk Management Policy and uploaded the same on Company's website at [www.mohitindustries.com](http://www.mohitindustries.com) and weblink for the same is <https://www.mohitindustries.com/upload/files/download/Risk%20Management%20Policy.pdf>.

## 26. RELATED PARTY TRANSACTION

During the year under review, all related party transactions entered into by the Company, were approved by the Audit Committee and were at arm's length in the ordinary course of business. Prior omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business on an arm's length basis. The particulars of contract or arrangements entered into by the Company with related parties in terms 188(1) of the Companies Act, 2013 are disclosed in Form No. AOC-2 as annexed "**Annexure-II**". Details of related party transactions entered into by the Company, in terms of IND AS-24 have been disclosed in the notes to the standalone / consolidated financial statements.

In line with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, your Company has formulated a Policy on Material Related Party Transactions which is available on Company's website at <https://www.mohitindustries.com/upload/files/download/Related%20Party%20Transaction%20Policy.pdf>.

## 27. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENT

With reference to Section 134(3)(g) of the Companies Act, 2013, loans, guarantees and investments made under section 186 of the Companies Act, 2013 forms part of the Notes to the financial statements provided in this Annual Report.

## 28. LISTING OF SHARES

Equity Shares of Company continue to be listed on BSE Limited till the signing date of this report. The Company has paid the requisite listing fees to the stock exchange.

## 29. DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING

With reference to Section 134(3)(m) of the Companies Act, 2013, the details of conservation of energy, technology absorption and foreign exchange earnings are as per "**Annexure-III**".

## 30. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As per Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements), Regulation 2015 and applicable provisions of Companies Act, 2013 the Management Discussion and Analysis Report forms part of this Annual Report.

## 31. CORPORATE GOVERNANCE

Your Company has incorporated the appropriate standards for corporate governance. Company is filing Corporate Governance Report to stock exchange quarterly. Report on Corporate Governance pursuant to Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report. A certificate from the Practicing Company Secretary confirming compliance with the conditions of Corporate Governance is also annexed to this Annual Report.

## 32. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

There was no employee drawing remuneration in excess of limits prescribed under section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Disclosure pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 are as per "**Annexure - IV**".

### **33. SECRETARIAL AUDITOR**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board, on recommendation of audit Committee, has appointed Mr. Dhirren R. Dave & Co., Practicing Company Secretaries, to undertake the Secretarial Audit of the Company for the Financial year ended on 31<sup>st</sup> March, 2023. The secretarial report for the financial year 2022-23 is attached as “**Annexure-V**”. Report of secretarial auditor is self-explanatory and need not any further clarification. Further the Board of Directors of the Company in its meeting held on 29.05.2023 appointed Mr. Dhirren R. Dave & Co., Practicing Company Secretaries to undertake Secretarial Audit for the Financial Year 2023-24.

### **34. COST AUDITOR**

The Company is required to maintain Cost Records as specified by Central Government under section 148(1) of the Companies Act, 2013, and accordingly such accounts and records are made and maintained. M/s. Nainesh Kantliwala & Associates, Cost Accountant, Surat appointed as a Cost Auditor of the Company for the Financial Year 2022-23 and after completion of the audit they will submit their report to the Company and the same will be submitted with the Central Government as per provisions of Companies Act, 2013 and rules made thereunder.

As required under the Companies Act, 2013, the remuneration of Cost Auditors as approved by the Board of Directors is subject to ratification by the shareholders at the ensuing Annual General Meeting and with respect to the same, resolution seeking member’s approval forms part of the Notice convening the 33<sup>rd</sup> Annual General Meeting.

### **35. STATUTORY AUDITORS**

The Members at the 32<sup>nd</sup> Annual General Meeting of the Company held on 30.09.2022, had appointed M/s. Rajendra Sharma & Associates, Chartered Accountants (Firm Registration No. 108390W) as the Statutory Auditor of the Company to hold office for a term of Five consecutive years i.e., from the conclusion of the 32<sup>nd</sup> Annual General Meeting until the conclusion of the 37<sup>th</sup> Annual General Meeting.

### **36. EXPLANATIONS / COMMENTS BY THE BOARD ON QUALIFICATIONS, RESERVATION OR ADVERSE REMARKS OR DISCLAIMER MADE BY THE AUDITOR / COMPANY SECRETARY IN PRACTICE IN THEIR REPORT**

The notes referred to in the Auditor Report are self-explanatory and they do not call for any further explanation as required under section 134 of the Companies Act, 2013.

### **37. INDUSTRIAL RELATIONS**

The Company maintained healthy, cordial and harmonious industrial relations at all levels.

### **38. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

In compliance of provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“POSH Act”) and Rules framed thereunder, the Company has formulated and implemented a policy on prevention, prohibition and redressal of complaints related to sexual harassment of women at the workplace.

The Company is committed to provide a safe and conducive work environment to all its employees and associates. All women employees whether permanent, temporary or contractual are covered under the above policy. The said policy has been uploaded on the internal portal of the Company for information of all employees. An Internal Complaints Committee (ICC) has been set up in compliance with the POSH Act. During the year under review, no complaints were reported to the Board.

### **39. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

In terms of Section 134(3)(i) of the Companies Act, 2013, it is reported that, except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company’s financial position have occurred between the end of the Financial Year of the Company and date of this report.

### **40. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY’S OPERATIONS IN FUTURE**

During the year under review, there are no material orders passed by Regulators, Courts or Tribunals impacting the going concern status and Company’s operations in future.

**41. ADOPTION OF POLICES AS PER THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

The Board framed policies on Preservation of Documents and Determining Materiality for Disclosure to Stock Exchanges which are available at the Company's website and weblink for the same is <https://www.mohitindustries.com/upload/files/download/Policy%20on%20Preservation%20of%20Documents%20and%20Archival%20of%20Documents%20in%20the%20Website.pdf>.

**42. REPORTING OF FRAUD**

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

**43. COMPLIANCE WITH SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (ICSI)**

Your Directors confirm that, Company complies with applicable mandatory Secretarial Standards issued by The Institute of Company Secretaries of India.

**44. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE FINANCIAL YEAR**

During the year under review, the Company has not made any application before the National Company Law Tribunal under Insolvency and Bankruptcy Code, 2016 for recovery of outstanding loans against customer and there is no pending proceeding against the Company under Insolvency and Bankruptcy Code, 2016.

**45. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF DURING THE FINANCIAL YEAR**

During the year under review, It is Not Applicable to the Company.

**46. GREEN INITIATIVES**

During the year under review, in compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020 and in commitment to keep in line with the Green Initiative, Notice of 33<sup>rd</sup> Annual General Meeting along with the Annual Report 2022-23 of the Company are sent to all Members whose email addresses are registered with the Company/Depository Participant(s). Members may note that the Notice and Annual Report 2022-23 will also be available on the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively.

**47. CAUTIONARY STATEMENT**

Statements in this report and its annexures describing company's projections, expectations and hopes are forward looking. Though, these are based on reasonable assumption, their actual results may differ.

**48. ACKNOWLEDGEMENT**

Your Directors thank the Government of India, the State Governments, local municipal corporations and various regulatory authorities for their co-operation and support to facilitate ease in doing business.

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from Shareholders, Bankers, regulatory bodies and other business constituents during the year under review.

Your Directors wish to place on record deep appreciation, for the contribution made by the employees at all levels for their hard work, commitment and dedication towards the Company. Their enthusiasm and untiring efforts have enabled the Company to scale new heights.

By order of the Board  
**For Mohit Industries Limited**

**Sd/-**  
**Narayan Sitaram Saboo**  
**Chairman & Managing Director**  
**DIN: 00223324**

**Date: 02-08-2023**  
**Place: Surat**

**Annexure-I**
**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

**Part "A": Subsidiaries**
**(In Rs.)**

Sr. No.	Particulars	Details
1	Name of the Subsidiary	<b>Not Applicable as there is no subsidiary</b>
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	
4	Capital	
5	Reserves & Surplus	
6	Total Assets	
7	Total Liability	
8	Investments	
9	Turnover	
10	Profit before taxation	
11	Provision for taxation	
12	Profit after taxation	
13	Proposed Dividend	
14	% of shareholding	

**Notes:**

- Names of subsidiaries which are yet to commence operations- Nil
- Names of subsidiaries which have been liquidated or sold during the year-N.A

**Part "B": Associate and Joint Ventures**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

**(In Rs.)**

Sr. No.	Particulars	Details	
1	Name of associates / Joint Ventures	Mohit Overseas Limited	Mohit Yarns Limited
2	Latest audited Balance sheet date	31.03.2023	31.03.2023
3	Shares of Associates / Joint Ventures held by the company on the year end		
	(i) No.	394000	663000
	(ii) Amount of Investment in Associates / Joint Venture	37,99,000	1,57,23,000
	(iii) Extend of Holding %	49.25%	49.48%
4	Description of how there is significant influence	By Virtue of 49.25% holding in associate	By Virtue of 49.48% holding in associate
5	Reason why the associate/joint venture is not consolidated	Not Applicable	Not Applicable
6	Net worth attributable to shareholding as per latest audited Balance Sheet	56,40,36,316	91,51,17,996
7	Profit/(Loss) for the year		
	(i) Considered in consolidation	78912	206441
	(ii) Not considered in consolidation	81316	210801

**Notes:**

- Names of associates or joint ventures which are yet to commence operations-N.A
- Names of associates or joint ventures which have been liquidated or sold during the year-N.A

By order of the Board  
**For Mohit Industries Limited**

**Sd/-**  
**Narayan Sitaram Saboo**  
Chairman & Managing Director  
DIN: 00223324

**Date: 02-08-2023**
**Place: Surat**

**Form No. AOC-2**

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

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

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

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or agreement or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advance, if any	Date on which the special resolution was passed in the general meeting as required under first proviso to section 188
NIL								

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

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/ transactions	Salient term of the contracts or arrangements or transactions including the value, if any	Date(s) if approval by the Board, if any	Amount paid as advance, if any
1	Mohit Overseas Limited – Associates	Sales of Goods	12 Months	Rs. 2,71,19,646/-	27/05/2022	NIL
2	Mohit Overseas Limited – Associates	Purchase of Goods	12 Months	Rs. 2,75,44,675/-	27/05/2022	NIL
3	Mohit Overseas Limited – Associates	Purchase of Machinery	NA	Rs. 8,00,000/-	27/05/2022	NIL
4	Siam Cement Bigbloc Cons Technologies Pvt Ltd - Enterprises Controlled by Key Managerial Personnel & their relatives	Rent Income	12 months	Rs. 11,00,000/-	27/05/2022	NIL

By order of the Board  
**For Mohit Industries Limited**

*Sd/-*  
**Narayan Sitaram Saboo**  
Chairman & Managing Director  
DIN: 00223324

Date: 02-08-2023  
Place: Surat

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

The information under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2023, is given below and forms part of the Board's Report.

**A. CONSERVATION OF ENERGY**

The company is making continuous efforts on ongoing basis for energy conservation by adopting innovative measures to reduce wastage and optimize consumption. The Company continued its efforts to improve energy usage efficiencies and increase the share of renewable energy. Various key performance indicators like specific energy (energy consumed per unit of production), specific energy costs and renewable energy contributions were continuously tracked to monitor alignment with the Company's overall sustainability approach/.

(i) The steps taken or impact on conservation of energy

- Use of energy efficient equipment and Replacement of inefficient motor
- Intensified Internal Audit aimed at detecting wastage of electricity.
- More usage of electricity purchased from DGVCL.

(ii) The steps taken by the Company for utilizing alternate sources of energy: Not any.

(iii) The capital investment on energy conservation equipment: NIL

**B. TECHNOLOGY ABSORPTION**

Your company is keeping a close eye on the new product development and up gradation of technology in existing products. Up gradation in various areas of plant and machinery is continuously carried out.

(i) The efforts made towards technology absorption: NIL

(ii) The benefits derived: NIL

(iii) In case of imported technology (imported during last three years reckoned from the beginning of the financial year): N.A.

(iv) The expenditure incurred on research & development during the year 2022-23: NIL

**C. FOREIGN EXCHANGE EARNING AND OUTGO**

		<b>(Rs. In lakhs)</b>	
Sr. No.	Particulars	2022-23	2021-22
1	Foreign exchange earnings	3260.83	5,160.16
2	Foreign exchange Outgo	NIL	NIL

By order of the Board  
**For Mohit Industries Limited**

**Sd/-**  
**Narayan Sitaram Saboo**  
**Chairman & Managing Director**  
**DIN: 00223324**

**Date: 02-08-2023**

**Place: Surat**



**Annexure-IV**
**STATEMENT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 AND RULES OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

Sr. No.	Particulars	Name of Director & Designation	Ratio
1.	The ratio of the remuneration of each director to the median remuneration of all the employees of the Company for the financial year;	Mr. Narayan Sitaram Saboo Managing Director	-
		Mr. Naresh Sitaram Saboo Executive Director	-
		Mr. Manish Narayan Saboo Executive Director	-
a. The median remuneration of all the employees of the Company was 1,69,400/- p.a. b. No remuneration was paid to any director, Managing Director, Chief Financial Officer (CFO) of the Company During the Financial year 2022-23. c. Figures have been rounded off wherever necessary.			
2.	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Mr. Narayan Sitaram Saboo Managing Director	-
		Mr. Naresh Sitaram Saboo Executive Director	-
		Mr. Manish Narayan Saboo Executive Director & Chief Financial officer	-
		Ms. Mittal Narendrabhai Shah Company Secretary (Upto 10.02.203)	-
3.	The percentage increase/decrease in the median remuneration of employees in the financial year.		122.69%
4.	The number of permanent employees on the roll of Company;		364
5.	Average percentile increase 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;	There was increase made in salaries of employees and Company Secretary (KMP), however there was no managerial remuneration paid to any Director or Chief Financial Officer (KMP) of the Company, therefore comparison of percentile increase in salaries of employees with percentile increase in managerial remuneration cannot be made.	
6.	Affirmation that the remuneration is as per the remuneration policy of the Company;	It is hereby affirmed that remuneration paid is as per the Nomination and Remuneration policy of the Company.	

**Information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

- a) The Company does not have any employees who is drawing remuneration in excess of limit prescribed under section 197(12) of the Companies Act, 2013 read with Rule 5 (2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**Top Ten Employees in terms of remuneration drawn from the Company in the Financial Year 2022-23**

Sr. No	Name & Designation	Qualification and Experience	Remuneration (Amount in Rs.) Per Annum	Date of Appointment	DOB	Particulars of Last Employment	Relative of Director/ Manager	Percentage of Equity Shares
1	MOOLCHAND MOHANLAL SAINI – Export Manager	M.B.A & 13 Year Experience	7,59,671	01-04-2012	15-07-1988	Shree Sainath Moters Private Limited	NIL	-
2	SARVESWAR DAS – Plant In-charge	B.A & 27 Year experience	5,98,853	01-08-2011	09-10-1975	Jigisha Texo Fab Limited	NIL	-
3	KETAN DONDA – HR Manager	M.S.W & 9 Year experience	5,82,479	14-05-2018	07-10-1993	Fairdeal Filament Limited	NIL	-
4	PATEL TEJASKUMAR BALVANTBHAI – IT Manager	M.sc IT & 13 Year experience	5,80,188	01-12-2021	04-09-1989	Dhanlaxmi Infrastructure Private Limited	NIL	-
5	GAUTAM SARKAR – Plant In-charge	B.com & 27 Year Experience	5,77,107	01-08-2017	04-01-1976	General Petrochemicals Private Limited	NIL	-
6	DILIP GAGRANI – General Manager	B.A & 21 Year Experience	5,40,000	13-03-2019	01-12-1976	Self Employed	NIL	-
7	NARPAT SINGH – Electrical Engineer	HSC & 29 Year Experience	5,35,449	09-07-1997	30-06-1972	Viral Filament Limited	Nil	-
8	PRAKASH LAKSHMAN PARAMAR – Plant In-charge	B.sc & 18 Year Experience	5,17,468	01-12-2020	12-02-1973	Eagle Filament Private Limited	NIL	-
9	CHANDRAKANT MODI – Sales Manager	B.A & 23 Year Experience	4,46,870	18-02-1992	14-12-1964	Himan Mills	NIL	-
10	PRAVEEN N. RAJPUT – Q.C. Assistant	SSC & 33 Year Experience	3,99,048	04-06-1966	01-12-2005	Vardhman Group	NIL	-

By order of the Board  
**For Mohit Industries Limited**

**Sd/-**  
**Narayan Sitaram Saboo**  
**Chairman & Managing Director**  
**DIN: 00223324**

**Place: Surat**  
**Date: 02-08-2023**

**Form No. MR- 3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2023****[Pursuant to section 204(1) of the Companies Act, 2013 and rule no. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]****To,****The Members****M/s. MOHIT INDUSTRIES LIMITED**OFFICE NO.908, 9TH FLOOR,  
RAJHANS MONTESSA, DUMAS ROAD,  
MAGDALLA, CHORYASI  
SURAT-395007 GJ.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MOHIT INDUSTRIES LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information and representation 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 31.03.2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31.03.2023 according to the provisions of:
  - (i) The Companies Act, 2013 (the Act) and the Rules made there under;
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under; -- There are no events occurred during the year which attracts provisions of these Acts, Rules and Regulations and hence not applicable.
  - (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;- There are no events occurred during the year which attracts provisions of these Acts, Rules and Regulations and hence not applicable.
  - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company :-
    - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;-
    - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;- There are no events occurred during the year which attracts provisions of these Acts, Rules and Regulations and hence not applicable.
    - d. The Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - There are no events occurred during the year which attracts provisions of these Acts, Rules and Regulations and hence not applicable.
    - e. The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021; - There are no events occurred during the year which attracts provisions of these regulations hence not applicable.
    - 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, 2021; - There are no events occurred during the year which attracts provisions of these regulations hence not applicable.
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - There are no events occurred during the year which attracts provisions of these regulations hence not applicable.
  - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (vi) Factories Act, 1948
  - (vii) Industrial Disputes Act, 1947
  - (viii) The Payment of Wages Act, 1936
  - (ix) The Minimum Wages Act, 1948
  - (x) Employees State Insurance Act, 1948
  - (xi) The Employees Provident Fund and Miscellaneous Provisions Act, 1952
  - (xii) The Payment of Bonus Act, 1965
  - (xiii) The Payment of Gratuity Act, 1972
  - (xiv) The Contract Labour (Regulation and Abolition) Act, 1970
  - (xv) The Maternity Benefit Act, 1961
  - (xvi) The Child Labour (Prohibition and Regulation) Act, 1986
  - (xvii) The Industrial Employment (Standing Orders) Act, 1946
  - (xviii) The Employees Compensation Act, 1923
  - (xix) The Apprentices Act, 1961
  - (xx) Equal Remuneration Act, 1976
  - (xxi) The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959
  - (xxii) The Environment (Protection) Act, 1986 (read with The Environment (Protection) Rules, 1986)
  - (xxiii) The Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008.
  - (xxiv) The Water (Prevention and Control of Pollution) Act, 1974 (read with Water (Prevention and Control of Pollution) Rules, 1975)
  - (xxv) The Air (Prevention and Control of Pollution) Act, 1981 (read with Air (Prevention and Control of Pollution) Rules, 1982)

We 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with reference to listing of the Equity shares of the company on National Stock Exchange of India Limited w.e.f. 14.10.2016.
- (iii) During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above subject to the following observations:
  1. Letter asking Clarification by NSE dated 26.07.2022 and 15.11.2022 regarding difference in SDD (System Driven Disclosures and SHP (Shareholding pattern). Company replied vide letter dated 27.07.2022 and 03.12.2022 respectively and updated shareholding pattern/ SDD.
  2. Letter asking Clarification by NSE dated 23.01.2023 regarding Change in Category of Director from Executive Director & Chairperson related to Promoter(C,ED) to Executive Director & Chairperson (C&ED) for the quarter ended December 31, 2022. Company replied vide letter dated 23.01.2023.

2. We further 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.

As informed by directors, adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

3. 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.
4. We further report that during the audit period the company has not taken major steps or enter into events having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

This report is to be read with our letter dated 01.08.2023 which is annexed and forms an integral part of this report.

**For DHIRREN R. DAVE & CO.,  
Company Secretaries  
UIN:P1996GJ002900  
P/R No.:2144/2022**

**Place: Surat  
Date: 01-08-2023**

**Sd/-  
PINAL KANDARP SHUKLA  
Principal Partner  
Company Secretary  
ACS:28554 CP:10265  
UDIN: A028554E000720333**

**To,**  
**The Members**  
**M/s. MOHIT INDUSTRIES LIMITED**  
OFFICE NO.908, 9<sup>TH</sup> FLOOR,  
RAJHANS MONTESSA, DUMAS ROAD,  
MAGDALLA, CHORYASI  
SURAT-395007 GJ.

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

**For DHIRREN R. DAVE & CO.,**  
**Company Secretaries**  
**UIN:P1996GJ002900**  
**P/R No.:2144/2022**

**Place: Surat**  
**Date: 01-08-2023**

**Sd/-**  
**PINAL KANDARP SHUKLA**  
**Principal Partner**  
**Company Secretary**  
**ACS:28554 CP:10265**  
**UDIN: A028554E000720333**



## MANAGEMENT DISCUSSION & ANALYSIS REPORT

### GLOBAL ECONOMY & OUTLOOK

The global economy is gradually recovering from the impact of pandemic and at the same time facing new challenges emerging from Russia's invasion of Ukraine. Tightening of monetary policy by most Central Banks is expected to have a positive impact. Monetary policy should stay the course to restore price stability, and fiscal policy should aim to alleviate the cost-of-living pressures while maintaining a sufficiently tight stance aligned with monetary policy. Structural reforms can further support the fight against inflation by improving productivity and easing supply constraints, while multilateral cooperation is necessary for fast-tracking the green energy transition and preventing fragmentation. Despite monetary tightening, inflation is persistent in many key economies and Global inflation is expected to fall to 6.6 percent in 2023 and 4.3 percent in 2024.

### INDIAN ECONOMY AND OUTLOOK

The Indian Economy continues to show resilience amid Global Uncertainties. Despite significant challenges in the global environment, India was one of the fastest growing economies in the world. India's overall growth remains robust and is estimated to be 6.9% for the financial year 2022-23. Growth was driven by strong investment activity augmented by the government's capex push and buoyant private consumption.

India to witness GDP growth of 6.0 per cent to 6.8 per cent in 2023-24, depending on the trajectory of economic and political developments globally. Economic Survey 2022-23 projects a baseline GDP growth of 6.5 percent in real terms in FY24. Credit growth to the Micro, Small, and Medium Enterprises (MSME) sector has been remarkably high, over 30.5 per cent, on average during Jan-Nov 2022. Capital expenditure (capex) of the Central Government, which increased by 63.4 percent in the first eight months of FY23, was another growth driver of the Indian economy in the current year. RBI projects headline inflation at 6.8 percent in FY23, which is outside its target range

Explaining the economic outlook factoring global rudiments, the slowdown in global growth and economic output coupled with increased uncertainty is likely to dampen global trade growth. Strong domestic demand amidst high commodity prices will raise India's total import bill and contribute to unfavorable developments in the current account balance. These may be exacerbated by plateauing export growth on account of slackening global demand. Should the current account deficit widen further, the currency may come under depreciation pressure. Also, entrenched inflation may prolong the tightening cycle, and therefore, borrowing costs may stay 'higher for longer'. In such a scenario, global economy may be characterized by low growth in FY24. However, the scenario of subdued global growth presents two silver linings – oil prices will stay low, and India's CAD will be better than currently projected. The overall external situation is expected to remain manageable for India.

### GLOBAL TEXTILE INDUSTRY

The global textile market grew from \$573.22 billion in 2022 to \$610.91 billion in 2023 at a compound annual growth rate (CAGR) of 6.6%. The Russia-Ukraine war disrupted the chances of global economic recovery from the COVID-19 pandemic, at least in the short term. The war between these two countries has led to economic sanctions on multiple countries, a surge in commodity prices, and supply chain disruptions, causing inflation across goods and services and affecting many markets across the globe. The textile market is expected to grow to \$755.38 billion in 2027 at a CAGR of 5.5%.

The countries covered in the textile market are Argentina, Australia, Austria, Belgium, Brazil, Canada, Chile, China, Colombia, Czech Republic, Denmark, Egypt, Finland, France, Germany, Hong Kong, India, Indonesia, Ireland, Israel, Italy, Japan, Malaysia, Mexico, Netherlands, New Zealand, Nigeria, Norway, Peru, Philippines, Poland, Portugal, Romania, Russia, Saudi Arabia, Singapore, South Africa, South Korea, Spain, Sweden, Switzerland, Thailand, Turkey, UAE, UK, USA, Venezuela, Vietnam.

Companies around the world and across all segments face a "perfect storm" scenario, it claims, with high production costs and relatively low demand. At the same time, companies' expectation for the business climate in six months-time have been improving since November 2022. It is unclear if this growing optimism about the mid-term future is due to a belief that the situation cannot get much worse or anticipation for a well-founded economic normalization. Order intake has also steadily decreased since November 2021, mostly in line with the trend in the business situation, the report showed. The rate of decline has nevertheless slowed down in March 2023, likely due to weak demand.

The textile industry is an ever-growing market, with key competitors being China, the European Union, the United States, and India. China is the world's leading producer and exporter of both raw textiles and garments. India is among the top five textile manufacturing country and is responsible for more than 6% of the total textile production, globally. The rapid industrialization in the developed and developing countries and the evolving technology are helping the textile industry to have modern installations which are capable of high-efficient fabric production.

### INDIAN TEXTILE INDUSTRY

India is the world's second-largest producer of textiles and garments. It is also the sixth-largest exporter of textiles spanning apparel, home and technical products. India's growth cycles have become highly synchronized with those of advanced economies over the years. The most important and direct impact of this will be reduced demand for Indian goods abroad. The Indian textile and apparel industry is expected to grow at 10% CAGR from 2019-20 to reach US\$ 190 billion by 2025-26. India has a 4% share of the global trade in textiles and apparel. The textiles and apparel industry contribute 2.3% to the country's GDP, 13% to industrial production and 12% to exports. The textile industry has around 45 million of workers employed in the textiles sector, including 3.5 million handloom workers.

India's textile and apparel exports (including handicrafts) stood at US\$ 44.4 billion in FY22, a 41% increase YoY. Total textile exports are expected to reach US\$ 65 billion by FY26. The Textile and Apparel market is poised to grow, led by boost in demand and the government support in form of attractive schemes such as Production Linked Incentive (PLI), Mega Investment Textile Parks (MITRA) will further drive the way for the US\$ 250 billion target. Another step taken by the Ministry of Textiles towards positioning India as a global leader in technical textiles manufacturing is the invitation of Research proposals for Funding for Design, Development and Manufacturing of Machinery, Tools, Equipment, and Testing Instruments under NTTM. In FY 2022-23, exports of readymade garments cotton including accessories stood at US\$ 7.68 billion till January 2023. It is expected to surpass US\$ 30 billion by 2027, with an estimated 4.6-4.9% share globally. The major service offerings of the technical textile industry include thermal protection and blood-absorbing materials, seatbelts and adhesive tapes. The technical textile industry is expected to expand at a CAGR of 13.11 percent during FY18-23 to USD 32 billion in FY23. The targeted market size would be achieved by targeting non-woven technical textiles.

### PERFORMANCE

The company is equipped with modern infrastructure facilities which assist in smooth production. The company's manufacturing unit is outfitted with advanced machines and equipment and a trained staff, who have years of experience behind them. To sell products to the clients, the company has facilitated a smooth transportation mechanism through a strong base of transporters and traders.

During the year, your Company recorded total revenue of 16,992.58 Lakhs against Rs. 16,986.16 Lakhs in the previous year, resulting into Loss before Tax of Rs. 128.99 Lakhs during the year as compared to Profit before Tax Rs. 36.23 Lakhs in previous. Total Comprehensive Income during the year was Rs. 266.86 Lakhs as compared to Rs. 598.10 Lakhs in the previous year. A significant portion of revenue is generated through export of products of the company. Any change in the duty structure, import and export policy has significant bearing on revenue realization of the Company. Fluctuation in exchange rate of Indian currency has significant bearing on profitability.

Key ratios based on Standalone Financial Statement of company is as mentioned below:

Ratio	2022-23	2021-22
<b>Debtor Turnover Ratio</b>	8.97 times	9.05 times
<b>Inventory Turnover Ratio</b>	6.92 times	7.32 times
<b>Debt Coverage Ratio</b>	0.54 times	0.79 times
<b>Current Ratio</b>	1.20 times	1.40 times
<b>Debt Equity Ratio</b>	1.96 times	1.74 times
<b>Net Profit Ratio</b>	-0.88%	0.17%
<b>Return on Capital Employed</b>	3.23%	5.02%

### OPPORTUNITIES:

The textile industry in India is very strong as it has a variety of natural and man-made fibers and yarns. India's textile industry plays a technological and capital-intensive role and is compared with industries like heavy machinery, automobiles etc. Since the pattern of industrialization in trade has become common in consumer goods industries and labor-intensive industries there is immense opportunity in the textile

industry. India is estimated to be the second most appealing market by the year 2025 contributing up to US\$ 121 billion whereas China has been estimated to be the biggest appealing market contributor by adding US\$ 378 billion by the year 2025.

India has one of the fastest-growing economies with the GDP increasing to 7.2 percent in the year 2017-2018. This creates a boost in the purchasing power of the people while it also spurs the demand for products of the textile industry. This boost results in a wide range of capacity to manufacture different products that can be transported within India as well as across the world. Apart from this, India has one of the most extremely varied textile sectors as it has hand-woven textiles on one end while capital intensive mills on the other end which results in an enormous number of opportunities in the textile industry.

India supplies 8 percent of the global demand for denim fabric. Per-capita denim consumption in India is estimated at 0.1 meters, about one-fifth of the global average. Domestic demand is expected to surge with the significant growth in the Indian economy and increased consumer spending on clothing.

### **INDUSTRY CHALLENGES**

Though there are many opportunities and investments in the textile industry, like any other industry, the textile industry of India also undergoes certain challenges. The frequently changing policies stated by the government at the central and state levels create immense pressure on the textile industry. The GST applied on the products make the garments and clothes even more expensive.

Another challenge that the textile industry faces is the limitation to access the latest and best technology while also failing to meet the global standards in the competitive export market. Apart from these issues like child labor, competition from neighboring countries regarding low-cost garments, personal safety norms are some of the challenges the Indian textile industry faces.

#### **Major Challenges:**

- Higher input costs compared to competing nations
- Absence of fiber neutrality
- Low technology level
- Absence of Free Trade Agreements with major markets
- Fragmented nature of industry lacking economies of scale

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company and the Management has established adequate Internal Control systems to ensure reliable financial reporting. The Company's internal control procedures commensurate with the size and nature of business. Detailed procedural manuals are in place to ensure that all the assets are safeguarded, protected against loss and all transactions are authorized, recorded and reported correctly. The Company always adheres to set guidelines and follows all Accounting Standards prescribed for maintenance of books of accounts and reporting of financial statements. The internal control systems of the Company are monitored and evaluated by internal auditors and their audit reports are periodically reviewed by the Audit Committee of the Board of Directors.

### **MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED**

The Company recognizes human capital as strategic resource and believes empowerment of employees across the organization in order to achieve organizational effectiveness. There have been no material developments/significant changes in Human Resource during the year under review. The company's industrial relations remained cordial during the year. Your directors acknowledge the support and cooperation from employees at all levels. As on 31.03.2023 there are 364 employees on the records of the Company.

### **CAUTIONARY STATEMENT**

The statements in this report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied.

## CORPORATE GOVERNANCE REPORT

(Pursuant to Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company has ingrained the objectives of good quality Corporate Governance, which will lead to creation of value for all its stakeholders. The Company adopts the best of the Corporate Governance practices in its spirit, where by the highest level of transparency, accountability and equity is maintained at all levels of its operations. The Company policies are drawn keeping in mind the interest of all its stakeholders.

By following good Corporate Governance Practices, the Company ensures transparency in its policies, processes, reporting and decision making. The Company emphasizes on effective and efficient accounting system, internal control mechanism, risk mitigation and planning process. The practices adopted by the Company emphasize that all the resources are utilized optimally and effectively so that the Company grows from strength to strength and creates wealth for its stakeholders.

The Board of Directors of the Company has appropriate composition of Executive and Non-Executive Directors including Independent Directors. The Board of Directors through their active participation ensures that the discussions and decisions on the policy matters are taken after due deliberation and discussion and in consonance with good Corporate Governance Practices.

### 2. BOARD OF DIRECTORS

The Board of Mohit Industries is diverse comprising of highly experienced individuals and persons with eminent expertise who are entrusted with the responsibility of the Management, directions and performance of the Company. Raymond recognizes that an independent, dynamic and well-informed Board is essential to ensure the highest standards of Corporate Governance. The Board's primary role is fiduciary. The Board also requests special invitees to attend the meetings, as appropriate.

The Board provides leadership, strategic guidance, objective and an independent view to the Company's management while discharging its responsibilities and ensures that the management adheres to ethics, transparency and disclosures which ultimately serves the long-term goals of all its stakeholders along with achieving the Company's objectives and sustainable profitable growth. The Board ensures that the management is accountable for attaining the long-term goals of the Company and also ensures compliance with the applicable Act.

The Board comprises of optimum combination of Independent and Non-Independent Directors, including Woman Director in line with the provisions of the Companies Act, 2013 (the "Act") and the Listing Regulations. The Board of the Company has a good and diverse mix of Executive and Non-Executive Directors with half of the Board Members comprising of Independent Directors. The composition of the Board represents an optimal combination of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business.

As on 31<sup>st</sup> March, 2023 the Board of Directors comprises of 6 directors, 3 of which are Non-executive Independent Directors (Including One Independent Women Director) and other 3 directors are Executive Promoter Directors. Subsequent to the Year end, there was no change in the composition of Board of the Company. As on date of this report Board of Directors of the company is as follows:

Name of Directors	Category & Designation	Date of Appointment	No. of shares held	No. of other Public Co. Directorship	No. of Committee Membership*		List of Directorship held in other Listed Co. & Category of Directorship
					Chairman	Member	
Mr. Narayan Sitaram Saboo	Promoter, Chairman & Managing Director	01-10-2015	785779	3	-	3	1. Bigbloc Construction Limited – Chairman & Executive Director 2. Mask Investments Limited – Chairman & Executive Director
Mr. Naresh Sitaram Saboo	Promoter, Executive Director	10-03-1998	268445	2	-	2	1. Bigbloc Construction Limited – Managing Director 2. Mask Investments Limited – Non-Executive Director
Mr. Manish Narayan Saboo	Promoter, Executive Director	29-09-2011	75440	1	-	-	-
Mr. Jayesh Rasiklal Gandhi	Non-Executive Independent Director	29.09.2014	414	-	1	2	-
Mr. Sachinkumar Pramod Jain	Non-Executive-Independent Director	29.09.2014	0	-	2	-	-
Mrs. Pragya Rahul Memani	Non-Executive-Independent Director	29.09.2014	0	1	-	1	1. Mask Investments Limited – Independent Director

\* This relates to Committee referred under Regulation 18,19 & 20 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, viz. Audit Committee, Nomination & Remuneration Committee and Stakeholder Relationship Committee.

**Disclosure of Relationships between Directors inter-se:**

No other Directors are related to each other or to any other employee of the Company except the following:

- Mr. Narayan Sitaram Saboo and Mr. Naresh Sitaram Saboo are Brothers.
- Mr. Manish Narayan Saboo is Son of Mr. Narayan Sitaram Saboo.



**A. Board Meetings:**

The Company places before the Board all the relevant and necessary information at their meetings for the information of the Board. During the year under review, 8 (Eight) Board meeting were held at below mentioned dates and the gap between the two meetings did not exceed one hundred and twenty days.

1. 27-05-2022	5. 23-09-2022
2. 04-08-2022	6. 14-11-2022
3. 12-08-2022	7. 10-02-2023
4. 27-08-2022	8. 30-03-2023

**B. Attendance at the Board meetings during the year and attendance at the last Annual General Meeting (AGM):**

Sr. No.	Name of Directors	No. of board Meetings held during the year			Attendance at the Last AGM
		Held	Eligible to attend	Attended	
1.	Mr. Narayan Sitaram Saboo	8	8	8	Present
2.	Mr. Naresh Sitaram Saboo	8	8	7	Present
3.	Mr. Manish Narayan Saboo	8	8	8	Present
4.	Mr. Jayesh Rasiklal Gandhi	8	8	8	Present
5.	Mr. Sachinkumar Pramod Jain	8	8	8	Present
6.	Mrs. Pragya Rahul Memani	8	8	8	Present

The previous AGM of the Company was held on Friday, 30<sup>th</sup> September, 2022 at 204, 2<sup>nd</sup> Floor, Jay Sagar Complex, Behind J.K Tower, Near Sub-Jail, Khatodara, Surat 395002, Gujarat, India as per the circulars issued by MCA from time to time.

**C. Directors' interest in the Company & other disclosures:**

- None of the Non-Executive Directors of the Company have any pecuniary relationships or transactions with the Company.
- The Non-Executive Directors of the Company are highly respected and accomplished professionals in the corporate and academic world.
- There is no compensation package for Non-Executive Directors.
- There is no Nominee Director on the board as on 31.03.2023.
- All the information required to be furnished to the Board was made available to them along with detailed agenda notes.
- The Board of Directors do hereby confirm that, the Independent Directors fulfill the conditions specified in these regulations and are Independent of the Management.

**Core Skills / Expertise / Competencies available with the Board:**

The Board evaluates its composition to ensure that the appropriate mix of skills, experience, independence and knowledge to ensure its continued effectiveness. The Board Members should, at a minimum, have background that when combined provide a portfolio of experience and knowledge that will serve Raymond's governance and strategic needs. The Directors have demonstrated experience and ability that is relevant to the Board's oversight role with respect to Raymond's business and affairs.

As required under the provisions of Schedule V(C)(2)(h) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Board of Directors has identified the core skills / expertise / competencies as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board as follows:

• Industry Knowledge	• Strategic Planning & Leadership
• Sales & Marketing	• Corporate Governance
• Financial & Risk Management	• Business Management



**List of Matrix / chart of specific expertise:**

Name of Directors	Area of Expertise					
	Industry Knowledge	Sales & Marketing	Financial & Risk Management	Strategic Planning & Leadership	Corporate Governance	Business Management
Mr. Narayan Sitaram Saboo	✓	-	✓	✓	✓	✓
Mr. Naresh Sitaram Saboo	✓	✓	✓	✓	✓	✓
Mr. Manish Narayan Saboo	✓	✓	✓	✓	✓	✓
Mr. Jayesh Rasiklal Gandhi	✓	✓	-	✓	✓	✓
Mr. Sachinkumar Pramod Jain	✓	-	✓	✓	✓	✓
Mrs. Pragya Rahul Memani	✓	✓	-	✓	✓	✓

**Independent Director:**

As per Regulation 17A of the Listing Regulations, Independent Directors of the Company do not serve as Independent Director in more than seven listed companies. None of the Independent Directors of the Company have resigned during Financial Year 2022-23. Thus, disclosure of detailed reasons for their resignation along with their confirmation that there are no material reasons other than those provided by them is not applicable.

All Independent Directors have provided their annual declarations stating that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. During the Year under review, Independent Directors meet once on 30.03.2023 without the presence of Non-independent Directors. All the Independent directors were present at the meeting.

The Company has devised the Policy on Familiarization Programme for Independent Director and the same is available on the website of the Company <https://www.mohitindustries.com/upload/files/download/Familiarisation%20Programme%20for%20Independent%20Directors.pdf>

**Directors and Officers Insurance:**

The Company has voluntarily undertaken Directors and Officers Liability insurance ('D & O insurance') for all its Directors, including Independent Directors, for quantum and risks as determined appropriate by the Board of Directors of the Company.

**Familiarization Programme for Directors:**

The Company provides every opportunity to all the Directors to familiarize themselves with the Company, its management, its operations and above all, the industry perspective and issues. Directors regularly interact with the senior management personnel to acquaint themselves with all important matters and proactively provide with relevant information, news, views and updates on the Company and sector. The Director is also explained in detail, the Compliance required from him under the Act, the Listing Regulations and various statutes applicable to the Company. The Chairman and Managing Director also have a one-to-one discussion with the newly appointed Director to familiarize him / her with the Company's operations. The induction process for IDs includes interaction with the business and functional heads and plant visit for detailed understanding of manufacturing process / activities of the Company.

The Company, through its Executive Director or Manager as well as other Senior Managerial Personnel, conducts presentations/programs to familiarize the Independent Directors with the strategy, operations and functions of the Company inclusive of important developments in business. The details of number of programmes attended and the cumulative hours spent by an independent director are uploaded on the website of the company. The web link is <https://www.mohitindustries.com/upload/files/download/Familiarization%20Programme.pdf>. The terms and conditions of independent directors is available on the website of the company <https://www.mohitindustries.com/upload/files/download/Terms%20and%20Conditions%20for%20Appointment%20of%20Independent%20Directors%202022.pdf>

### 3. AUDIT COMMITTEE

In Conformity with the requirements of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013, as applicable, the strength of the Board as also of the Audit Committee is adequate. The Audit Committee of the company consists of Two Independent Directors and Managing Director of the Company. All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Economics, Risk and International Finance. It functions in accordance with its charter that defines its authority, responsibility, and reporting function. The Audit Committee also advises the Management on the areas where internal control system can be improved. The Company Secretary of the Company acts as the Secretary to the Audit committee.

During the year under review, 6 (Six) Audit Committee meetings were held at following dates and the gap between the two meetings did not exceed one hundred and twenty days. The requisite quorum was present at all the Meetings.

1. 27-05-2022	5. 23-09-2022
2. 12-08-2022	6. 14-11-2022
4. 27-08-2022	8. 10-02-2023

#### Composition of Committee & Attendance at the Audit Committee Meeting:

Name of Directors	Designation & Category of Director	Date of Appointment	Date of Cessation	No. of Meetings		
				Held	Eligible to attend	Attended
Mr. Sachinkumar Pramod Jain	Chairperson - Independent Director	29-09-2014	NA	8	8	8
Mr. Jayesh Rasiklal Gandhi	Member – Independent Director	29-09-2014	NA	8	8	8
Mr. Narayan Sitaram Saboo	Member – Managing Director	01-10-2015	NA	8	8	8

#### Role and Term of Reference of Audit Committee:

The Board has framed the Audit Committee charter for the purpose of effective compliance with the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations. The Audit Committee inter-alia performs the following functions:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub section 3 of section 134 of the Companies Act, 2013
  - Changes, if any, in accounting policies and practices and reasons for the same
  - Major accounting entries involving estimates based on the exercise of judgment by management
  - Significant adjustments made in the financial statements arising out of audit findings

- e) Compliance with listing and other legal requirements relating to financial statements
  - f) Disclosure of any related party transactions
  - g) modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the Half Yearly financial statements before submission to the board for approval;
  6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  7. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
  8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  9. Scrutiny of inter-corporate loans and investments;
  10. Discussion with internal auditors any significant findings and follow up there on;
  11. Evaluation of internal financial controls and risk management systems;
  12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  14. Discussion with internal auditors of any significant findings and follow up there on
  15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board
  16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern
  17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  18. To review the functioning of the whistle blower mechanism;
  19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. Of the candidate
  20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
  21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision
  22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

**The audit committee shall mandatorily review the following information:**

1. Management discussion and analysis of financial condition and results of operations
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee
6. Statement of deviations:
  - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of regulation 32(1).

(b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

#### 4. **NOMINATION AND REMUNERATION COMMITTEE**

The composition of Nomination and Remuneration Committee (“NRC”) is in accordance with the provisions of Section 178(1) of the Act and Regulation 19 of the Listing Regulations. Nomination and remuneration Committee is comprising of 3 (Three) Non-executive Directors. During the year under review, 4 (Four) meetings of Nomination and remuneration Committee (NRC) were held at below mentioned dates:

27-05-2022	27-08-2022	10-02-2023	30-03-2023
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#### **Composition of Committee & Attendance at the Nomination & Remuneration Committee Meeting:**

Name of Directors	Designation & Category of Director	Date of Appointment	Date of Cessation	No. of Meetings		
				Held	Eligible to attend	Attended
Mr. Sachinkumar Pramod Jain	Chairperson - Independent Director	29-09-2014	NA	4	4	4
Mr. Jayesh Rasiklal Gandhi	Member – Independent Director	29-09-2014	NA	4	4	4
Mrs. Pragya Raul Memani	Member – Independent Director	29-09-2014	NA	4	4	4

#### **Role and Term of Reference of Nomination and Remuneration Committee:**

The broad terms of reference of the NRC, as approved by the Board, are in compliance with Section 178 of the Act and Regulation 19 of the Listing Regulations, and are as follows:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
4. Devising a policy on Board diversity, if any;
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal and shall carry out evaluation of every director's performance.
6. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
7. Recommend to the board, all remuneration, in whatever form, payable to senior management.
8. To ensure the policy includes the following guiding principles:
  - The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully,
  - Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
  - Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short-term and long-term performance objectives appropriate to the working of the Company and its goals.

#### **Performance evaluation:**

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A consolidated summary of the ratings given by each Director was

then prepared. The report of performance evaluation was then discussed and noted by the Board. The performance evaluation of the Chairman and Managing Director and the Non-Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

The performance evaluation of the independent director was evaluated by the board after seeking inputs from all the independent directors on the basis of the criteria such as participation in decision making and safeguarding of confidential information, contribution in raising concerns to the Board, rendering unbiased opinion; participation in initiating new ideas and planning of the company etc.

**Details of Remuneration:**

The Company has adopted and implemented the Nomination and Remuneration Policy devised in accordance with Section 178(3) and (4) of the Companies Act, 2013. The detailed Nomination & Remuneration Policy is uploaded on the website of the Company. The web link is <https://www.mohitindustries.com/upload/files/download/NOMINATION%20AND%20REMUNERATION%20POLICY.pdf>.

The remuneration payable to Directors, Key Managerial Personnel and Senior Management Person will involve a balance between fixed and incentive pay reflecting short term and long term performance objectives appropriate to the working of the Company and support in the achievement of Corporate Goals.

During the year under review, no remuneration was paid to any Executive Directors including Managing Director, Chief Financial Officer and Non-Executive Directors. Further, no sitting fees were paid to any directors of the Company during the year under review.

**5. STAKEHOLDER’S RELATIONSHIP COMMITTEE**

Pursuant to the provisions of Section 178(5) of the Act read with Regulation 20 of the Listing Regulations, Committee of Directors (Stakeholders Relationship Committee) of the Board has been constituted. This Committee comprises of 3(three) Directors.

During the year under review, 4(Four) meetings of Stakeholders Relationship Committee were held at below mentioned dates:

<b>27-05-2022</b>	<b>12-08-2022</b>	<b>14-11-2022</b>	<b>10-02-2023</b>
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**Composition of Committee & Attendance at the Nomination & remuneration Committee Meeting:**

Name of Directors	Designation & Category of Director	Date of Appointment	Date of Cessation	No. of Meetings		
				Held	Eligible to attend	Attended
Mr. Jayesh Rasiklal Gandhi	Chairperson - Independent Director	29-09-2014	NA	4	4	4
Mr. Sachinkumar Pramod Jain	Member – Independent Director	29-09-2014	NA	4	4	4
Mr. Narayan Sitaram Saboo	Member – Managing Director	01-10-2015	NA	4	4	4

**Role and Term of Reference of stakeholders Relationship Committee:**

The Board approved ‘Terms of Reference’ of the Stakeholders Relationship Committee in compliance with Section 178 of the Act and Regulation 20 read with Part D of Schedule II of the Listing Regulations. The Committee looks into the matters of Shareholders/Investors grievances along with other operational matters listed below:

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

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

**Status of Complaints pending, received, disposed and unresolved during the year:**

Number of Shareholders' Complaints Pending at the end of the year	NIL
Number of Shareholders' Complaints received during the year	NIL
Number of Shareholders' Complaints disposed during the year	NIL
Number of Shareholders' Complaints remain unresolved during the year	NIL

**6. GENERAL MEETING**
**Annual General Meeting:**

AGM	Financial Year	Day, Date & Time of Meeting	Venue	Details pf Special Resolution passed
32 <sup>nd</sup>	2021-22	Friday, 30 <sup>th</sup> September, 2022 at 10:00 AM	204, 2 <sup>nd</sup> Floor, Jay Sagar Complex, Behind J.K Tower, Near Sub-Jail, Khatodara, Surat 395002	-
31 <sup>st</sup>	2020-21	Monday, 27 <sup>th</sup> September, 2021 at 10:00 AM	204, 2 <sup>nd</sup> Floor, Jay Sagar Complex, Behind J.K Tower, Near Sub-Jail, Khatodara, Surat 395002	-
30 <sup>th</sup>	2019-20	Monday, 28 <sup>th</sup> September, 2020 at 11:30 AM	6th Floor, A-601/B, International Trade Centre, Majura Gate, Ring Road, Surat-395002	1. Re-appointment of Mr. Narayan Sitaram Saboo as Managing Director of the Company  2. Issuance of equity Shares on Preferential Basis to the Promoter and person belonging to the Promoter Group

**Extra-Ordinary general Meeting/ Postal Ballot Resolution:**

During the financial year 2022-23, neither an extra-ordinary general meeting was held nor any Shareholders' resolution was passed through Post Ballot.

**7. MEANS OF COMMUNICATION**

The Company normally publishes the quarterly and annual results in leading English daily Financial Express and Financial Express in Vernacular language.

The Company has its own website [www.mohitindustries.com](http://www.mohitindustries.com) on which the quarterly results are displayed. Along with these, it also displays official news releases and presentations made to institutional investors or to the analysts, if any. Half yearly results are not sent to the shareholders. The Management Discussion and Analysis Report is attached with Directors' Report and form part of the Annual Report.

**8. GENERAL SHAREHOLDER INFORMATION**
**Annual General Meeting:**

**Day & Date:** Monday, 28<sup>th</sup> August, 2023

**Time:** 11:00 A.M.

**Venue:** 3<sup>rd</sup> Floor, Rajhans Montessa, Dumas Road, Magdalla, Surat – 395007

**Record/Cut-off Date:** 21<sup>st</sup> August, 2023

**Book closure:** From 22<sup>nd</sup> August, 2023 to 28<sup>th</sup> August, 2023 (Both days inclusive)



**Current Financial Year:** From 01.04.2023 to 31.03.2024.

**Tentative Calendar for Financial Year ending 31<sup>st</sup> March, 2024:**

Result of First quarter ended on 30 <sup>th</sup> June, 2023	On or before 14 <sup>th</sup> August, 2023
Result of First quarter ended on 30 <sup>th</sup> September, 2023	On or before 14 <sup>th</sup> November, 2023
Result of First quarter ended on 31 <sup>st</sup> December, 2023	On or before 14 <sup>th</sup> January, 2024
Result of First quarter ended on 31 <sup>st</sup> March, 2024	On or before 30 <sup>th</sup> May, 2024

**Listing on Stock Exchange:**

Companies Share are listed on:

Sr. No.	Name of Stock Exchange	Address of Stock Exchange	Scrip Code/ Symbol	Type of Shares Listed	No. of Shares Listed
1.	BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai -400 001	531453	Equity Shares	1,41,57,575
2.	National Stock Exchange of India Limited	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051	MOHITIND	Equity Shares	1,41,57,575

Note:

- Annual listing fees for the Financial Year 2023-24 have been duly paid to the Stock Exchanges.
- ISIN with NSDL & CDSL: INE954E01012

**Market Price Data, Stock Performance & Comparison to board-based Indices:**

Market price data for the Financial Year 2022-23 is given below:

Month	BSE				BSE Sensex		
	High (Rs.)	Low (Rs.)	Close (Rs.)	Volume (No. of Shares)	High (Rs.)	Low (Rs.)	Close (Rs.)
April, 2022	26.35	18.25	21.60	7,70,773	60845.10	56009.07	57060.87
May, 2022	23.10	17.70	18.75	1,11,837	57184.21	52632.48	55566.41
June, 2022	19.40	14.10	16.75	41,597	56432.65	50921.22	53018.94
July, 2022	17.00	15.50	15.7	26,670	57619.27	52094.25	57570.25
August, 2022	20.50	15.65	18.50	1,45,601	60411.20	57367.47	59537.07
September, 2022	21.95	17.50	18.30	1,51,994	60676.12	56147.23	57426.92
October, 2022	19.80	17.00	17.95	46,446	60786.70	56683.40	60746.59
November, 2022	17.95	15.95	16.40	43,005	63303.01	60425.47	63099.65
December, 2022	18.90	14.25	16.60	59,756	63583.07	59754.10	60840.74
January, 2023	17.50	15.05	15.30	42,766	61343.96	58699.20	59549.90
February, 2023	16.30	13.30	13.80	33,929	61682.25	58795.97	58962.12
March, 2023	15.20	11.00	11.46	66,297	60498.48	57084.91	58991.52

Month	NSE				NSE Nifty		
	High (Rs.)	Low (Rs.)	Close (Rs.)	Volume (No. of Shares)	High (Rs.)	Low (Rs.)	Close (Rs.)
April, 2022	26.55	17.35	21.5	3391000	17377.65	17053.25	17102.55
May, 2022	24.00	17.50	18.70	1475000	16690.75	16521.90	16584.55
June, 2022	20.00	13.60	16.65	464000	15890.00	15728.85	15780.25
July, 2022	17.45	15.15	15.70	333000	17172.80	17018.15	17158.25
August, 2022	20.45	15.50	18.55	1532000	17777.65	17401.50	17759.30
September, 2022	21.80	17.25	17.85	1346000	17187.10	16747.70	17094.35
October, 2022	19.50	17.00	17.75	406000	18022.80	17899.90	18012.20
November, 2022	18.10	14.00	16.35	323000	18816.05	18616.55	18758.35
December, 2022	18.65	15.00	16.65	467000	18265.25	18080.30	18105.30
January, 2023	17.90	15.10	15.40	494000	17735.70	17537.55	17662.15
February, 2023	16.50	13.15	13.70	215000	17440.45	17255.20	17303.95
March, 2023	15.50	10.95	11.25	344000	17381.60	17204.65	17359.75

**In case the securities are suspended from trading, the director's report shall explain the reason thereof:** Not Applicable

**Registrar & Transfer Agents:**

**Adroit Corporate Services Private Limited**

Registrar to Issue & Share Transfer Agents  
 Address: 19 /20, Jaferbhoy Industrial Estates,  
 Makwana Road, Marol Naka,  
 Andheri (East) Mumbai- 400059.  
 Email Id: [info@adroitcorporate.com](mailto:info@adroitcorporate.com)  
 Website: [www.adroitcorporate.com](http://www.adroitcorporate.com)  
 Ph. No.: +91-22- 42270400 / 28596060 / 2859406  
 Tele Fax: +91-022-2850374  
 SEBI registration No: INR000002227 (Category I Share Transfer Agent)

**Share Transfer System**

Trading in equity shares of the Company is permitted only in dematerialized form. In terms of requirements of Regulation 40 of the Listing Regulations w.e.f. 1st April, 2019, transfer of securities in physical form, except in case of request received for transmission or transposition of securities, shall not be processed. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized to be able to freely transfer them and participate in various corporate actions.

To facilitate shareholders for trading in demat form, Company has entered into agreement with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

**Nomination facility:**

Individual shareholders holding shares in physical form either singly or jointly can nominate a person in whose name the shares shall be transferable in case of death of the registered Shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the Depository Participants as per the by-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agent.

**Category of Shareholding pattern as on 31<sup>st</sup> March, 2023:**

Sr. No.	Description	No. of Members	No. of shares	
			Nos.	%
<b>A</b>	<b>Promoters Holding</b>			
	Directors & Relatives	9	2092344	14.77
	Bodies Corporate	4	5598112	39.54
<b>B</b>	<b>Non Promoter Holding</b>			
	<u>Institutions</u>	-	-	-
	<u>Non-Institutions</u>			
	Resident Individual	8788	5547797	39.18
	HUF	124	185281	1.31
	Foreign Individuals or NRI	42	33267	0.23
	Bodies Corporate	38	666879	4.71
	Clearing Member	7	5354	0.04
	Trust	2	5071	0.04
	IEPF	1	23470	0.17
	<b>Total:</b>	<b>9015</b>	<b>1,41,57,575</b>	<b>100.00%</b>

**Distribution of Shareholding as on 31<sup>st</sup> March, 2022:**

Shareholding of Nominal	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares Amount
<b>Upto -100</b>	4352	47.64	192140	1.36
<b>101-500</b>	2877	31.49	831547	5.87
<b>501-1000</b>	929	10.17	777034	5.49
<b>1001-2000</b>	491	5.37	779883	5.51
<b>2001-3000</b>	163	1.78	422106	2.98
<b>3001-4000</b>	76	0.83	275468	1.95
<b>4001-5000</b>	68	0.74	322320	2.28
<b>5001-10000</b>	98	1.07	713787	5.04
<b>10001-20000</b>	46	0.50	632015	4.46
<b>20001-50000</b>	16	0.18	488692	3.45
<b>50001 &amp; Above</b>	20	0.22	8722583	61.61
<b>Total</b>	<b>9136</b>	<b>100.00</b>	<b>14157575</b>	<b>100.00</b>

**Dematerialization & Liquidity:**

The Company's shares are available for dematerialization on both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Shares of the Company are compulsorily traded in the demat form on Stock Exchanges by all investors. As on 31.03.2023 - 1,41,42,015 shares amounting to 99.89 % of the capital have been dematerialized by investors and bulk of the transfer takes place in the demat form.

**Shares lying under Investor Education and Protection Fund (IEPF) Account:**

There are 23470 equity shares of the Company lying under Investor Education and Protection Fund (IEPF) Account as on 31.03.2023. The details of the same is placed on Company's website [www.mohitindustries.com](http://www.mohitindustries.com).

**Investor Helpdesk:**

Shareholders/Investors can also send their queries through e-mail to the Company at [contact@mohitindustries.com](mailto:contact@mohitindustries.com). This designated e-mail has also been displayed on the Company's website [www.mohitindustries.com](http://www.mohitindustries.com) under the section Investor contact.

**Outstanding GDRs/ADRs/Warrants or any convertible instruments and conversion date and likely impact on equity:**

There is no outstanding GDRs/ADRs/Warrants or any convertible instruments.

**Plant Locations:**

Location-1	Location-2
Block No. 787, Plot No 30 And 31, Block No 792, Plot No 5 & 6, 14 & 15, Block No 791 Plot No 8 To 15, Village Kuddsad, Olpad, Surat-394540, Gujarat.	Block No. 787, Plot No. 1 to 5, Olpad, Surat-394540, Gujarat, India.

**Address for correspondence:**

Company	Registrar & Share Transfer Agent
<u>Mohit Industries Limited</u> Secretarial Department Address: Office No. 908, 9th Floor, Rajhans Montessa, Dumas Road, Magdalla, Surat-395007, Gujarat, India. Email Id: Contact@mohitindustries.com Website: www.mohitindustries.com Ph. No: +91-261-2463262, 2463263	<u>Adroit Corporate Services Private Limited</u> Unit: Mohit Industries Limited Address: 19 /20, Jaferbhoy Industrial Estates, Makwana Road, Marol Naka, Andheri (East) Mumbai- 400059. Email Id: info@adroitcorporate.com Website: www.adroitcorporate.com Ph. No :+91-22-2270400/28596060/28594060

**9. OTHER DISCLOSURES**
**Disclosure of Accounting:**

In preparation of the financial statements, the Company has followed the Indian Accounting Standards (Ind As) issued by the Institute of Chartered Accountants of India (ICAI). The significant accounting policies which are consistently applied have been set out in the Notes to the Accounts.

**Commodity price risk and Commodity hedging activities:**

The Company has adequate risk assessment and minimization system in place including for commodities. The Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/ CIR/P/2018/0000000141 dated November 15, 2018. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): Not Applicable

**Subsidiary:**

The Company does not have any subsidiary.

**Recommendations of Committees of Board:**

There were no instances during the financial year 2022-23 wherein the Board had not accepted the recommendations of any Committee of the Board which is mandatorily required, in the relevant financial year.

**Non-Disqualification of Directors:**

A certificate from M/s. Dhirren R. Dave & Co. Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Company by the Board/Ministry of Corporate Affairs or any such statutory authority forms part of this report.

**Certificate on Corporate Governance:**

The Compliance Certificate on Corporate Governance for the Financial Year ended 31<sup>st</sup> March, 2023, issue by M/s. Dhirren R. Dave & Co., Practicing Company Secretary of the Company forms part of this Report.

**Code of Conduct**

The Board of Directors has laid down a 'Code of Conduct' for all the Board members and the Senior Management of the Company and this code is posted on the website of the company. During the year, Board of Directors and Senior Management Personnel has complied with general duties, rules, acts and regulations and Annual declaration is obtained from every person covered by the code. In this regard certificate from Managing Director as required under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been received by the Board and the same is attached.

**Code of Conduct for Prevention of Insider Trading:**

The Company has adopted the Code of Conduct for regulating, monitoring and reporting of Trading by Insiders in accordance with the requirement of SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Companies Act, 2013. The Code of internal procedures and conduct for Regulating, monitoring and Reporting of Trading by Insiders is available on [https://www.mohitindustries.com/upload/files/download/code\\_of\\_conduct\\_for\\_prevention\\_of\\_insider\\_trading.pdf](https://www.mohitindustries.com/upload/files/download/code_of_conduct_for_prevention_of_insider_trading.pdf).

**Whistle Blower Policy/Vigil Mechanism Policy:**

Pursuant to Section 177(9) & (10) of the Companies Act, 2013, and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behaviour, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website at <https://www.mohitindustries.com/upload/files/download/Whistle%20Blower%20Policy.pdf>.

**Related Party Transaction:**

The policy for dealing with related party transactions has been disclosed at <https://www.mohitindustries.com/upload/files/download/Related%20Party%20Transaction%20Policy.pdf>.

**Fees to Statutory Auditor:**

Details relating to fees paid to the Statutory Auditors are given in Note No. 33 to the Standalone & Consolidated Financial Statements.

**Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

During the year under review, there were no complaint i.e. incidences of sexual harassment were reported and there were no complaints pending as on end of the financial year.

**Mandatory & Non-mandatory Requirements:**

The Company has complied with all the mandatory requirements Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

**Statutory Compliance, Penalties and Strictures:**

The Company has complied with all requirements specified under the Listing Regulations as well as other regulations, circulars and guidelines issued by the SEBI. There were no strictures or penalties imposed by either SEBI or Stock Exchanges or MCA or any other regulatory/ statutory authority for non-compliance of any matter related to the capital markets during the last three financial years.

**Disclosure with Respect to Demat Suspense Account/Unclaimed Suspense Account:**

There are no instances with respect to Demat suspense account/unclaimed suspense account.

**Compliance with SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015:**

The Company has fully complied with mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Disclosure of Loans and advances to firms/Companies in which directors are interested:**

Details relating to Loan and Advances given in Note 36 to the Standalone Financial Statements and Note 36 to the Consolidated Financial Statements.

**Executive Director and Chief Financial Officer (CFO) certification:**

As required by Listing Regulations, the Executive Director and CFO certification on the Financial Statements, the Cash Flow Statement and the Internal Control Systems for financial reporting for financial year 2022-23 is enclosed to this Report.

**CERTIFICATE ON CORPORATE GOVERNANCE**

**To,  
The Member of  
MOHIT INDUSTRIES LIMITED**

We have examined the compliance of conditions of Corporate Governance by Mohit Industries Limited (the Company) for the year ended March 31, 2023, as per regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the company's management. Our examinations were limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is 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, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

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 DHIRREN R. DAVE & CO.,  
Company Secretaries  
UIN:P1996GJ002900  
P/R No.:2144/2022**

**Place: Surat  
Date: 01-08-2023**

**Sd/-  
PINAL KANDARP SHUKLA  
Principal Partner  
Company Secretary  
ACS:28554 CP:10265  
UDIN: A028554E000720366**



## 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,**  
**MOHIT INDUSTRIES LIMITED**  
 Office No.908, 9th Floor,  
 Rajhans Montessa, Dumas Road,  
 Magdalla, Surat, Choryasi-395007

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of MOHIT INDUSTRIES LIMITED having CIN L17119GJ1991PLC015074 and having registered office at OFFICE NO.908, 9TH FLOOR, RAJHANS MONTESSA, DUMAS ROAD,MAGDALLA, SURAT CHORYASI GJ 395007, Gujarat, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of Director	DIN	Initial Date of Appointment
1.	Narayan Sitaram Saboo	00223324	01/10/2015
2.	Naresh Sitaram Saboo	00223350	10/03/1998
3.	Manish Narayan Saboo	01576187	29/09/2011
4.	Jayesh Rasiklal Gandhi	01588775	21/11/1994
5.	Sachinkumar Pramod Jain	01634303	26/08/2005
6.	Pragya Rahul Memani	06846968	22/03/2014

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For DHIRREN R. DAVE & CO.,**  
**Company Secretaries**  
**UIN:P1996GJ002900**  
**P/R No.:2144/2022**

**Place: Surat**  
**Date: 01-08-2023**

*Sd/-*  
**PINAL KANDARP SHUKLA**  
**Principal Partner**  
**Company Secretary**  
**ACS:28554 CP:10265**  
**UDIN: A028554E000720344**

**COMPLIANCE CERTIFICATE ON CODE OF CONDUCT**

**Declaration by the Managing Director under Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding adherence to the Code of Conduct**

The Board has laid down a code of conduct for all the Board Members and Senior Managerial Personnel of the Company. Pursuant to Regulation 26 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015. I hereby confirm that all the Board Members and Senior Managerial Personnel have affirmed compliance with the code of conduct of board of directors and senior management for Financial Year 2022-23. Further, Annual declaration is obtained from every person concerned/covered by the code.

**For Mohit Industries Limited**

**Date: 05.05.2023**  
**Place: Surat**

**Sd/-**  
**Narayan Sitaram Saboo**  
**Chairman & Managing Director**  
**DIN: 00223324**

**CERTIFICATE FROM CEO & CFO OF THE COMPANY**

**CEO/CFO Certification in respect of Financial Statements and Cash Flow Statement pursuant to Regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 for the Financial Year ended March 31, 2023**

**To,**  
**The Board of Directors**  
**Mohit Industries Limited**  
**Surat.**

We have reviewed the Financial Statements and the Cash Flow Statement of the Company for the year ended 31<sup>st</sup> March, 2023 and we hereby certify and confirm to the best of our knowledge and belief the following:

- a. The Financial Statements and Cash Flow statement do not contain any material untrue statement or omit any material fact or contain statements that might be misleading.
- b. The Financial Statements and the Cash Flow Statement together present a true and fair view of the affairs of the Company and are in compliance with existing accounting standards, applicable laws and regulations.
- c. There are no transactions entered in to by the Company during the year ended 31st March 2023 which are fraudulent, illegal or violative of Company's Code of Conduct.
- d. We accept responsibility for establishing and maintaining internal controls for Financial Reporting and we have evaluated the effectiveness of these internal control systems of the Company pertaining to financial reporting. Deficiencies noted, if any, are discussed with the Auditors and Audit Committee, as appropriate, and suitable actions are taken to rectify the same.
- e. We have indicated to the auditors and the Audit committee that:
  - (i) there have been no significant changes in the above-mentioned internal controls over financial reporting during the relevant period.
  - (ii) that there have been no significant changes in the accounting policies during the relevant period.
  - (iii) we have not noticed any significant fraud particularly those involving the, management or an employee having a significant role in the Company's internal control system over Financial Reporting.

**For Mohit Industries Limited**

**Date: 29-05-2023**  
**Place: Surat**

**Sd/-**  
**Manish Narayan Saboo**  
**Chief Financial Officer**

**Sd/-**  
**Narayan Sitaram Saboo**  
**Chairman & Managing Director**  
**DIN: 00223324**

## INDEPENDENT AUDITOR'S REPORT

To,  
The Members of  
**MOHIT INDUSTRIES LIMITED**

### Report on the Audit of the Standalone Financial Statements

#### **Qualified Opinion**

We have audited the accompanying standalone financial statements of **Mohit Industries Limited** (“the Company”), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the standalone financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of matter described in the ‘Basis of Qualified Opinion’ Paragraph below*, the aforesaid standalone 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 31st March 2023 and its Loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### **Basis of Qualified Opinion**

*The company has not provided for Post-Employment Benefits and other long term employee benefits under Defined Benefit Plans on accrual basis but provides the same as and when they become due for payment. This method of accounting of Post-Employment Benefits and other long term employee benefits under Defined Benefit Plans is in deviation with Ind AS – 19 on Employee Benefits. As there is no actuarial report or basis of calculation available with the management of such Post-Employment Benefits and other long term employee benefits, the quantum of deviation cannot be ascertained. If the company had followed the method accounting as per Ind AS – 19, then employee benefit expense would have increased and correspondingly Profit for the period would have reduced.*

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

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p><b>Evaluation of uncertain tax positions</b></p> <p>The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p> <p>Refer Notes 32(i) to the Standalone Financial Statements.</p>	<p><b>Principal Audit Procedures:</b></p> <p>Obtained details of completed tax assessments and demands as on year ended March 31, 2023 from management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2022 to evaluate whether any change was required to management's position on these uncertainties.</p>
2	<p><b>Foreign exchange fluctuation and export policies of India and other countries are considered to be Key Audit Matters.</b></p> <p>A significant portion of revenue is generated through export of products of the company. Any change in the duty structure, import and export policy has significant bearing on revenue realization of the Company. Fluctuation in exchange rate of Indian currency has significant bearing on profitability.</p>	<p><b>Principal Audit Procedures:</b></p> <p>Our audit approach includes verification of balances outstanding (Debits and Credits); on account of foreign exchange; as at the end of the year and to assure that the same is adjusted to a value at the exchange rate that is prevailing at the close of last day of the current year.</p>
3	<p><b>Valuation, Accuracy, Completeness and disclosures pertaining to Inventories with reference to Ind AS 2</b></p> <p>Inventories constitutes material component of financial statement. Correctness, completeness and valuation are critical for reflecting true and fair financial results of operations.</p>	<p><b>Principal Audit Procedures:</b></p> <p>We performed the following audit procedures to audit the existence and condition of inventories as per the guidance provided in SA 501 "Audit Evidence – Specific Considerations for Selected Items", as at the year-end:</p> <ul style="list-style-type: none"> <li>a) Performed test counts by tracing items from management's counts records to the physical inventories and tracing the items selected from physical inventory to managements' count records.</li> <li>b) Evaluated the design and implementation of the controls over physical verification of inventory and tested the operating effectiveness of these controls throughout the year.</li> <li>c) Testing on sample basis the accuracy of cost of inventory by verifying supporting documents.</li> <li>d) Performed alternate procedures which included inspection of supporting documentation relating to purchases, sales and production records relating to inventory as at year-end.</li> <li>e) Discussion with those charged with responsibility of overlooking inventory management process.</li> </ul>

**Other Information**

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the Board of Directors' report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

**Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for

expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements 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 in the standalone financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may be 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 standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that: -
  - a) We have sought & 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 accounts as required by law have been kept by the company so far as appears from our examination of such books.



- c) The Standalone Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account.
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act *except for Ind AS – 19 on Employee Benefits in respect of provision for Long Term Employee Benefit & Defined Benefit plans.*
- e) *In our opinion, the tax demands litigation matters described in Sr. No. 1 of “Key Audit Matters” paragraph above, if decided against the company, may have an adverse effect on the functioning of the Company.*
- f) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2023 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of section 164(2) of the Act.
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”.
- 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 according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with 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:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 32(i) to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(b) The management has represented, that, to the best of its knowledge and belief, 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, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and  
  
(c) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- v. The company has not declared any dividend during the year.

- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

**For RAJENDRA SHARMA & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No.:- 108390W**

*Sd/-*  
**(RAJENDRA RATANLAL SHARMA)**  
**PARTNER**  
**Membership No. : 044393**  
**UDIN: 23044393BGWXEW6181**

**Surat, 29<sup>th</sup> May, 2023**

**ANNEXURE “A” TO THE INDEPENDENT AUDITORS' REPORT of MOHIT INDUSTRIES LIMITED  
FOR YEAR ENDED 31<sup>ST</sup> MARCH, 2023  
(Referred to in Paragraph ‘1’ under “Report on Other Legal and Regulatory Requirements’ of our  
report of even date)**

- i.
  - (a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.  
  
B. The Company has maintained proper records showing full particulars of intangible assets.
  - (b) The Company has a program of verification to cover all the items of Property, Plant and Equipment in a phased manner over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) Based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, of all the immovable properties disclosed in the financial statements included in Property, Plant and Equipment and Investment Property are held in the name of the Company as at the balance sheet date
  - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
  - (e) There are no proceedings which have been initiated or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder.
- ii.
  - (a) The management has conducted physical verification of inventory at reasonable intervals during the year. According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the coverage and procedure of such verification by the management is appropriate and no material discrepancies of 10% or more in the aggregate for each class of inventory between physical inventory and book records were noticed on physical verification.
  - (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 been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. According to the information and explanation given to us, the quarterly returns or statements filed by the Company with such banks are not in agreement with the books of account of the Company. The material differences between such quarterly returns or statements and books of account of the company are reported in Note No. 44(ii) of the Audited Financial Statements of the company.
- iii.
 

According to information and explanation given to us, the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. The Company has made investments in companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:

  - (a) According to the information and explanations given to us, the Company has granted loans, secured or unsecured to parties other than subsidiaries, associates and joint venture during the year, the details of which are as follows:

Particulars	Loans (In Rs. Thousands)
Aggregate amount granted during the year	
-- Others	62,911.63
Balance outstanding as at balance sheet date in respect of above cases	
-- Others	86,200.03

- (b) In our opinion, the investments made and the terms and conditions of grant of all loans are, prima facie, not prejudicial to the Company's interest.
- (c) In respect of loans, there is no stipulation of schedule of repayment of principal and payment of interest and hence we are unable to make specific comment on the regularity of repayment of principal & payment of interest.
- (d) In respect of loans granted by the Company, as there is no stipulation of schedule of repayment of principal and payment of interest, hence there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties
- (f) The company has granted loans either repayable on demand or without specifying any terms or period of repayment. The details of such loan granted is given below:

Particulars	All Parties (Rs.in Thousands)	Promoters (Rs.in Thousands)	Related Parties (Rs.in Thousands)
Aggregate amount of loans/ advances in nature of loans			
-- Repayable on Demand (A)	--	--	--
-- Agreement does not specify any terms or period of repayment (B)	86,200.03	--	--
Total (A+B)	86,200.03	--	--
% of loans / advances in nature of loans to total loans	100%	--	--

- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees' State Insurance, Income-tax, Goods and Services tax, duty of Customs, Cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Goods and Services tax, duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2023, for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no material dues of duty of customs which have not been deposited with the appropriate authorities on account of any dispute. Details of Income Tax, Sales Tax, Service Tax, Excise Duty, Value Added Tax (VAT), Entry Tax and Cess which have not been deposited as on 31 March, 2023 on account of disputes are given below:

Name of The Statute	Nature of Dues	Amount (Rs. In Lakhs)	Period to which the amount relates	Forum where dispute is pending
Gujarat Entry Tax Laws	Gujarat Entry Tax	433.18	FY 2006-07	First Appellate Authority
Gujarat Entry Tax Laws	Gujarat Entry Tax	1097.25	FY 2007-08	First Appellate Authority
Gujarat Entry Tax Laws	Gujarat Entry Tax	513.82	FY 2009-10	First Appellate Authority
Gujarat VAT Act	Gujarat VAT	301.49	FY 2010-11	First Appellate Authority
Gujarat Entry Tax Laws	Gujarat Entry Tax	323.53	FY 2010-11	First Appellate Authority
Gujarat VAT Act	Gujarat VAT	72.05	FY 2011-12	First Appellate Authority (Set Aside by Tribunal)
Gujarat Entry Tax Laws	Gujarat Entry Tax	577.26	FY 2011-12	Appeal pending before Tribunal
Gujarat VAT Act	Gujarat VAT	18.57	FY 2012-13	Appeal pending before Tribunal
Gujarat Entry Tax Laws	Gujarat Entry Tax	339.64	FY 2012-13	First Appellate Authority
Central Excise Act	Excise Duty & Penalty	137.58	Various Periods	CESTAT, Ahmedabad
Central Excise Act	Excise duty rebate rejection	8.90	2013-14	Commissioner (Appeals), Surat
Income Tax Act, 1961	Income Tax Demand	5.71	A.Y. 2011-12	Commissioner of Income Tax (Appeals), Surat
Income Tax Act, 1961	Income Tax Demand	53.80	A.Y. 2014-15	Commissioner of Income Tax (Appeals), Surat

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, the term loans were applied for the purposes for which the loans were obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (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, associates or joint ventures
- (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, joint ventures or associate companies.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- (b) In our opinion and according to the information and explanations given to us, since no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit, accordingly, the provisions of clause 3(xi)(b) of the Order are not applicable.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the company issued till date, for the period under audit.
- xv. According to the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013



are not applicable to the company.

- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) and (b) of the Order is not applicable.
- (b) The Company is not a Core Investment Company ("CIC") as defined in the regulations made by the Reserve Bank of India. Accordingly, provisions of clause 3(xvi)(c) of the Order are not applicable.
- (c) Based on the information and explanations provided by the management, the Company does not have any CICs, which are part of the Company. Accordingly, provisions of clause 3(xvi)(d) of the Order are not applicable.
- xvii. The Company has not incurred cash losses in the financial year and in the immediately preceding financial year. Accordingly, provisions of clause 3(xvii) of the Order are not applicable.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx. In our opinion and according to information & explanation given to us, the provision of Section 135 of the Companies Act, 2013 is not applicable in the case of the company. Hence, reporting requirement under Clause (xx)(a) and (b) of the order is not applicable in the case of the company.

**For RAJENDRA SHARMA & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No.:- 108390W**

*Sd/-*  
**(RAJENDRA RATANLAL SHARMA)**  
**PARTNER**  
**Membership No. : 044393**  
**UDIN: 23044393BGWXEW6181**

**Surat, 29<sup>th</sup> May, 2023**

**Annexure “B” to the Independent Auditor’s Report of Even date on the Standalone Financial Statements of Mohit Industries Limited for year ended on 31<sup>st</sup> March, 2023  
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

**Opinion**

We have audited the internal financial controls over financial reporting of **Mohit Industries Limited** (“the Company”) as of 31st March, 2023 in conjunction with our audit of standalone financial statements of the Company for the year ended on that date.

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

**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 controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial controls with reference to standalone financial statements include 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the standalone financial statements.

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

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For RAJENDRA SHARMA & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No.:- 108390W**

*Sd/-*  
**(RAJENDRA RATANLAL SHARMA)**  
**PARTNER**  
**Membership No. : 044393**  
**UDIN: 23044393BGWXEW6181**

**Surat, 29<sup>th</sup> May, 2023**

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2023**
**(₹ in Lakhs)**

	Particulars	Note No.	Figures as at 31-03-2023	Figures as at 31-03-2022
<b>I</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-Current Assets</b>			
	(a) Property, Plant & Equipment	<b>4</b>	2048.38	2181.11
	(b) Capital Work In Progress		-	-
	(c) Intangible Assets	<b>4</b>	0.98	1.77
	(d) Investment Properties	<b>5</b>	76.73	76.73
	(e) Financial Assets			
	(i) Investments	<b>6</b>	1664.03	1252.82
	(ii) Other Financial Assets	<b>7</b>	34.88	120.01
	(f) Other Non-Current Assets	<b>8</b>	20.82	21.63
	<b>SUB-TOTAL</b>		<b>3845.83</b>	<b>3654.07</b>
<b>2</b>	<b>Current Assets</b>			
	(a) Inventories	<b>9</b>	2469.00	2365.52
	(b) Financial Assets			
	(i) Trade Receivables	<b>10</b>	1798.39	1931.04
	(ii) Cash & Cash Equivalents	<b>11</b>	8.63	10.52
	(iii) Other Bank Balances	<b>12</b>	13.19	0.44
	(iv) Loans	<b>13</b>	862.00	833.06
	(c) Other Current Assets	<b>14</b>	952.80	861.84
	<b>SUB-TOTAL</b>		<b>6104.00</b>	<b>6002.42</b>
	<b>TOTAL</b>		<b>9949.83</b>	<b>9656.49</b>
<b>II</b>	<b>EQUITIES &amp; LIABILITIES</b>			
<b>A</b>	<b>Equity</b>			
	(a) Equity Share Capital	<b>15</b>	1415.76	1415.76
	(b) Other Equity		2430.55	2163.68
	<b>SUB-TOTAL</b>		<b>3846.31</b>	<b>3579.44</b>
<b>B</b>	<b>Liabilities</b>			
<b>1</b>	<b>Non- Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	<b>16</b>	828.39	1611.08
	(b) Deferred Tax Liability (Net)	<b>17</b>	177.70	179.95
	(c) Government Grants	<b>18</b>	-	10.34
	<b>SUB-TOTAL</b>		<b>1006.09</b>	<b>1801.37</b>
<b>2</b>	<b>Current Liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	<b>19</b>	4758.94	3602.92
	(ii) Trade Payables	<b>20</b>	307.07	607.07
	(iii) Other Financial liabilities	<b>21</b>	0.60	0.60
	(b) Other Current Liabilities	<b>22</b>	21.63	44.38
	(c) Current Tax Liabilities	<b>23</b>	9.20	20.72
	<b>SUB-TOTAL</b>		<b>5097.44</b>	<b>4275.68</b>
	<b>TOTAL</b>		<b>9949.83</b>	<b>9656.49</b>

Statement of Accounting Policies and Notes  
Forming Part of Financial Statements  
As per our Audit Report Attached

1 to 44

**For RAJENDRA SHARMA & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No.: 108390W**

**Sd/-**  
**(Rajendra Ratanlal Sharma)**  
**Partner**  
**M. No. 044393**  
**Surat, 29th May, 2023**

**For & On Behalf of Board of Directors**

**Sd/-**  
**Narayan Saboo**  
**(Managing Director)**  
**DIN: 00223324**

**Sd/-**  
**Naresh Saboo**  
**(Director)**  
**DIN: 00223350**

**Sd/-**  
**Manish Saboo**  
**(Director & CFO)**  
**DIN: 01576187**

**Sd/-**  
**Janvi Shirawala**  
**(Company Secretary)**  
**Membership No. A65093**

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2023**
**(₹ in Lakhs)**

Particulars		Note No.	Figures for the year ended on 31-03-2023	Figures for the year ended on 31-03-2022
<b>I.</b>	<b>Revenue from Operations</b>			
	Revenue from Operations	<b>24</b>	16718.57	16665.45
<b>II.</b>	<b>Other Income</b>	<b>25</b>	274.01	320.72
<b>III.</b>	<b>Total Revenue (I+II)</b>		<b>16992.58</b>	<b>16986.16</b>
<b>IV.</b>	<b>Expenses</b>			
	Cost of Materials Consumed	<b>26</b>	12593.86	12549.12
	Purchase of Traded Goods		925.25	633.49
	Changes in Inventories of Finished Goods & Trading Goods	<b>30</b>	-278.74	-175.60
	Employee Benefit Expenses	<b>27</b>	827.28	760.21
	Finance Costs	<b>28</b>	444.52	518.09
	Depreciation & Amortization	<b>4</b>	172.22	263.14
	Other Expenses	<b>29</b>	2437.18	2402.30
	<b>Total Expenses</b>		<b>17121.57</b>	<b>16950.75</b>
<b>V.</b>	<b>Profit / (Loss) Before Exceptional Item &amp; Tax</b>		<b>-128.99</b>	<b>35.42</b>
<b>VI.</b>	<b>Exceptional Item</b>	<b>31</b>	-	<b>0.81</b>
<b>VII.</b>	<b>Profit / (Loss) Before Prior Period Item</b>		<b>-128.99</b>	<b>36.23</b>
<b>VIII.</b>	<b>Prior Period Item (Income / (Expenses))</b>		-	-
<b>IX.</b>	<b>Profit / (Loss) Before Tax</b>		<b>-128.99</b>	<b>36.23</b>
<b>X.</b>	<b>Tax Expenses</b>			
	For Current Tax		-	20.72
	For Deferred Tax Charge / (Credit)		-2.24	-20.22
	Income Tax of Earlier Years		20.59	7.26
	<b>Sub-Total</b>		<b>18.34</b>	<b>7.76</b>
<b>XI.</b>	<b>Profit / (Loss) for the Period (After Tax)</b>		<b>-147.33</b>	<b>28.47</b>
<b>XII.</b>	<b>OTHER COMPREHENSIVE INCOME</b>			
<b>A</b>	(i) Items that will not be reclassified to profit or loss			
	-- Equity Instruments valued at Fair Value Through OCI		414.20	569.63
	(ii) Income Tax relating to items that will not be reclassified to profit or loss		-	-
<b>B</b>	(i) Items that will be reclassified to profit or loss		-	-
	(ii) Income Tax relating to items that will be reclassified to profit or loss			
<b>XIII.</b>	<b>Other Comprehensive Income for the Period</b>		<b>414.20</b>	<b>569.63</b>
<b>XIV.</b>	<b>Total Comprehensive Income for the Period</b>		<b>266.86</b>	<b>598.10</b>
<b>XV.</b>	<b>Earnings per share</b>	<b>37</b>		
	<b>(of Face Value of Rs. 10/- each)</b>			
	<b>(a) Basic</b>		<b>(1.04)</b>	<b>0.20</b>
	<b>(b) Diluted</b>		<b>(1.04)</b>	<b>0.20</b>

Statement of Accounting Policies and Notes  
Forming Part of Financial Statements

1 to 44

As per our Audit Report Attached

**For & On Behalf of Board of Directors**

**For RAJENDRA SHARMA & ASSOCIATES**  
Chartered Accountants  
Firm Registration No.: 108390W

*Sd/-*  
**Narayan Saboo**  
(Managing Director)  
DIN: 00223324

*Sd/-*  
**Naresh Saboo**  
(Director)  
DIN: 00223350

*Sd/-*  
(Rajendra Ratanlal Sharma)  
Partner  
M. No. 044393  
Surat, 29th May, 2023

*Sd/-*  
**Manish Saboo**  
(Director & CFO)  
DIN: 01576187

*Sd/-*  
**Janvi Shirawala**  
(Company Secretary)  
Membership No. A65093

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2023**
**(₹ in Lakhs)**

PARTICULARS		2022-23	2021-22
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before tax and extra-ordinary items	-128.99	36.23
	<b>ADJUSTMENTS FOR:</b>		
	1. Depreciation & Amortization	172.22	263.14
	2. Interest & Dividend Classified as Investment Cash Flows	-100.93	-121.32
	3. Amortization of Government Grants	-10.34	-12.77
	4. (Profit) / Loss on sale of Fixed assets and Investments	-	-0.81
	5. (Profit) / Loss on sale of Investments	-1.75	-13.93
	<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>-69.80</b>	<b>150.54</b>
	<b>ADJUSTMENTS FOR:</b>		
	1. (Increase) / Decrease in Trade Receivables	132.65	-180.31
	2. (Increase) / Decrease in Other Assets	-94.84	-13.22
	3. (Increase) / Decrease in Inventories	-103.47	-178.99
	4. Increase / (Decrease) in Trade Payable	-300.00	143.37
	5. Increase / (Decrease) in Other Financial Liabilities	-	-
	6. Increase / (Decrease) in Other Current Liabilities	-22.75	-17.00
	<b>CASH GENERATED FROM OPERATIONS</b>	<b>-458.20</b>	<b>-95.61</b>
	1. Income Taxes Paid	-14.66	-51.89
	<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>A -472.86</b>	<b>-147.50</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
	1. Payment for Property, Plant & Equipment	-38.71	-27.92
	2. Proceeds from Sale/ Disposal of Property, Plant & Equipment	-	6.79
	3. Payment for Purchase of Investments	-3.00	-551.69
	4. Proceeds from sale of investments	7.74	113.06
	5. (Increase) / Decrease in Loans & Deposits	30.68	311.77
	6. Interest & Dividend Income	100.93	121.32
	<b>NET CASH USED IN INVESTMENT ACTIVITIES</b>	<b>B 97.65</b>	<b>-26.67</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	1. Increase / (Decrease) in Working Capital Borrowings	958.87	-878.78
	2. Increase / (Decrease) in Term Loan	-390.30	516.33
	3. Increase / (Decrease) in Unsecured Loans	-195.25	521.50
	<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>C 373.32</b>	<b>159.05</b>
	<b>NET INCREASE IN CASH &amp; CASH EQUIVALENTS</b>	<b>(A+B+C) -1.89</b>	<b>-15.12</b>
	CASH AND CASH EQUIVALENTS (OPENING)	10.52	25.64
	CASH AND CASH EQUIVALENTS (CLOSING)	8.63	10.52

Statement of Accounting Policies and Notes

**For RAJENDRA SHARMA & ASSOCIATES**  
Chartered Accountants  
Firm Registration No.: 108390W

Sd/-  
(Rajendra Ratanlal Sharma)  
Partner  
M. No. 044393  
Surat, 29th May, 2023

**For & On Behalf of Board of Directors**

Sd/-  
Narayan Saboo  
(Managing Director)  
DIN: 00223324

Sd/-  
Naresh Saboo  
(Director)  
DIN: 00223350

Sd/-  
Manish Saboo  
(Director & CFO)  
DIN: 01576187

Sd/-  
Janvi Shirawala  
(Company Secretary)  
Membership No. A65093



**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2023**

(₹ in Lakhs)

**A. EQUITY SHARE CAPITAL FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2023**

Balance as at 1st April 2022	Changes in the Equity Share Capital during the Year	Balance as at 31 <sup>st</sup> March 2023
1415.76	-	1415.76

**EQUITY SHARE CAPITAL FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2022**

Balance as at 1st April 2021	Changes in the Equity Share Capital during the Year	Balance as at 31 <sup>st</sup> March 2022
1415.76	-	1415.76

**B. OTHER EQUITY FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH 2023**

PARTICULARS	RESERVES AND SURPLUS			OTHER RESERVES	TOTAL
	Securities Premium Reserve	General Reserve	Retained Earnings	FVOCI - Equity Instruments	
<b>Opening Balance as at 1st April 2022</b>	587.67	-	996.17	579.85	2163.68
Profit for the Year	-	-	-147.33	-	-147.33
Other Comprehensive Income of last year	-	-	-	414.20	414.20
Dividend including DDT	-	-	-	-	-
<b>Closing Balance as at 31st March 2023</b>	<b>587.67</b>	<b>-</b>	<b>848.83</b>	<b>994.05</b>	<b>2430.55</b>

**OTHER EQUITY FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH 2022**

PARTICULARS	Reserves & Surplus			Other Comprehensive Income	TOTAL
	Securities Premium Reserve	General Reserve	Retained Earnings	Equity Instruments Through other Comprehensive Income	
<b>Opening Balance as at 1st April 2020</b>	587.67	-	967.70	10.22	1565.59
Profit for the Year	-	-	28.47	-	28.47
Other Comprehensive Income of the year	-	-	-	569.63	569.63
Dividend including DDT	-	-	-	-	-
<b>Closing Balance as at 31st March 2022</b>	<b>587.67</b>	<b>-</b>	<b>996.17</b>	<b>579.85</b>	<b>2163.68</b>

Statement of Accounting Policies and Notes

**For RAJENDRA SHARMA & ASSOCIATES**  
 Chartered Accountants  
 Firm Registration No.: 108390W

 Sd/-  
 (Rajendra Ratanlal Sharma)  
 Partner  
 M. No. 044393  
 Surat, 29th May, 2023

**For & On Behalf of Board of Directors**

 Sd/-  
 Narayan Saboo  
 (Managing Director)  
 DIN: 00223324

 Sd/-  
 Manish Saboo  
 (Director & CFO)  
 DIN: 01576187

 Sd/-  
 Naresh Saboo  
 (Director)  
 DIN: 00223350

 Sd/-  
 Janvi Shirawala  
 (Company Secretary)  
 Membership No. A65093

**Notes Forming Part of Financial Statements for the year ended 31st March, 2023****1. CORPORATE INFORMATION**

Mohit Industries Limited (the company) is a public limited company domiciled in India and incorporated under the provisions of the Company Law. Its shares are listed on BSE and NSE. The company is having its headquarters in Surat and plants at Kim. The company is primarily engaged in manufacture of Texturized Yarn from POY and weaving of the Yarn to Grey Cloth.

**2. BASIS OF PREPARATION**

The financial statements (on standalone basis) of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016.

**Functional and presentation of currency**

The financial statements are prepared in Indian Rupees which is also the Company's functional currency.

**Basis of measurement**

The financial statements have been prepared on a historical cost basis except for Certain Financial Assets measured at fair value (refer accounting policy regarding financial instruments)

**Use of significant accounting estimates, judgements and assumptions**

The preparation of financial statements requires the management to make estimates and assumptions considered in reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that estimates used in preparation of financial statements are prudent and reasonable. Future results could differ due to these estimates and the difference between actual results and the estimates are recognized in the periods in which these gets materialized.

**3. SIGNIFICANT ACCOUNTING POLICIES****3.1 Presentation and disclosure of financial statements**

All assets and liabilities have been classified as current and non-current as per Company's normal operating cycle and other criteria set out in the division II of Schedule III of the Companies Act, 2013, for a Company whose financial statements are made in compliance with the Companies (India Accounting Standards) Rules, 2015. Deferred tax liabilities are classified as non-current liabilities. Based on the nature of business and their realization in cash and cash equivalents, 12 months has been considered by the Company for the purpose of current/non-current classification of assets and liabilities.

**3.2 Property, plant and equipment**

- i) Under the previous GAAP, property, plant and equipment were carried at historical cost less depreciation and impairment losses, if any. On transition to Ind AS, the Company has availed the optional exemption under Ind AS 101 and accordingly it has used the carrying value as at the date of transition i.e. 1st April 2016 as the deemed cost of the property, plant & equipment under Ind AS.
- ii) Subsequent to transition date, property, plant and equipment are stated at cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. Cost of property, plant and equipment includes non-refundable taxes and duties, borrowing cost directly attributable to the qualifying asset and any directly attributable costs of bringing the asset to its working condition for its intended use.
- iii) Capital work-in-progress comprises of cost incurred on property, plant and equipment not yet ready for their intended use at the Balance Sheet date. Advances paid towards the

acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

### **3.3 Depreciation on property, plant and equipment**

- a) Depreciation on property, plant and equipment (other than freehold land and capital work in progress) is provided on SLM over the useful life of the relevant assets net of residual value whose life is in consonance with the life mentioned in Schedule II of the Companies Act, 2013.
- b) In the case of assets purchased, sold or discarded during the year, depreciation on such assets is calculated on pro-rata basis from the date of such addition or as the case may be, upto the date on which such asset has been sold or discarded.
- c) Depreciation on addition has been provided from the date of putting the assets into use.

### **3.4 Investment properties**

Investment properties are measured at cost, including transaction costs.

### **3.5 Intangible assets**

- i) Under the previous GAAP, intangible Assets acquired separately are measured on initial recognition at cost. Following initial recognition intangible assets are carried at cost less any accumulated amortization. On transition to Ind AS, the Company has availed the optional exemption under Ind AS 101 and accordingly it has used carrying value as at the date of transition i.e. 1st April 2016 as the deemed cost of intangible assets under Ind AS.
- ii) Subsequent to transition date, Intangible Assets acquired separately are measured on initial recognition at cost. Following initial recognition intangible assets are carried at cost less any accumulated amortization. Intangible assets are recognised only if it is probable that the future economic benefits attributable to the asset will flow to the enterprise and the cost of asset can be measured reliably.

### **3.6 Inventories**

Inventories are valued at the lower of cost and net realizable value.

Costs incurred in bringing each product to it's present location and condition are accounted for as follows:

- i) Raw Materials, Packing Materials & Stores & Spares: Costs include cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Costs is determined based on weighted average basis.
- ii) Finished Goods and Work in Progress: Costs include cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Costs is determined based on weighted average basis.

### **3.7 Financial Instruments**

#### **Initial Recognition**

All financial instruments are recognized initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through OCI) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognized on trade date. While, loans and borrowings and payables are recognized net of directly attributable transaction costs.

### Subsequent Measurement

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

#### a) *Non-derivative financial assets*

##### (i) **Financial assets at amortized cost**

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- (a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.

Trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets are measured at Amortized Cost.

##### (ii) **Debt instruments at FVTOCI**

A debt instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- (a) the objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and
- (b) the asset's contractual cash flow represents SPPI

Debt instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs. Fair value movements are recognized in other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain loss in statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from equity to profit and loss. Interest earned is recognized under the effective interest rate (EIR) model.

##### (iii) **Equity instruments at FVTOCI**

All equity instruments are measured at fair value. Equity instruments held for trading is classified as FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognized in OCI which is not subsequently recycled to statement of profit and loss.

##### (iv) **Financial assets at FVTPL**

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition the Company may elect to designate the financial asset, which otherwise meets amortized cost or FVOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency. The Company has not designated any financial asset as FVTPL.

Financial assets included within the FVTPL category are measured at fair values with all changes in the statement of profit and loss.

#### **b) Non-derivative financial liabilities**

##### **(i) Financial liabilities at amortized cost**

Financial liabilities at amortized cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.

### **3.8 Revenue Recognition**

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- A. Sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer and are recorded at the fair value of the consideration received or receivable, net of returns and allowances, trade and volume discounts.
- B. Interest income in respect to all the Debt Instruments and deposits which are measured at cost or at fair value through other comprehensive income, is recorded using effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. Interest Income is included in Other Income in the statement of profit and loss.
- C. Export Benefits are recognized in the year of export.
- D. Revenue from rendering of services is recognized when the performance of agreed contractual task has been completed.
- E. Revenue from Operations is measured at the fair value of consideration received / receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

### **3.9 Foreign Currency Transactions**

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. As at the Balance Sheet date, foreign currency monetary assets and liabilities are translated at closing exchange rate. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

### **3.10 Employee Benefits**

- (a) All the Short Term Employee Benefits are accounted for on the basis of services rendered by the employees of the company.

(b) Company contributes towards Provident Fund which is Defined Contribution schemes. Liability in respect thereof is determined on basis of contribution required to be made as per statutes/ rules.

(c) No provision has been made for Long Term Employee Benefits such as Gratuity and Leave Encashment as the same are recognized as and when they become due for payment.

### 3.11 Borrowing Cost

Borrowing Costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of Cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged the Statement of Profit & Loss.

### 3.12 Taxes on Income

Tax expenses for the year comprises of current tax, deferred tax charge or credit and adjustments of taxes for earlier years. In respect of amounts adjusted outside profit or loss (i.e. in other comprehensive income or equity), the corresponding tax effect, if any, is also adjusted outside profit or loss.

Provision for current tax is made as per the provisions of Income Tax Act, 1961.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, and deferred tax assets are recognized for all deductible temporary differences, carryforward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilized. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

### 3.13 Goods & Services tax (GST)

GST credit received on purchases is reduced from respective item of purchases. GST on Sales is credited to Payable account and differential amount, if any, is paid. Thus, the company has followed exclusive method of accounting whereby purchases, sales and stock is shown exclusive of GST and accounted for in separate account.

### 3.14 Provisions and contingent liabilities

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources.



**4. PROPERTY, PLANT & EQUIPMENT**
**(₹ in Lakhs)**

PARTICULARS	GROSS BLOCK			DEPRECIATION BLOCK				NET BLOCK		
	Balance as at 1st April 2022	Additions / Adjustments	Disposals / Retirements	Balance as at 31st March, 2023	Balance as at 1st April, 2022	Depreciation Charge for the year	On Disposals	Balance as at 31st March, 2023	Balance as at 31st March, 2023	Balance as at 31st March, 2022
Land	161.55	-	-	161.55	-	-	-	0	161.55	161.55
Factory Building	2186.70	-	-	2186.70	651.45	70.26	-	721.71	1464.99	1535.26
Office Building	33.80	-	-	33.80	8.24	0.54	-	8.78	25.02	25.56
Plant & Machinery	2300.67	29.39	-	2330.06	2087.36	52.21	-	2139.57	190.49	213.31
Generator Set	46.21	-	-	46.21	43.90	0	-	43.90	2.31	2.31
Water Jet Looms	747.59	-	-	747.59	707.15	3.05	-	710.21	37.38	40.43
Water Jet Imported	584.34	-	-	584.34	545.97	9.15	-	555.12	29.22	38.36
Electric Installation	219.80	-	-	219.80	175.47	6.80	-	182.27	37.53	44.33
Office & Factory Equipments	132.81	-	-	132.81	100.24	9.07	-	109.31	23.50	32.57
Vehicles	136.34	9.32	-	145.66	64.90	15.15	-	80.05	65.61	71.44
Furniture	34.98	-	-	34.98	26.95	1.50	-	28.45	6.54	8.03
Diesel Tank	1.61	-	-	1.61	1.61	-	-	1.61	.	.
Computer	69.37	-	-	69.37	61.42	3.69	-	65.11	4.25	7.95
<b>Total Tangible Assets</b>	<b>6655.76</b>	<b>38.71</b>	<b>-</b>	<b>6694.47</b>	<b>4474.66</b>	<b>171.43</b>	<b>-</b>	<b>4646.08</b>	<b>2048.38</b>	<b>2181.11</b>
<b>INTANGIBLE ASSETS</b>										
Computer Software	11.29	-	-	11.29	9.52	0.79	-	10.31	0.98	1.77
<b>Total Intangible Assets</b>	<b>11.29</b>	<b>-</b>	<b>-</b>	<b>11.29</b>	<b>9.52</b>	<b>0.79</b>	<b>-</b>	<b>10.31</b>	<b>0.98</b>	<b>1.77</b>
<b>Current Year</b>	<b>6667.05</b>	<b>38.71</b>	<b>0</b>	<b>6705.76</b>	<b>4484.17</b>	<b>172.22</b>	<b>0</b>	<b>4656.39</b>	<b>2049.37</b>	<b>2182.88</b>
<b>Previous Year</b>	<b>6671.75</b>	<b>27.92</b>	<b>32.62</b>	<b>6667.05</b>	<b>4247.68</b>	<b>263.14</b>	<b>26.64</b>	<b>4484.17</b>	<b>2182.88</b>	<b>2424.07</b>

**Notes Forming Part of Financial Statements for year ended 31<sup>st</sup> March, 2023**
**(₹ in Lakhs)**
**5. Investment Properties**

Particulars	As At 31st March, 2023	As At 31st March, 2022
<b>Investment Properties</b>		
<i>Gross Carrying Amount</i>		
Opening Gross Carrying Amount	76.73	76.73
Additions	-	-
Closing Gross Carrying Amount	76.73	76.73
<i>Accumulated Depreciation</i>		
Opening Accumulated Depreciation	-	-
Additions	-	-
Closing Accumulated Depreciation	-	-
<b>Net Carrying Amount</b>	<b>76.73</b>	<b>76.73</b>

**6. Non-Current Investments**

Particulars		As At 31st March, 2023	As At 31st March, 2022
<b>A. Valued at Cost less other than temporary diminution in value, if any</b>			
<b>(a) Investment in Equity Instruments (Fully Paid Up)</b>			
<b>In Associates</b>		<b>No. of Shares</b>	
(a) Mohit Yarns Ltd.	663000	157.23	157.23
(b) Mohit Overseas Ltd.	394000	37.99	37.99
<b>B. Valued at fair value through FVOCI</b>			
<b>(a) Investment in Equity Instruments (Fully Paid Up)</b>			
<b>(i) Unquoted</b>		<b>No. of Shares</b>	
(a) Sasmi Co-op. Society Ltd.		0.07	0.07
(b) ITC Co-op. Hsg. Soc. Ltd.	5	0.0	0.0
(c) Shamrao Vithal Co.op Bank	100	0.03	0.03
<b>(ii) Quoted</b>		<b>No. of Shares</b>	
(a) Birla Power Solutions (Cost of Rs. NIL)	5999	0.01	0.01
(b) BigBloc Construction Limited (Cost of Rs. 4,74,44,393/-)	1151024	1468.71	1054.34
(c) Bhatia Communication & Retail	0	-	0.70
(d) Yes Bank Ltd.	0	-	2.46
<b>TOTAL</b>		<b>1664.03</b>	<b>1252.82</b>
Aggregate Amount of Unquoted Shares		195.32	195.32
Aggregate Amount of Quoted Shares and Market value thereof		1468.71	1057.50
Aggregate Amount of Impairment in Value of Investments		-	-
<b>6.1 Category-wise Investments - Non-Current</b>			
(a) Financial Assets measured at Cost		195.32	195.22
(b) Financial Assets measured at Fair Value through OCI		1468.71	1057.60
<b>TOTAL</b>		<b>1664.03</b>	<b>1252.82</b>

**7. Non-Current Financial Assets - Other Financial Assets**

Particulars	As At 31st March, 2023	As At 31st March, 2022
<b>(Unsecured, Considered Good by Directors)</b>		
(a) Security Deposits	34.88	120.01
<b>TOTAL</b>	<b>34.88</b>	<b>120.01</b>

**8. Other Non-current Assets**

Particulars	As At 31st March, 2023	As At 31st March, 2022
(a) Capital Advances	20.82	21.63
<b>TOTAL</b>	<b>20.82</b>	<b>21.63</b>

**9. Inventories**

Particulars	As At 31st March, 2023	As At 31st March, 2022
(a) Raw Materials & Stock in process	1042.42	1196.95
(b) Finished Goods	1363.22	1084.48
(c) Yarn Oil	20.20	20.41
(d) Packing Material	31.21	51.79
(e) Stores & Spares	11.94	11.89
<b>TOTAL</b>	<b>2469.00</b>	<b>2365.52</b>

**10. Trade Receivable**

Particulars	As At 31st March, 2023	As At 31st March, 2022
<b>Sundry Debtors</b> (Unsecured, considered good by Directors)	1679.64	1738.89
<b>Other Trade Receivables</b> (Unsecured, considered good by Directors)	118.75	192.15
<b>TOTAL</b>	<b>1798.39</b>	<b>1931.04</b>

**TRADE RECEIVABLE AGEING SCHEDULE AS ON 31<sup>ST</sup> MARCH, 2023**

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	1580.73	15.90	8.63	9.78	106.09	1721.15
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	2.91	18.85	-	-	55.48	77.24
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

**TRADE RECEIVABLE AGEING SCHEDULE AS ON 31<sup>ST</sup> MARCH, 2022**

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	1691.25	24.02	30.15	7.52	178.12	1931.04
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

**11. Cash & Cash Equivalents**

Particulars	As At 31st March, 2023	As At 31st March, 2022
(a) Cash on Hand	8.03	7.37
(b) Balances in Bank in Current Account	0.60	3.14
(c) Balances in Bank in EEFC Account	-	0.01
<b>TOTAL</b>	<b>8.63</b>	<b>10.52</b>

**12. Other Bank Balances**

Particulars	As At 31st March, 2023	As At 31st March, 2022
(a) Balances with Bank in F.D. (As margin Deposits)	13.19	0.44
<b>TOTAL</b>	<b>13.19</b>	<b>0.44</b>

**13. Loans**

Particulars	As At 31st March, 2023	As At 31st March, 2022
<b>(Unsecured, considered good by Directors)</b>		
(a) Loans & Advances Given		
-- To Related Parties	-	-
-- To Others	862.00	833.06
<b>TOTAL</b>	<b>862.00</b>	<b>833.06</b>

**14. Other Current Assets**

Particulars	As At 31st March, 2023	As At 31st March, 2022
<b>(Unsecured, considered good by Directors)</b>		
(a) Interest Accrued on Bank FDR	0.58	0.02
(b) Advance to Suppliers	93.81	64.53
(c) Balances with Revenue / Government Authorities	825.34	734.30
(d) Other Advances	33.08	62.99
<b>TOTAL</b>	<b>952.80</b>	<b>861.84</b>

**15. Share Capital**

Particulars	As At 31st March, 2023	As At 31st March, 2022
<b>Authorized Share Capital</b>		
2,50,00,000 equity shares of Rs. 10/- each (As at 31-03-2022: 2,50,00,000 equity shares)	2500.00	2500.00
<b>Issued Share Capital</b>		
1,46,82,900 Equity Shares of Rs. 10/- each (As at 31-03-2022, 1,46,82,900 equity shares)	1468.29	1468.29
<b>Subscribed &amp; Fully Paid Up</b>		
1,41,57,575 equity shares of Rs. 10/- each, fully paid up (as at 31-03-2022, 1,41,57,575 equity shares of Rs. 10/- each )	1415.76	1415.76
<b>TOTAL</b>	<b>1415.76</b>	<b>1415.76</b>

**15.1** The Company has only one class of shares referred to as Equity Shares having face value of Rs. 10/- each. Each equity Shareholder is eligible for one vote per share held.

**15.2** Reconciliation of No. of Equity Shares Outstanding at the Beginning & End of the reporting period:

Particulars	As At 31st March, 2023	As At 31st March, 2022
Shares Outstanding at the Beginning of the Year	1,41,57,575	1,41,57,575
(+) Shares Issued during the year	-	-
(-) Shares Buy-back During the year	-	-
Shares Outstanding at the End of the year	1,41,57,575	1,41,57,575

**15.3 Shares in the company held by each shareholder holding more than 5% Equity Shares**

Name of Shareholder	Equity Shares			
	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mask Investments Limited	14,28,881	10.09%	14,28,881	10.09%
Mohit Overseas Limited	15,98,622	11.29%	15,98,622	11.29%
Mohit Yarns Limited	19,70,609	13.92%	19,70,609	13.92%
Narayan Sitaram Saboo	7,85,779	5.55%	7,85,779	5.55%

**15.4 Shares in the company Held by promoter at the end of the year**

Sr. No.	Promoter Name	No. of Shares held as on 31 <sup>st</sup> March, 2023	% of Total Shares Held	% Change during the year	No. of Shares held as on 31 <sup>st</sup> March 2022	% of Total Shares Held
1	Naresh Sitaram Saboo	2,68,445	1.90%	242.30%	78,424	0.55%
2	Narayan Sitaram Saboo	7,85,779	5.55%	0.00%	7,85,779	5.55%
3	Narayan Sitaram Saboo - HUF	27,866	0.20%	0.00%	27,866	0.20%
4	Manish N. Saboo	75,440	0.53%	0.00%	75,440	0.53%
5	Sitaram Nandlal Saboo - HUF	30,100	0.21%	0.00%	30,100	0.21%
6	Ayushi Manish Saboo	60,000	0.42%	0.00%	60,000	0.42%
7	Madhu Narayan Saboo	6,21,878	4.39%	0.00%	6,21,878	4.39%
8	Sitaram Nandlal Saboo	0	0.00%	-100.00%	1,90,021	1.34%
9	Sonia Naresh Saboo	60,000	0.42%	0.00%	60,000	0.42%
10	Mohit Narayan Saboo	1,62,836	1.15%	0.00%	1,62,836	1.15%
11	Mohit Yarns Limited	19,70,609	13.92%	0.00%	19,70,609	13.92%
12	Mohit Overseas Limited	15,98,622	11.29%	0.00%	15,98,622	11.29%
13	Mask Investments Limited	14,28,881	10.09%	0.00%	14,28,881	10.09%
14	Mohit Exim Private Limited	6,00,000	4.24%	0.00%	6,00,000	4.24%

**16. Non-Current Financial Liabilities – Borrowings**

Particulars	As At 31 <sup>st</sup> March, 2023	As At 31 <sup>st</sup> March, 2022
<b>(a) Secured Loans - At Amortised Cost</b>		
<b>(i) Term Loans - from Banks &amp; NBFC</b>		
-- Term Loans from Banks	1206.98	1587.32
-- Car Loans	26.57	36.54
	1233.55	1623.85
Less:- (a) Current Maturities of Long Term Debts	539.20	385.67
(b) Interest Accrued But not Due	-	-
<b>Sub-Total</b>	<b>694.36</b>	<b>1238.18</b>
<b>(b) Unsecured - At Amortised Cost</b>		
<b>(i) Loans from Director</b>	134.03	372.90
Less:- (a) Current Maturities of Long Term Debts	-	-
(b) Interest Accrued But not Due	-	-
<b>Sub-Total</b>	<b>134.03</b>	<b>372.90</b>
<b>TOTAL</b>	<b>828.39</b>	<b>1611.08</b>

**16.1** Car Loans from Bank & Financial Institutions are secured by hypothecation of Motor Cars for which loan has been taken.

**16.2** Term Loans from Banks are secured by hypothecation of all the fixed assets of the company.

**16.3** Term Loan from Banks are also secured by entire Land & Building of the Company located at Kudsad-Kim, Olpad, Taluka, Surat.

**16.4** The Term Loans are also secured against Flat at Soffitel Tower, Surat and Office at International Trade Center, Surat of the company. Term Loan is also secured against peronal properties of directors and sister concern M/s Mohit Yarns Ltd. All the term loans are guaranteed by directors of the Company.

**16.5** Terms of Repayment of Term Loans:-

(a) Term Loans of Axis Bank are repayment in Monthly installmnets of Rs. 914750/-; Rs. 1300000/- and Rs. 11,58,000/- each and shall be repaid by December, 2024; March, 2025 and November 2026. The rate of interest is 9.50% p.a.

Term loan of SVC Bank of Rs. 413 Lakhs (O/s Amount Rs. 217.15 Lakhs) shall be repaid in monthly installments of Rs. 17,84,788/- and shall be repaid by June, 2024. The rate of interest is 10% p.a.

(b) Car Loan taken from ICICI bank is repayable in installments of Rs. 11,841/- each.

(c) Car Loan taken from BMW Financial Services is repayable in installments of Rs. 99,059/- each.

**17. Deferred Tax Liabilities**

Particulars	As At 31st March, 2023	As At 31st March, 2022
<b>Deferred Tax Liabilities</b>		
Property, Plant & Equipment	178.46	181.09
<b>Deferred Tax Assets:</b>		
Demerger Expenses (Deferred in Income Tax)	-0.76	-1.14
<b>Net Deferred Tax Liability / (Asset)</b>	<b>177.70</b>	<b>179.95</b>

**18. Government Grants**

Particulars	As At 31st March, 2023	As At 31st March, 2022
<b>Opening Balances</b>	10.34	23.11
Add:- Grants During the Year	-	-
Less:- Released to profit and loss	10.34	12.77
<b>TOTAL</b>	<b>-</b>	<b>10.34</b>

**19. Current Financial Liabilities – Borrowings**

Particulars	As At 31st March, 2023	As At 31st March, 2022
<b>(a) Secured Loans - At Amortised Cost</b>		
(i) Cash Credit Limit From Banks	2929.52	1292.70
(ii) Export Packing Credit Limit	235.53	913.49
<b>Sub-Total</b>	<b>3165.05</b>	<b>2206.18</b>
<b>(b) Current Maturities of Long Term Debt</b>		
<b>Sub-Total</b>	<b>539.20</b>	<b>385.67</b>
<b>(c) Unsecured Loans - At Amortised Cost</b>		
(i) From Companies (Repayable on demand)	76.75	163.94
(ii) From Related Parties Companies	-	8.89
(iii) From Directors & Their relatives	977.94	838.23
<b>Sub-Total</b>	<b>1054.69</b>	<b>1011.06</b>
<b>TOTAL</b>	<b>4758.94</b>	<b>3602.92</b>

**19.1** Cash Credit Limit & Export Packing Credit Limit is secured against First paripassu charge on the stock, book debts and entire current assets of the company. It is also secured by charge over assets mentioned in Note No. 16.3 above.



**20. Current Financial Liabilities - Trade Payables**

Particulars	As At 31st March, 2023	As At 31st March, 2022
A. Total outstanding dues of micro enterprises and small enterprises (See Note No. 38)	85.53	8.04
B. Total outstanding dues of creditors other than micro enterprises and small enterprises:-	221.54	599.03
<b>TOTAL</b>	<b>307.07</b>	<b>607.07</b>

**TRADE PAYABLE AGEING SCHEDULE AS ON 31<sup>ST</sup> MARCH, 2023**

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	83.46	0.52	-	1.55	85.53
(ii) Others	200.74	7.05	0.74	2.07	210.59
(iii) Disputed Dues-MSME	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	10.95	10.95

**TRADE PAYABLE AGEING SCHEDULE AS ON 31<sup>ST</sup> MARCH, 2022**

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	7.66	0.38	-	-	8.04
(ii) Others	545.48	1.20	7.42	44.93	599.03
(iii) Disputed Dues-MSME	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-

**21. Other Financial Liabilities**

Particulars	As At 31st March, 2023	As At 31st March, 2022
(a) Interest Accrued but Not Due	-	-
(b) Unclaimed Dividend	0.60	0.60
<b>TOTAL</b>	<b>0.60</b>	<b>0.60</b>

**22. Other Current Liabilities**

Particulars	As At 31st March, 2023	As At 31st March, 2022
(a) Statutory Dues Payable	16.27	34.38
(b) Advance from Customers	5.36	10.00
<b>TOTAL</b>	<b>21.63</b>	<b>44.38</b>

**23. Current Tax Liabilities**

Particulars	As At 31st March, 2023	As At 31st March, 2022
Income Tax Payable	9.20	-
Provision for Tax	-	20.72
<b>TOTAL</b>	<b>9.20</b>	<b>20.72</b>

**24. Revenue from Operations**

Particulars	For Year Ended on 31st March, 2023	For Year Ended on 31st March, 2022
(a) Sales of Products:-		
-- Finished Goods	15568.97	16014.14
-- Traded Goods	810.41	317.73
(b) Sales of Services (Job work income)	5.09	1.69
(c) Other Operating Revenues		
-- Export Benefits	154.48	257.78
-- Commission Received	179.62	74.11
<b>TOTAL</b>	<b>16718.57</b>	<b>16665.45</b>

**25. Other Income**

Particulars	For Year Ended on 31st March, 2023	For Year Ended on 31st March, 2022
Dividend Received	2.31	1.32
Net Gain from Foreign Currency Transaction & Translation	78.17	81.60
Interest Received from Debtors	39.78	52.12
Interest Received on Bank FD & Loans given	98.62	120.00
Government Grant	10.34	12.77
Balances w/back	6.73	3.84
Profit/(Loss) from Derivative Trading	-1.28	10.95
Profit/(Loss) from Sales of Shares	1.75	13.93
Rent Income	11.00	15.00
Interest received on Excise Refund	2.56	-
Insurance Claim Received	24.02	9.19
<b>TOTAL</b>	<b>274.01</b>	<b>320.72</b>

**26. Cost of Materials Consumed**

Particulars	For Year Ended on 31st March, 2023	For Year Ended on 31st March, 2022
Raw Material Consumed	12593.86	12549.12
<b>TOTAL</b>	<b>12593.86</b>	<b>12549.12</b>

**27. Employee Benefit Expenses**

Particulars	For Year Ended on 31st March, 2023	For Year Ended on 31st March, 2022
Salary, Wages & Bonus	787.35	723.91
Staff Welfare Expenses	16.23	13.28
Contribution to Provident Fund & other Funds	23.70	23.02
<b>TOTAL</b>	<b>827.28</b>	<b>760.21</b>

**28. Finance Costs**

Particulars	For Year Ended on 31st March, 2023	For Year Ended on 31st March, 2022
Interest	406.91	384.95
Other Bank & Finance Charges	37.61	133.14
<b>TOTAL</b>	<b>444.52</b>	<b>518.09</b>

**29. Other Expenses**

Particulars	For Year Ended on 31st March, 2023	For Year Ended on 31st March, 2022
<b>Manufacturing Expenses</b>		
Stores & Spares consumed	126.18	130.79
Power & Fuel	845.69	779.11
Yarn Oil Consumed	378.55	299.21
Packing Material Consumed	421.07	454.55
Job Charges Paid	0.15	0.32
Factory Expenses	23.26	23.59
Machinery Rent	-	5.00
Carriage Inward	-	0.15
<b>(a)</b>	<b>1794.89</b>	<b>1692.73</b>
<b>Establishment Expenses</b>		
Repairs to Machinery	42.98	53.48
Travelling & Conveyance	64.82	90.95
Computer Expenses	2.06	3.45
Demat Charges	0.01	0.09
Donation	0.76	0.22
Electricity Expense	4.62	4.46
Office & General Expense	15.01	17.56
Interest on Creditors & Taxes	3.02	6.56
Membership Fees	2.19	4.68
Printing & Stationery	3.95	4.29
Communication expense	7.40	7.33
Legal & Professional Expense	34.88	31.10
Insurance	16.18	14.56
Rates & Taxes	0.69	2.28
Software Expense	1.60	0.60
Excise Duty Expenses	4.54	-
GST expense	7.68	0.07
GST Penalty	0.46	-
Security Service Charges	27.54	23.76
<b>(b)</b>	<b>240.40</b>	<b>265.45</b>
<b>Selling and Distribution Expenses</b>		
Commission & Brokerage	19.64	16.36
Discount	4.84	6.92
Loss on Sale of RoDTEP Scrip	3.19	8.10
Export Expenses	290.17	342.72
Carriage Outward	80.22	63.03
Cartage Expense	2.39	1.71
Sales Promotion	0.83	4.30
Advertisement	0.61	0.96
<b>(c)</b>	<b>401.89</b>	<b>444.12</b>
<b>TOTAL (a+b+c)</b>	<b>2437.18</b>	<b>2402.30</b>

**30. Changes in Inventories of Finished Goods**

Particulars	For Year Ended on 31st March, 2023	For Year Ended on 31st March, 2022
Opening Stock of Finished Goods	1084.48	908.87
Less:- Closing Stock of Finished Goods	1363.22	1084.48
<b>TOTAL</b>	<b>-278.74</b>	<b>-175.60</b>

**31. Exceptional Item**

Particulars	For Year Ended on 31st March, 2023	For Year Ended on 31st March, 2022
(a) Profit / (Loss) on Sale of Fixed Assets	-	0.81
<b>TOTAL</b>	<b>-</b>	<b>0.81</b>

**32. CONTINGENT LIABILITY & COMMITMENTS**
**(i) Contingent Liability in Respect of**

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>(a)</b> Gujarat Entry Tax Demand of F.Y. 2006-07 pending at appeal stage* * The Tribunal has set-aside the order to First Appellate Authority. The management states that the demand is not sustainable in law.	433.18	433.18
<b>(b)</b> Gujarat Entry Tax Demand of F.Y. 2009-10 pending at appeal stage* * The Tribunal has set-aside the order to First Appellate Authority. The management states that the demand is not sustainable in law.	513.83	513.83
<b>(c)</b> Gujarat VAT Demand of F.Y. 2010-11 (Tax and Penalty)* Gujarat Entry Tax Demand of F.Y. 2010-11 pending at appeal stage* * The appeal against above demands is pending before First Appellate Authority. The management states that Tribunal has deleted identical demand of FY 2009-10 in case of VAT and demand in case of Entry Tax has been set aside for FY 2009-10 to First Appellate Authority and thus demand raised is not sustainable in law.	301.49 323.53	301.49 323.53
<b>(d)</b> Gujarat VAT Demand of F.Y. 2011-12 (Tax and Penalty)* Gujarat Entry Tax Demand of F.Y. 2011-12 pending at appeal stage* * The appeal against above demand is pending before First Appellate Authority (Set aside by Tribunal). The management states that this demand is not sustainable in law.	72.05 577.26	72.05 577.26
<b>(e)</b> Gujarat Entry Tax Demand of F.Y. 2007-08 pending at appeal stage* * The appeal against above demand is pending before First Appellate Authority. The management states that this demand is not sustainable in law.	1097.26	1097.26
<b>(f)</b> Gujarat VAT Demand of F.Y. 2012-13 (Tax and Penalty)* Gujarat CST Demand of F.Y. 2012-13 (Tax and Penalty)* Gujarat Entry Tax Demand of F.Y. 2012-13 (Tax and Penalty)** * The appeal against above demands is pending before Second Appellate Authority. ** The appeal against above demands is pending before First Appellate Authority. The management states that Tribunal has deleted identical demand of FY 2009-10 in case of VAT and demand in case of Entry Tax has been set aside for FY 2009-10 to First Appellate Authority and thus demand raised is not sustainable in law.	14.10 4.47 339.64	14.10 4.47 339.64
<b>(g)</b> Excise Duty Demands/ Excise Rebate rejected pending at various Appellate Stages.	146.48	213.41
<b>(h)</b> Excise Duty Demand and Penalty for period April, 2016 to June, 2017.	-	848.02
<b>(i)</b> Income Tax Demand of A.Y. 2014-15 disputed in appeal (effect in A.Y. 2018-19).	53.81	6.48
<b>(j)</b> Income Tax Demand of A.Y. 2011-12 disputed in appeal.	5.71	5.71

**(ii) Commitments**

- (a) Estimated amount of contracts remaining to be executed on capital account and not provided for is NIL (P.Y. NIL) against which advance paid is Rs. 20.82 Lakhs (P.Y. Rs. 21.63 Lakhs).
- (b) Uncalled Liability on shares and other investments partly paid Rs. Nil (P.Y. Rs. Nil).
- (c) Other Commitments Rs. Nil (P.Y. Rs. Nil).

**33. PAYMENT TO AUDITORS**

Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Audit Fees (Including Tax Audit Fees)	3.25	3.25
For Taxation Matters	-	-
<b>TOTAL</b>	<b>3.25</b>	<b>3.25</b>

**34.**

Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
(a) Value of imports	1410.05	313.28
(b) Expenditure in Foreign Currency	-	-
(c) Amount remitted in foreign currency on dividend A/c.	-	-

**35.**

Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
(a) Exports on F.O.B.	3260.83	5160.16
(b) Earnings in Foreign Currency	-	-

**36. RELATED PARTY RELATIONSHIP AND TRANSACTION**
**A. Name of Related Parties & Nature of Relationships**
**(a) Associates**

1. Mohit Overseas Limited	2. Mohit Yarns Limited
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**(b) Enterprises Controlled by Key Managerial Personnel & their relatives**

1. Soul Clothing Private Limited	5. Mohit Texport Private Limited
2. Mohit Exim Private Limited	6. Mask Investments Limited
3. Bigbloc Construction Limited	7. Starbigbloc Building Material Pvt. Ltd.
4. Bigbloc Building Elements Private Limited	8. Siam Cement Bigbloc Cons. Technologies Pvt. Ltd.

**(c) Key Managerial Personnel**

1. Narayan Sitaram Saboo	3. Manish Narayan Saboo
2. Naresh Sitaram Saboo	4. Mittal Shah

**B. Transactions with Related Parties**

Particulars	Enterprises Controlled by Key Management personnel		Subsidiary		Associates		Key Managerial Personnel & Their Relatives	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>Transaction during the year</b>								
(a) Loans / Advances Given	40.50	75.00	-	-	-	-	-	-
(b) Repayment of Loans/Advances Given	40.50	95.00	-	-	-	-	-	-
(c) Purchase of Goods	-	-	-	-	275.45	686.05	-	-
(d) Sales of Goods	-	-	-	-	271.20	677.47	-	-
(e) Interest Paid	16.85	9.88	-	-	-	-	-	-
(f) Unsecured Loan / Advances Taken	828.56	947.34	-	-	-	-	1386.46	632.20
(g) Repayment of Unsecured Loan / Advances Taken	852.61	947.34	-	-	-	-	1246.76	124.53
(h) Rent Income	11.00	15.00	-	-	-	-	-	-
(i) Purchase of Machinery	-	-	-	-	8.00	-	-	-
(j) Machinery Rent paid	-	-	-	-	-	5.00	-	-
<b>Balances as at Year End</b>								
(a) Trade Payables	-	-	-	-	-	225.85	-	-
(b) Trade Receivables	-	-	-	-	-	266.02	-	-
(c) Unsecured Loans	-	8.89	-	-	-	-	1111.97	1211.13
(d) Loans / Advance Given	-	-	-	-	-	-	-	-
(e) Investments (Share)	-	-	-	-	195.22	195.22	-	-



**C. Disclosure in respect of Material Related party transaction during the year**

Particulars	Enterprises Controlled by Key Management personnel	Subsidiary	Associates	Key Management Personnel & Relatives of Key Management Personnel
(a) Sales of Goods				
- Mohit Overseas Ltd.	-	-	271.20	-
(b) Purchase of Machinery				
- Mohit Overseas Ltd.	-	-	8.00	-
(c) Interest Paid				
- Bigbloc Construction Ltd.	2.56	-	-	-
- Starbigbloc Building Material Pvt. Ltd.	14.29	-	-	-
(d) Purchase of Goods				
-- Mohit Overseas Ltd.	-	-	275.45	-
(e) Unsecured Loans / Advances Taken				
- Narayan Saboo	-	-	-	971.62
- Naresh Saboo	-	-	-	298.71
- Manish Saboo	-	-	-	116.13
- Bigbloc Construction Ltd.	250.06	-	-	-
- Starbigbloc Building Material Pvt. Ltd.	578.50	-	-	-
(f) Repayment of Unsecured Loans / Advances Taken				
- Narayan Saboo	-	-	-	727.42
- Naresh Saboo	-	-	-	349.54
- Manish Saboo	-	-	-	169.65
- Narayan Saboo (HUF)	-	-	-	0.15
- Bigbloc Construction Ltd.	253.57	-	-	-
- Starbigbloc Building Material Pvt. Ltd.	599.04	-	-	-
(g) Rent Income				
- Siam Cement Bigbloc Cons Technologies Pvt Ltd	11.00	-	-	-
(h) Advance Given				
- Mohit Texport Pvt. Ltd.	40.50	-	-	-
(i) Repayment Advances Given				
- Mohit Texport Pvt. Ltd.	40.50	-	-	-

**37. EARNINGS PER SHARE**

Sr. No.	Particulars	Unit of Measurement	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
1	Net Profit / (Loss ) after tax	Rs.	(147.33)	28.47
2	Weighted Average Number of Equity Shares	Number	141.58	141.58
3	Earnings Per Share - Basic & Diluted	Rs.	(1.04)	0.20

**38. Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)**

Sr. No.	Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>A</b>	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	85.53	8.04
<b>B</b>	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
<b>C</b>	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
<b>D</b>	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during year	-	-
<b>E</b>	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
<b>F</b>	Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-

The above information disclosure regarding Trade Payables of Micro, Small and Medium Enterprises is made by the Management as per information from suppliers' regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and relied upon by Auditors. The liability to pay interest u/s 16 of MSMED Act is provided in books of accounts as and when same is claimed by supplier by raising Debit Note in respect of the same. Accordingly, the above disclosure has been given as per liability of Trade Payable shown in the books of accounts of the company.

**39. Segment Reporting**

In line with Accounting Standard 17 on 'Segment Reporting', taking into account the organizational structure, product type as well as the differing risks and returns criterion, the Company is engaged in only one reportable segment viz. "Textiles".

**40. Disclosure pursuant to Indian Accounting Standard 19 'Employee benefits'**

(A) The Company has recognized the following amounts towards defined contribution plans as an expense and included in the Statement of Profit and Loss.

Particulars	F.Y. 2022-23	F.Y. 2021-22
Provident Fund	22.73	22.05
Employees' State Insurance	0.97	0.97

(B) The company has not provided for Post Employment Benefits and other long term employee benefit sunder Defined Benefit Plans on accrual basis but provides the same as and when they become due for payment. Accordingly, the following amounts have been provided as expenses during the year and charged in the Statement of Profit and Loss as they have become due:

Particulars	F.Y. 2022-23	F.Y. 2021-22
Gratuity	18.63	3.37

**41. Income Tax**

(A) **Income tax expense in the statement of profit and loss consists of:**

Particulars	F.Y. 2022-23	F.Y. 2021-22
Current income tax:		
-- In respect of the current period	-	20.72
-- In respect of the prior periods	20.59	7.26
Deferred tax		
-- In respect of the current period	-2.24	-20.22
<b>Income tax expense recognized in the statement of profit or loss</b>	<b>18.34</b>	<b>7.76</b>

**(B) The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:**

Particulars	F.Y. 2022-23	F.Y. 2021-22
Profit Before Tax	-128.99	36.23
Enacted Income Tax Rate in India	25.17%	25.17%
<b>Computed Expected Tax Expenses</b>	<b>(32,46,418)</b>	<b>9,11,752</b>
Effect of		
-- Deferred Tax	-2.24	-20.22
-- Adjustment to Current tax for prior periods	20.59	7.26
-- Impact of charges on account of Computation	32.00	11.60
<b>Income tax expense recognized in the statement of profit or loss</b>	<b>17.88</b>	<b>7.76</b>

#### 42. Financial Risk Management

Mohit Industries Limited (MIL) continues to deploy a well-articulated risk management framework. This is based upon a three-tiered approach encompassing (i) enterprise risks, (ii) process risks, and (iii) compliance risks.

(i) Enterprise Risk : The company continue to evaluate the risk and also ensures that the mitigation processes are in place.

(ii) Process Risk management involves assurances by the Company's internal audit department regarding the effectiveness of business and financial controls and processes in all key activities across the various business processes.

(iii) Compliance Risk management comprises a detailed mechanism of assurances with respect to adherence of all laws and regulations, with a comprehensive reporting process that cascades upwards from the accountable business line executives to MIL's Audit Committed and then on to the Board of Directors.

The outcomes of business review meetings conducted by management and internal audit regarding processes and their compliance, as well as observations of the Audit Committee and the Board of Directors are continuously incorporated to capture new risks and update the existing ones. All three dimensions of MIL's Risk Management framework are reviewed annually for their relevance and modifications, as required. The businesses and internal audit make regular presentations to the Audit

43. Previous Year Figures have been regrouped/rearranged wherever necessary.

#### 44. ADDITIONAL REGULATORY INFORMATION

##### (i) KEY FINANCIAL RATIO

###### (a) CURRENT RATIO

Particulars	As at 31st March, 2023	As at 31st March, 2022
Current Assets	6104.00	6002.42
Current Liabilities	5097.44	4275.68
<b>Current Ratio (in times)</b>	<b>1.20</b>	<b>1.40</b>

###### (b) DEBT TO EQUITY RATIO

Particulars	As at 31st March, 2023	As at 31st March, 2022
Total Borrowings	5587.32	5214.00
Total Equity (Other than OCI Through FVOCI)	2852.26	2999.59
<b>Debt to Equity Ratio (in times)</b>	<b>1.96</b>	<b>1.74</b>

**(c) DEBT SERVICE COVERAGE RATIO**

Particulars	As at 31st March, 2023	As at 31st March, 2022
Earning for Debt Service = Net profit after tax + Non-Cash operating expenses + interest + Other adjustments	431.80	676.56
Debt Services = Interest + Repayment of Long Term Debts	797.21	852.40
<b>Debt Service Coverage Ratio (in times)</b>	<b>0.54</b>	<b>0.79</b>

Explanation: The change in ratio is due to more repayment of Long-Term borrowings including Unsecured loans and also fall in profit during year.

**(d) RETURN ON EQUITY RATIO**

Particulars	As at 31st March, 2023	As at 31st March, 2022
Profit After Tax	-147.33	28.47
Opening Total Equity (Other than OCI Through FVOCI)	2999.59	2971.12
Closing Total Equity (Other than OCI Through FVOCI)	2852.26	2999.59
Average Total Equity	2925.93	2985.36
<b>Return on Equity Ratio (in %)</b>	<b>-5.04%</b>	<b>0.95%</b>

Explanation: Fall in Ratio is due to fall in profit during the year compared to last year.

**(e) INVENTORY TURNOVER RATIO**

Particulars	As at 31st March, 2023	As at 31st March, 2022
Revenue from Operations	16718.57	16665.45
Opening Inventories	2365.52	2186.54
Closing Inventories	2469.00	2365.52
Average Inventories	2417.26	2276.03
<b>Inventory Turnover Ratio (in times)</b>	<b>6.92</b>	<b>7.32</b>

**(f) TRADE RECEIVABLE TURNOVER RATIO**

Particulars	As at 31st March, 2023	As at 31st March, 2022
Revenue from Operations	16718.57	16665.45
Opening Trade Receivable	1931.04	1750.74
Closing Trade Receivable	1798.39	1931.04
Average Trade Receivable	1864.72	1840.89
<b>Trade Receivable Turnover Ratio (in times)</b>	<b>8.97</b>	<b>9.05</b>

**(g) TRADE PAYABLE TURNOVER RATIO**

Particulars	As at 31st March, 2023	As at 31st March, 2022
Purchase of Goods / Services	15781.02	15588.29
Opening Trade Payable	607.07	463.70
Closing Trade Payable	307.07	607.07
Average Trade Payable	457.07	535.38
<b>Trade Payable Turnover Ratio (in times)</b>	<b>34.53</b>	<b>29.12</b>

**(h) NET WORKING CAPITAL TURNOVER RATIO**

Particulars	As at 31st March, 2023	As at 31st March, 2022
Revenue from Operations	16718.57	16665.45
Opening Working Capital	1726.74	1699.28
Closing Working Capital	1006.56	1726.74
Average Working Capital	1366.65	1713.01
<b>Net Working Capital Turnover Ratio (in times)</b>	<b>12.23</b>	<b>9.73</b>

**(i) NET PROFIT RATIO**

Particulars	As at 31st March, 2023	As at 31st March, 2022
Profit After Tax	-147.33	28.47
Revenue from Operations	16718.57	16665.45
<b>Net Profit Ratio (in %)</b>	<b>-0.88%</b>	<b>0.17%</b>

Explanation: Fall in Ratio is due to decrease in profit during the year compared to preceding year.

**(j) RETURN ON CAPITAL EMPLOYED**

Particulars	As at 31st March, 2023	As at 31st March, 2022
Profit before tax & finance cost	277.92	421.18
Capital Employed = Net Worth + borrowings + Deferred Tax Liabilities	8617.28	8393.54
<b>Return on Capital Employed (in %)</b>	<b>3.23%</b>	<b>5.02%</b>

**(k) RETURN ON INVESTMENTS**

Particulars	As at 31st March, 2023	As at 31st March, 2022
Income generated from investments (Including FVOCI)	418.26	584.87
Opening Invested Funds (including FVOCI effect)	1252.82	230.64
Closing Invested Funds (including FVOCI effect)	1664.03	1252.82
Average Invested Funds	1458.43	741.73
<b>Return on Investment (in %)</b>	<b>28.68%</b>	<b>78.85%</b>

Explanation: Variation in return is due increase in Investments during the year and FVOCI during the year.

**(ii) Borrowings from banks or financial institutions on the basis of security of current assets**

The material differences in amount of quarterly statement / return filed with Bank and as per books of accounts as given below:

Quarter	Name of Bank	Particulars of Securities Provided	Amount as per Books of accounts	Amount reported in Quarterly statement / return	Amount of Difference	Reasons for Material difference
June, 2022	Axis Bank Ltd. & SVC Co.op. bank Ltd.	Inventories	2326.07	2414.13	-88.06	Note No. 1 below
June, 2022	Axis Bank Ltd. & SVC Co.op. bank Ltd.	Trade Receivables	1841.78	1265.12	576.66	Note No. 1 below
June, 2022	Axis Bank Ltd. & SVC Co.op. bank Ltd.	Trade Payable for Goods	233.39	88.06	145.33	Note No. 1 below
September, 2022	Axis Bank Ltd. & SVC Co.op. bank Ltd.	Inventories	2300.12	2189.44	110.68	Note No. 1 below
September, 2022	Axis Bank Ltd. & SVC Co.op. bank Ltd.	Trade Payable for Goods	399.25	86.71	312.54	Note No. 1 below
September, 2022	Axis Bank Ltd. & SVC Co.op. bank Ltd.	Trade Receivables	2958.62	1933.94	1024.68	Note No. 1 below
December, 2022	Axis Bank Ltd. & SVC Co.op. bank Ltd.	Inventories	2185.43	2444.53	-259.10	Note No. 1 below
December, 2022	Axis Bank Ltd. & SVC Co.op. bank Ltd.	Trade Payable for Goods	147.36	50.84	96.52	Note No. 1 below
December, 2022	Axis Bank Ltd. & SVC Co.op. bank Ltd.	Trade Receivables	1756.95	1792.34	-35.39	Note No. 1 below
March, 2023	Axis Bank Ltd. & SVC Co.op. bank Ltd.	Inventories	2469.00	2551.29	-82.29	Note No. 1 below
March, 2023	Axis Bank Ltd. & SVC Co.op. bank Ltd.	Trade Receivables	1679.64	1630.19	49.45	Note No. 1 below

**Note on Explanation for difference in amount as per Books of accounts and amount reported in quarterly statement / return filed with bank:**

1. The difference between amounts as per books of accounts and amounts reported in quarterly statement filed with bank is because stock statements are filed with bank before updation/finalization of accounts for quarterly limited review / audit of the accounts. Hence, debtors, creditors and stock are reported on adhoc basis with bank without complete updation of books of accounts.

As per our Audit Report Attached

**For RAJENDRA SHARMA & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No.: 108390W**

*Sd/-*  
**(Rajendra Ratanlal Sharma)**  
**Partner**  
**M. No. 044393**  
**Surat, 29th May, 2023**

**For & On Behalf of Board of Directors**

*Sd/-*  
**Narayan Saboo**  
**(Managing Director)**  
**DIN: 00223324**

*Sd/-*  
**Manish Saboo**  
**(Director & CFO)**  
**DIN: 01576187**

*Sd/-*  
**Naresh Saboo**  
**(Director)**  
**DIN: 00223350**

*Sd/-*  
**Janvi Shirawala**  
**(Company Secretary)**  
**Membership No. A65093**



**GROUPINGS TO BALANCE SHEET**

<b>1) SUNDRY DEBTORS</b>	<b>AMOUNT IN RS.</b>
As Per Trial Balance	16,65,81,399.19
Mohit Overseas Limited	13,82,468.00
<b>TOTAL</b>	<b>16,79,63,867.19</b>
<b>2) TRADE PAYABLE FOR GOODS</b>	<b>AMOUNT IN RS.</b>
Agarwal Fabtex Pvt Ltd	2,327.00
Alok Industries Ltd	12,09,405.94
Gopal Rayon Industries Pvt.Ltd	3,67,657.00
Keshav Madhav Packaging Pvt.Ltd.	5,83,111.00
Manohar Capital Markets Limited	6,30,499.00
Mukesh Synthetics Pvt. Ltd.	68.00
Radhika Electricals	64,350.00
Raghuraj Yarns	6,74,677.00
Reliance Industries Limited	1,38,562.66
Reliance Industries Limited (Silvassa)	1,34,316.40
Shree Ganpati Packaging	13,46,346.00
Shreeji Textiles	11,735.00
Amigo Industries	48,84,744.70
Ananta Tex Style Llp.	19,24,872.00
G.S.& Sons (Hari Prasad Chandak Huf)	16,47,632.00
Garden Silk Mills Private Limited	16,999.00
Geeta International	10,50,557.00
Janki Overseas	17,650.00
Laxmi Narayan Industries .	4,01,052.40
Nirmala Filaments	66.00
Panama Petrochem Ltd.	2,379.00
Raameshth Electro Plasta Pvt.Ltd.	2,90,326.00
Ranisati Packaging	11,25,374.00
Win Star Industries Pvt Ltd	4,57,765.00
<b>TOTAL</b>	<b>1,69,82,472.10</b>
<b>3) TRADE PAYABLES FOR EXPENSES / SERVICES</b>	<b>AMOUNT IN RS.</b>
A.V. Enterprises	76,150.00
Adroit Corporate Services Pvt. Ltd.	3,498.00
Akshar Enterprise	19,894.00
Alidhra Electronics Industries	1,770.00
Anil Engineering Works.	1,35,507.00
Apco Agencies	1,21,127.00
Archana Rewinding Works	9,831.00
Bombay Fire Associates	1.00
Dakshin Gujarat Viji. Co. Ltd.	41,98,336.00
Dipak Gangadhar Patil	1,24,452.00
Gaurav Fork Lift Herring	50,193.00
Globelink Ww India Pvt. Ltd.	18,25,887.00
Gujarat Industrial Products	17,110.00
Hariom Timber	1,90,591.00
Iffco Tokio General Insurance Co. Ltd.	9,127.00
India Infoline Limited	0.68
Indo Chem	51,508.00
Industrial Trading Co.	652.00
International Trade Center Co. Op. Serv. Society Ltd	89,283.00
Jainul Mansuri	45,000.00
Jay Ambe Engineering	30,420.00
Kalim Mohmmad Mansuri	6,796.00
Korat Electronics	1,20,874.50
Mayaben V. Patel	63,558.00
Mittal Traders	9,592.73
Mukund Chouhan & Co.	45,900.00
Naval Paper Products	28,320.00
P.S.Corporation	82,690.00

Prashant Gamatex Pvt.Ltd.	708.00
Priatex	1.00
Rachna Air Components Pvt.Ltd.	1,34,967.00
Ruby Printers	1,540.00
S.K.Enterprises	77,715.00
Sagar Sales Corporation	1,27,320.00
Samosaran Yarns Pvt.Ltd.	10,94,528.00
Sangani Enterprise	1,21,140.00
Shiv Shakti Heating Engineers	5,148.00
Shivani Enterprise	51,133.00
Shree Baba Tex-Chem	1,79,360.00
Shree Hari Enterprise	1,90,435.04
Shree Sai Traders	9,800.00
Shree Vinayak Packaging	1,28,013.00
Shree Yamuna Enterprise	25,499.00
Shubham Agencies	49,170.48
Surat Munciple Corporation	17,067.00
The New India Assurance Co.Ltd.	38.00
Torrent Power Limited	35,671.00
Veer Traders	5,040.00
Vijay Hardware & Sanitary	1,890.00
Vijaybhai Jagubhai Patel	70,503.00
Vrinda Enterprise	54,596.00
You Broadband India Limited	1,000.00
Zahson Control System	75,593.00
Aar Exim & Logistics Lp	2,232.00
Aaruksha Enterprise	70,948.00
Ajit I. Fulwala	420.00
Amarendrakumar Loknath Singh	90,836.00
American Express Banking Corp.	1,05,028.00
Ankur Sales	154.00
Arihant Gas Agency	164.00
Avinya Techno Impex	16,567.00
Battery Mall	1,79,712.00
Bhoomi Enterprise	42,185.00
Dakshin Gujarat Vij Co.Ltd. [ Wjt. Div.]	12,99,632.00
Deodatt Madhav Kulkarni	58,500.00
Digitech Secure Solution	1,499.00
Falguni H. Maisuriya	420.00
Gautam Prabhakar Paunikar	41,293.00
Grow Tech	61,879.00
GTPL Broadband Pvt. Ltd.	9,499.00
Interglobe Aviation Limited.	21,170.00
Jeetjatan Solutions Pvt Ltd	40,268.00
Jio Platforms Limited	848.00
Just In Time Trading Pvt.Ltd.	24,600.00
Kalyani Fibers Ltd.	68,641.00
Kms Logistics	6,59,471.00
Krishna Engineering	9,731.00
Lakshmi Textile Store	20,272.00
Mahavir Packaging	1,81,802.00
N.C.M	11,899.00
Naim Makbul Shah	3,000.00
Narayanram Choudhary	14,508.00
Navker Corporation Ltd.	75,864.00
Orion Legal Supplies - Vikram Jain (Huf)	17,700.00
Piyush Enterprise	6,174.00
Pooja Electricals	66,160.00
R B Hardwani & Co	38,101.00
R.B. Computers	2,770.00
R.L. Agarwal Salvage Solutions Lp	9,084.00

Rajdeep Industries	1,475.00
Reliance Jio Infocomm Ltd.	25,940.00
Ridhi Sidhi Provision Store	3,644.00
Rutu Electronics	64,350.00
Samiuddin Ansari	4,400.00
Sani Krishnanath Chaugule	4,545.00
Shailendra Kumar A. Sing	64,819.00
Shree Balaji Roadlines	1,15,072.00
Shree Bhagvati Saw Mill	413.00
Shree Vardhman Motor Rewinding	13,274.00
SKB Shipping & Logistics Pvt. Ltd.	4,54,639.00
Sumhar Texspare Private Limited	4,006.00
Tata Teleservices Limited.	6,814.00
Textiles Committee	1,26,737.00
Textiles Committee- Mumbai.	2,208.00
Unicon Fibro Chemicals Pvt.Ltd.	97,80,277.50
Vinayak Traders	4,224.00
Manish H.Patel	1,05,086.00
Sushil Kumar Mishra	9,837.00
Jayeshbhai P Patel Huf	5,11,836.00
Navinchandra Chalabhai Patel	1,500.00
Shahlon Silk Industries Ltd..	2,33,752.00
<b>TOTAL</b>	<b>2,49,03,044.95</b>
<b>4) TRADE PAYABLE FOR CAPITAL GOODS</b>	<b>AMOUNT IN RS.</b>
Ambica Glass Works & Fremeing	1,001.00
Appario Retail Private Ltd. [ Ahmedabad-Gujarat ]	45,015.00
Laxman Govind Chaugule	14,042.00
<b>TOTAL</b>	<b>60,058.00</b>
<b>5) EXPENSES PAYABLE</b>	<b>AMOUNT IN RS.</b>
American Express Card No.3765 348090 22001	9,10,232.00
American Express Card No.3765 392622 31007	10,07,521.00
American Express Card No.4514 6000 0024 9969	4,04,000.00
HDFC Bank Card No.5523 8545 0012 8365	2,00,000.00
ICICI Bank Card No.4205 8060 0441 4004	42,63,961.00
Kotak Mahindra Bank Card No.4147 6710 0006 9264	22,068.00
Kotak Mahindra Bank Card No.4363 8915 1100 8745	2,00,000.00
SBI Credit Card No.4377 4860 0744 7913	2,75,627.00
Axis Bank Cr. Card No.4514 6000 0025 5925	5,28,840.00
Salary & Wages Payable	31,15,759.81
Salary Payable (H.O)	9,56,109.00
Bonus Payable	7,43,040.00
<b>TOTAL</b>	<b>1,26,27,157.81</b>
<b>TOTAL TRADE PAYABLE (2+3+4+5)</b>	<b>5,45,72,732.86</b>
Less:	
Credit Note Receivable	2,38,66,003.00
<b>NET TRADE PAYABLE FOR GOODS &amp; SERVICES</b>	<b>3,07,06,729.86</b>

<b>6) ADVANCE TO SUPPLIERS</b>	<b>AMOUNT IN RS.</b>
Surjaram C.Sharma	56,967.00
Vikash P.Choksy	1,047.00
Staff Advance	24,18,979.00
Atmaram H. Tripathi	600.00
Bharat P.Jhaveri	1,500.00
Cement House	2,05,811.00
Dipak M. Patel	90,929.00
Enpro Enviro Tech And Engineers Pvt.Ltd.	1,125.00
Landmark Cars Pvt.Ltd.	36,289.00
Madhupriya Fashion Pvt. Ltd.	11,15,800.00
Noel Textiles (India) Pvt. Ltd.	22,20,148.00
N.K.Tempo Service	80,661.00
P.Marfatia & Co.	3,750.00
Ptc India Limited	11,916.00
Shree Shiv Sai Packaging	1,20,000.00
South Gujarat Tex.Welfare Association	1,150.00
The Assistant Register Cestat	500.00
The Corporate Legal World	3,286.00
Aayushi Impex	22,600.00
Adaptable Services	8,280.00
Adhya Holidays	805.00
American Express India Pvt.Ltd.	6,726.00
Amrutlal Hajrilal Khatik	9,440.00
B & R Industrial Automation Pvt Ltd	939.00
Banthia Consultancy	15,000.00
Bhargavi Enterprise	27,000.00
De Belle Dressing Factory	37,500.00
Express Elevators Co.	4,50,000.00
Gaurav Roadlines	8,500.00
Hohenstein India Pvt.Ltd..	1,00,132.00
Kalashree Poly Pack	6,254.00
Krishana Kamal Shah	53,600.00
Mangilal Kajodimal And Sons	2.00
Monarch Shipping & Clearing Agency	153.00
Nehat Tech Solutions Pvt. Ltd.	32,871.00
Nirmaladevi Amarendra Singh	300.00
Pack Seals Industries	34,786.00
Raju Bhalu Shinde	995.00
Royal Wood Furniture	39,176.00
S.R. Indian House Keeping & Manpower Supplier	5,000.00
Sanjay Shipping & Logistics (India) Pvt. Ltd.	26,984.80
Seven Seas Lines	1.00
Shiv Shakti Heater Services	180.00
Shree Laxmi Ispat	937.00
Skystock Services (I) Pvt.Ltd.	2,360.00
Star Shipping Services (India) Pvt Ltd	1,00,000.00
Turquoise Uber Styles	33,000.00
Vatsal Ketankumar Roshan	50,000.00
Vijay S.Patil	1,890.00
Vishal Shipping Agencies Pvt.Ltd.	31,054.91
Vodafone Idea Limited	26,762.00
Bagla Poly Yarn Pvt. Ltd.	13,323.00
Garden Silk Mills Ltd.	3,33,242.26
Jbf Industries Ltd.(Silvassa)	1,16,991.00
Reliance Industries Ltd ( Maharashtra)	12,07,150.01
Reliance Industries Ltd (Silvassa_Naroli)	1,02,491.08
Reliance Industries Ltd- Silvassa(Earlier JBF Ltd)	1,04,367.00
<b>TOTAL</b>	<b>93,81,251.06</b>

<b>7) STATUTORY DUES PAYABLE</b>	<b>AMOUNT IN RS.</b>
E.S.I Payable A/C	6,658.00
T.D.S Payable 2021-22	633.00
T.D.S Payable 2022-23	4,79,998.00
Provident Fund Contr.Payable	3,57,029.00
Staff Professional Tax	5,600.00
Staff Proff Tax(F)	6,76,928.00
T.C.S. Payable FY 2020-21	1.00
T.C.S. Payable FY 2022-23	38,076.72
TDS Payable on Purchase Of Goods	10,701.00
PLA	51,815.00
<b>TOTAL</b>	<b>16,27,439.72</b>

<b>8) OTHER ADVANCES</b>	<b>AMOUNT IN RS.</b>
Adv. For Flat At Jashoda Park	6,03,598.00
Kansingh Gulabsingh Rathod	9,00,000.00
Porwal Enterprise Pvt. Ltd.	2,04,344.01
Shyam Sunder Maroo (HUF)	(0.38)
Vyanktesh Sureshkr Malpani	2,00,000.00
Prepaid Expenses	1,15,669.00
Prepaid Insurance	9,83,859.00
American Express Card No.3798 706690 61003	1,01,000.00
American Express Card No.3722 921759 01001	13,041.00
HDFC Bank Card No.5523 8545 0005 3068	1,00,000.00
Kotak Mahindra Bank Card No.4166 4633 0001 2434	21,715.00
Kotak Mahindra (15214915) - Honda City	30,867.00
Kotak Mahindra Prime Ltd (Cf- 13992218)	23,507.22
SBI Credit Card No.4032 5064 9926 4646	10,000.00
<b>TOTAL</b>	<b>33,07,599.85</b>

<b>9) BALANCES WITH REVENUE / GOVERNMENT AUTHORITIES</b>	<b>AMOUNT IN RS.</b>
Gujarat VAT ITC	38,30,482.65
Income Tax (A.Y. 2007-08)	3,00,000.00
T.D.S. -(R) FY 2021-22	29,768.47
T.D.S. -(R) FY2022-23	19,91,964.00
VAT A/C	53,09,855.75
CBEC Dept. Silvassa (Paid Under Protest)	60,000.00
Entry Tax Paid Under Protest A/C	32,00,000.00
GST Receivable (Refund)	1,08,735.00
Pre-deposit Of Excise Appeal	6,74,054.00
T.C.S. Receivable FY 2022-23	14,714.00
TUF Subsidy Receivable 19-20	15,00,098.00
TUF Subsidy Receivable 2018-19	22,01,369.00
TUF Subsidy Receivable-OLD	22,50,000.00
VAT Paid Under Protest	17,81,000.00
CGST Input Receivable	23,965.53
SGST Input Receivable	23,965.53
IGST Input Receivable	41,729.53
SGST - Input Credit	4,89,55,085.12
CGST - Input Credit	1,02,36,638.12
T.D.S Payable 2020-21	125.00
<b>TOTAL</b>	<b>8,25,33,549.70</b>

<b>10) OTHER TRADE RECEIVABLES</b>	<b>AMOUNT IN RS.</b>
RoDTEP Income Receivable	20,07,138.00
Duty Drawback Claim Receivable	32,46,294.00
Excise Duty Rebate Receivable	12,04,173.50
IGST Refund Receivable (Export)	54,17,414.90
<b>TOTAL</b>	<b>1,18,75,020.40</b>

<b>11) SECURITY DEPOSITS</b>	<b>AMOUNT IN RS.</b>
Container Corporation of India Ltd.	10,000.00
Dakshin Gujarat Vij Company Ltd (S.D.)	17,10,155.00
Deposit A/C.	13,000.00
Deposit With B.S.N.L.	1,000.00
Deposit With Torrent Power Ltd	21,000.00
Electricity Deposit A/C.	1,600.00
Gujarat Gas Co. Ltd. (Security Deposit)	2,37,916.39
Reliance Industries Limited (Ris)	5,000.00
Security Deposit-Torrent Power	19,456.00
Telephone Deposit A/C	5,700.00
Dakshin Guj Vij Co Ltd (SD)	14,63,497.00
<b>TOTAL</b>	<b>34,88,324.39</b>

<b>12) ADVANCE FROM CUSTOMERS</b>	<b>AMOUNT IN RS.</b>
As per Trial Balance	5,35,740.00
<b>TOTAL</b>	<b>5,35,740.00</b>

<b>13) UNSECURED LOAN</b>	<b>AMOUNT IN RS.</b>
<b>(1) Short Term - From Director</b>	
Manish N. Saboo	1,84,34,798.00
Narayan. S. Saboo	6,64,64,967.00
Naresh S Saboo	1,27,86,920.00
Narayan S. Saboo (H.U.F.)	1,07,208.00
<b>TOTAL</b>	<b>9,77,93,893.00</b>
<b>(2) Long Term- From Director</b>	
Manish N. Saboo	1,34,03,049.00
<b>Total</b>	<b>1,34,03,049.00</b>
<b>(3) Short Term - From Other Companies</b>	
Softaculous Ltd	76,74,760.00
<b>TOTAL</b>	<b>76,74,760.00</b>
<b>(4) Short Term - From Related parties Companies</b>	
Bigbloc Construction Limited	-
Star Bigbloc Building Material Pvt.Ltd.	-
<b>TOTAL</b>	<b>-</b>

<b>14) LOANS GIVEN</b>	<b>AMOUNT IN RS.</b>
<b>(a) To Related Parties</b>	-
<b>(b) To Others</b>	
Vaishali Silk Mills Pvt.Ltd.	75,67,000.00
Jay Mata Di Fashions Pvt.Ltd.	11,70,230.00
JB Rpet Industries Pvt.Ltd.	9,68,301.00
Saanika Polytex Private Limited	2,91,740.00
Climate Detox Private Limited	2,20,13,315.00
Mohit Minerals Limited	4,76,087.00
Nxt Fab Pvt. Ltd.	4,16,83,070.00
Ankur Enterprise	63,05,629.00
Gokul Fabrics Pvt. Ltd.	57,24,659.00
<b>TOTAL</b>	<b>8,62,00,031.00</b>



<b>15) CASH CREDIT LIMIT FROM BANKS</b>	<b>AMOUNT IN RS.</b>
SVC Co-Op Bank Ltd-A/C 114919940000018	9,07,50,306.47
Axis Bank Ltd. A.C C.C-921030039017065	10,22,01,951.54
<b>TOTAL</b>	<b>29,29,52,258.01</b>

<b>16) TERM LOANS FROM BANKS</b>	<b>AMOUNT IN RS.</b>
S.V.C -Term Loan-(1149189000000096)	2,17,15,163.00
Axis Bank A/C - 921060056586062	1,82,95,000.00
Axis Bank A/C - 921060056586075	3,90,00,000.00
Axis Bank A/C - 922060050542180	4,16,88,000.00
<b>TOTAL</b>	<b>2,06,98,163.00</b>

<b>17) CAR LOANS FROM BANKS</b>	<b>AMOUNT IN RS.</b>
BMW India Financial Service Pvt Ltd	9,54,240.18
ICICI Bank Car Loan - Celerio Ac-46143876	7,02,743.00
<b>TOTAL</b>	<b>26,56,983.18</b>

<b>18) BALANCES WITH BANK</b>	<b>AMOUNT IN RS.</b>
HDFC Bank A/C No.50200021061350	59,781.00
<b>TOTAL</b>	<b>59781.00</b>

<b>19) CAPITAL ADVANCES</b>	<b>AMOUNT IN RS.</b>
Aalidhra Texspin Engineers.	2,081,645.00
<b>TOTAL</b>	<b>2,081,645.00</b>

<b>20) PACKING CREDIT LIMIT</b>	<b>AMOUNT IN RS.</b>
Axis Bank PC A/C - 921080039017170	2,35,53,183.49
<b>TOTAL</b>	<b>2,35,53,183.49</b>

<b>21) BALANCES WITH BANK IN EEFC ACCOUNT</b>	<b>AMOUNT IN RS.</b>
Axis Bank EEFC A/C-921020054874891	217.86
<b>TOTAL</b>	<b>217.86</b>

### GROUPINGS TO PROFIT & LOSS ITEMS

<b>1) YARN OIL CONSUMED</b>		<b>AMOUNT IN RS.</b>
Opening Stock		20,41,200.00
Add:- Purchases		3,78,33,551.50
		3,98,74,751.50
Less:- Purchases Return		-
Closing Stock		20,20,200.00
<b>TOTAL</b>		<b>3,78,54,551.50</b>

<b>2) MILLGIN STORES CONSUMED</b>		<b>AMOUNT IN RS.</b>
Opening Stock		11,89,100.00
Add:-Consumable Stores		3,82,828.62
Add:-Milligin Purchases		1,22,40,260.80
		1,38,12,189.42
Less:- Closing Stock		11,94,400.00
Goods Returned		-
<b>TOTAL</b>		<b>1,26,17,789.42</b>

<b>3) RAW MATERIAL CONSUMED</b>		<b>AMOUNT IN RS.</b>	<b>AMOUNT IN RS.</b>
Opening Stock			1,96,95,134.00
Add:- Purchases			1,24,39,32,948.36
			1,36,36,28,082.36
Less:- POY Sales		-	
Closing Stock	10,42,41,995.00		10,42,41,995.00
<b>TOTAL</b>			<b>1,25,93,86,087.36</b>

<b>PURCHASE (RAW MATERIAL)</b>		<b>AMOUNT IN RS.</b>	<b>AMOUNT IN RS.</b>
POY			1,02,58,25,103.73
POY Import			4,89,18,348.00
Add: Custom Duty			81,98,915.00
Add: Credit Note Reversed			-
			1,08,29,42,366.73
Less:- POY Return	81,66,833.74		
Credit Note AGST. POY & Discount	2,39,71,160.00		3,21,37,993.74
			<b>1,05,08,04,372.99</b>
Yarn For Water Jet Looms	19,44,80,606.39		
Yarn Import		-	
	19,44,80,606.39		
Less:- Discount	13,52,031.02		
Yarn Sales		-	
Yarn Return		-	19,31,28,575.37
<b>TOTAL</b>			<b>1,24,39,32,948.36</b>

<b>4) WAGES BONUS &amp; LEAVE PAY</b>		<b>AMOUNT IN RS.</b>
Wages (Texturising)		1,94,79,340.00
Wages (Water Jet)		1,63,41,005.00
Wages - Contractor		69,83,335.00
<b>TOTAL</b>		<b>4,28,03,680.00</b>

<b>5) PACKING MATERIAL CONSUMED</b>	<b>AMOUNT IN RS.</b>
Opening Stock	51,79,366.00
Add:- Purchased during the year	4,54,48,588.18
	5,06,27,954.18
Less:- Closing Stock	31,21,050.00
Purchase Return	1,15,542.48
Packing Scrap Sales	52,84,083.18
<b>TOTAL</b>	<b>4,21,07,278.52</b>

<b>6) POWER &amp; FUEL EXPENSES</b>	<b>AMOUNT IN RS.</b>
Power & Fuel Electricity	8,45,69,066.00
	8,45,69,066.00
Less:- Power & Fuel (PTC Receivable)	-
<b>TOTAL</b>	<b>8,45,69,066.00</b>

<b>7) DISCOUNT &amp; COMMISSION</b>	<b>AMOUNT IN RS.</b>
Technical Claim	19,973.63
Rate Difference	1,51,220.44
Claim A/C (Water Jet Looms)	3,80,399.74
Discount & Commission (Misc. Exp/Income)	-
Discount & Commission (WJT Unit)	19,946.70
	5,71,540.51
Less:- Discount & Comm (Rece.)	87,549.32
<b>TOTAL</b>	<b>4,83,991.19</b>

<b>8) SALARY &amp; BONUS</b>	<b>AMOUNT IN RS.</b>
Salary (Textu)	1,20,63,955.00
Salary (Waterjet)	93,62,739.00
Salary A/C	76,18,266.00
Bonus	40,04,308.00
Bonus (H.O)	8,59,159.00
Gratuity A/C	18,62,949.00
Medical Expenses	50,945.00
Incentive	350.00
PF Employer Contribution	21,85,419.00
PF ESI Admin Charges	87,474.00
E.S.I A/C	97,395.00
Rent (HRA)	1,08,500.00
<b>TOTAL</b>	<b>3,83,01,459.00</b>

<b>9) INTEREST PAID</b>	<b>AMOUNT IN RS.</b>
Interest Paid to Bank on C.C. Account	1,65,01,323.00
Interest on Packing Credit Limit	98,42,789.83
Interest on Term Loan - S.V.C	28,24,934.00
Interest on Term Loan - Axis Bank	93,36,372.00
Interest on Unsecured Loans	24,72,356.00
Late Payment Charges	1,34,801.17
Financial Charges	11,72,043.77
	4,22,84,619.77
Less:- Interest Subvention from PC	15,93,578.00
<b>TOTAL</b>	<b>4,06,91,041.77</b>

<b>10) RATES AND TAXES</b>	<b>AMOUNT IN RS.</b>
Municipal & Other Taxes	63,050.00
CST Expense	3,206.00
Professional Tax	2,400.00
<b>TOTAL</b>	<b>68,656.00</b>

<b>11) Sales</b>	<b>Amount In Rs.</b>	<b>Amount In Rs.</b>
Crimp Yarn	89,40,33,082.56	
Wastage Yarn	9,97,503.21	
	89,50,30,585.77	
Less:- Sales Return	75,35,727.54	88,74,94,858.23
Add:- Debit Note		638.44
		88,74,95,496.67
Cloth Sales Water Jet	33,04,38,164.33	
Add:- Cut Piece Sales	5,10,651.36	
Add:- Sample Sales	-	
Less:- Cloth Water Jet Sales Return	-	
	33,09,48,815.69	33,09,48,815.69
Add:- Freight And Cartage		1,23,69,904.75
		1,23,08,14,217.11
Add:- Export Trading Sales	-	
Add:- Export Crimp Sales	32,60,83,026.00	32,60,83,026.00
<b>TOTAL</b>		<b>1,55,68,97,243.11</b>

<b>12) EXPORT BENEFITS</b>	<b>AMOUNT IN RS.</b>
Duty Draw Back Received	76,70,331.00
Rodteq Scrip Sale	77,77,824.00
<b>TOTAL</b>	<b>1,54,48,155.00</b>

<b>13) REPAIR TO MACHINERY</b>	<b>AMOUNT IN RS.</b>
Repair & Maintenance (Textu.)	9,40,092.86
Repair & Maintenance (Water Jet)	33,19,909.72
Repairs	38,389.80
<b>TOTAL</b>	<b>42,98,392.38</b>

<b>14) FACTORY EXPENSES</b>	<b>AMOUNT IN RS.</b>
Electricals Exps.	6,97,200.58
Lab Testing Exp.	33,306.74
Loading & Unloading Charges	15,95,557.00
<b>TOTAL</b>	<b>23,26,064.32</b>

<b>15) EXPORT EXPENSES</b>	<b>AMOUNT IN RS.</b>
Agency Clearing Charges	42,64,525.71
Clearing & Forwarding Expenses	27,15,595.78
Commission On Export	10,83,795.89
Export Inspection Charges	64,675.00
Export Misc. Charges	4,52,264.85
Ocean Freight Exps.	2,04,33,436.76
Postage & Courier Chrg.(Export)	2,270.40
<b>TOTAL</b>	<b>2,90,16,564.39</b>

<b>16) TRAVELLING &amp; CONVEYANCE EXPENSES</b>	<b>AMOUNT IN RS.</b>
Conveyance Expenses	4,05,420.00
Motor Car Exp	30,819.00
Travelling Exp.(Directors/Prom	15,56,700.00
Travelling Expenses	40,68,613.00
Vehicle Exps	4,20,752.88
<b>TOTAL</b>	<b>64,82,304.88</b>

<b>17) OFFICE &amp; GENERAL EXPENSES</b>	<b>AMOUNT IN RS.</b>
Office Expenses	71,189.78
General Expense	12,03,024.78
Flat Maintenance	81,828.00
Office Maintenance	1,44,897.68
<b>TOTAL</b>	<b>15,00,940.24</b>

<b>18) LEGAL &amp; PROFESSIONAL EXPENSE</b>	<b>AMOUNT IN RS.</b>
Legal & Professional Fees	3488446.48
<b>TOTAL</b>	<b>3488446.48</b>

<b>19) OTHER BANK &amp; FINANCE CHARGES</b>	<b>AMOUNT IN RS.</b>
Cheque Return Charges (Debtors)	2,346.10
Bank Charges	1,08,737.16
Bank Charges for Export	15,68,024.54
Bank Loan Processing Charges	12,60,956.78
Commission Charges (Export)	28,050.00
Interest Charges-Export	3,983.42
Bank Guarantee Commission	7,88,616.33
<b>TOTAL</b>	<b>37,60,714.33</b>

## INDEPENDENT AUDITOR'S REPORT

To,  
The Members of  
**MOHIT INDUSTRIES LIMITED**

### Report on the Consolidated Financial Statements

#### **Qualified Opinion**

We have audited the accompanying Consolidated financial statements of Mohit Industries Limited ('the Holding Company') and its associates (collectively referred to as "the Company" or "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of matter described in the 'Basis of Qualified Opinion' Paragraph above*, the aforesaid Consolidated 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 consolidated state of affairs of the Company as at 31st March 2023 and their consolidated profit, consolidated changes in equity and their consolidated cash flows for the year then ended.

#### **Basis of Qualified Opinion**

*The Holding company has not provided for Post-Employment Benefits and other long term employee benefits under Defined Benefit Plans on accrual basis but provides the same as and when they become due for payment. This method of accounting of Post-Employment Benefits and other long term employee benefits under Defined Benefit Plans is in deviation with Ind AS – 19 on Employee Benefits. As there is no actuarial report or basis of calculation available with the management of such Post-Employment Benefits and other long term employee benefits, the quantum of deviation cannot be ascertained. If the company had followed the method accounting as per Ind AS – 19, then employee benefit expense would have increased and correspondingly Profit for the period would have reduced.*

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 Consolidated Financial Statements section of our report. We are independent of the Group and its associates entities in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.



Sr. No.	Key Audit Matter	Auditor's Response
1	<p><b>Evaluation of uncertain tax positions</b></p> <p>The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p> <p>Refer Notes 32(i) to the Standalone Financial Statements.</p>	<p><b>Principal Audit Procedures:</b></p> <p>Obtained details of completed tax assessments and demands as on year ended March 31, 2023 from management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2022 to evaluate whether any change was required to management's position on these uncertainties.</p>
2	<p><b>Foreign exchange fluctuation and export policies of India and other countries are considered to be Key Audit Matters.</b></p> <p>A significant portion of revenue is generated through export of products of the company. Any change in the duty structure, import and export policy has significant bearing on revenue realization of the Company. Fluctuation in exchange rate of Indian currency has significant bearing on profitability.</p>	<p><b>Principal Audit Procedures:</b></p> <p>Our audit approach includes verification of balances outstanding (Debits and Credits); on account of foreign exchange; as at the end of the year and to assure that the same is adjusted to a value at the exchange rate that is prevailing at the close of last day of the current year.</p>
3	<p><b>Valuation, Accuracy, Completeness and disclosures pertaining to Inventories with reference to Ind AS 2</b></p> <p>Inventories constitutes material component of financial statement. Correctness, completeness and valuation are critical for reflecting true and fair financial results of operations.</p>	<p><b>Principal Audit Procedures:</b></p> <p>We performed the following audit procedures to audit the existence and condition of inventories as per the guidance provided in SA 501 "Audit Evidence – Specific Considerations for Selected Items", as at the year-end:</p> <ul style="list-style-type: none"> <li>a) Performed test counts by tracing items from management's counts records to the physical inventories and tracing the items selected from physical inventory to managements' count records.</li> <li>b) Evaluated the design and implementation of the controls over physical verification of inventory and tested the operating effectiveness of these controls throughout the year.</li> <li>c) Testing on sample basis the accuracy of cost of inventory by verifying supporting documents.</li> <li>d) Performed alternate procedures which included inspection of supporting documentation relating to purchases, sales and production records relating to inventory as at year-end.</li> <li>e) Discussion with those charged with responsibility of overlooking inventory management process.</li> </ul>

**Other Information**

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the Holding Company's Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Holding Company's management and Board of Directors are responsible for the preparation of the consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Companying accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates entities is responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- 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 and Board of Directors of the Holding Company use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated 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 auditors' report. However, future events or conditions may cause the Group (Holding company and subsidiaries) 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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**

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiary company included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are following qualifications or adverse remarks in these CARO Reports:-

Sr. No.	Name	CIN	Holding Company / Subsidiary / Associate / Joint Venture	Clause Number of CARO Report which is qualified or adverse
1	Mohit Industries Limited	L17119GJ1991PLC015074	Holding Company	Clause (ii) (b)

2. As required by Section 143(3) of the Act, we report that: -
- 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 of the aforesaid consolidated financial statements.
  - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act except for Ind AS - 19 on Employee Benefits in respect of provision for Long Term Employee Benefit & Defined Benefit plans.
  - In our opinion, the tax demands litigation matters described in Sr. No. 1 under the 'Key Audit Matters' paragraph above, if decided against the holding company, may have an adverse effect on the functioning of the Company.
  - On the basis of the written representations received from the directors of the Holding Company as on 31st March 2023 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31st March 2023 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.
  - With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
  - In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid/provided by the Holding Company and its subsidiaries incorporated in India to their directors in accordance with the provisions of Section 197 read with Schedule V to the Act.
  - 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:

- vii. The consolidated financial statements have disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 32(i) to the financial statements;
- viii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- ix. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.;
- x. (a) The respective managements of the Holding Company and its associates which are companies incorporated in India, whose financial statements have been audited under the Act, have represented that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding company or its associates 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.;
- (b) The respective managements of the Holding Company and its associates which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds have been received by the Holding Company or any of such associates from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) (c) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- xi. The company has not declared any dividend during the year.
- xii. Proviso to to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Holding Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the Financial Year ended March 31, 2023.

**For RAJENDRA SHARMA & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No.:- 108390W**

**(RAJENDRA RATANLAL SHARMA)**  
**PARTNER**  
**Membership No. : 044393**  
**UDIN: 23044393BGWXEW6181**

**Surat, 29<sup>th</sup> May, 2023**

**ANNEXURE “A” TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MOHIT INDUSTRIES LIMITED FOR YEAR ENDED ON 31ST MARCH, 2023  
(Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”))**

### **Opinion**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March 2023, we have audited the internal financial controls over financial reporting of **Mohit Industries Limited** (“the Company”) and its subsidiary companies which are companies incorporated in India, as of 31st March, 2023.

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, 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 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

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

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are 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”) issued by ICAI 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 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.

**For RAJENDRA SHARMA & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No.:- 108390W**

**(RAJENDRA RATANLAL SHARMA)**  
**PARTNER**  
**Membership No. : 044393**  
**UDIN: 23044393BGWXEW6181**

**Surat, 29<sup>th</sup> May, 2023**

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2023**
**(₹ in Lakhs)**

Particulars		Note No.	Figures as at 31-03-2023	Figures as at 31-03-2022
<b>I</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-Current Assets</b>			
	(a) Property, Plant & Equipment	<b>4</b>	2048.38	2181.11
	(b) Capital Work In Progress		-	-
	(c) Other Intangible Assets	<b>4</b>	0.98	1.77
	(d) Investment Properties	<b>5</b>	76.73	76.73
	(e) Financial Assets			
	(i) Investments	<b>6</b>	15882.29	11478.74
	(ii) Other Financial Assets	<b>7</b>	34.88	120.01
	(f) Other Non-Current Assets	<b>8</b>	20.82	21.63
	<b>SUB-TOTAL</b>		<b>18064.09</b>	<b>13879.99</b>
<b>2</b>	<b>Current Assets</b>			
	(a) Inventories	<b>9</b>	2469.00	2365.52
	(b) Financial Assets			
	(i) Trade Receivables	<b>10</b>	1798.39	1931.04
	(ii) Cash & Cash Equivalents	<b>11</b>	8.63	10.52
	(iii) Other Bank Balances	<b>12</b>	13.19	0.44
	(iv) Loans	<b>13</b>	862.00	833.06
	(c) Other Current Assets	<b>14</b>	952.80	861.84
	<b>SUB-TOTAL</b>		<b>6104.00</b>	<b>6002.42</b>
	<b>TOTAL</b>		<b>24168.09</b>	<b>19882.41</b>
<b>II</b>	<b>EQUITIES &amp; LIABILITIES</b>			
<b>A</b>	<b>Equity</b>			
	(a) Equity Share Capital	<b>15</b>	1415.76	1415.76
	(b) Other Equity		16648.81	12389.60
	<b>SUB-TOTAL</b>		<b>18064.57</b>	<b>13805.36</b>
<b>B</b>	<b>Liabilities</b>			
<b>1</b>	<b>Non- Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	<b>16</b>	828.39	1611.08
	(b) Deferred Tax Liability	<b>17</b>	177.70	179.95
	(c) Government Grants	<b>18</b>	-	10.34
	<b>SUB-TOTAL</b>		<b>1006.09</b>	<b>1801.37</b>
<b>2</b>	<b>Current Liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	<b>19</b>	4758.94	3602.92
	(ii) Trade Payables	<b>20</b>	307.07	607.07
	(iii) Other Financial liabilities	<b>21</b>	0.60	0.60
	(b) Other Current Liabilities	<b>22</b>	21.63	44.38
	(c) Current Tax Liabilities	<b>23</b>	9.20	20.72
	<b>SUB-TOTAL</b>		<b>5097.44</b>	<b>4275.68</b>
	<b>TOTAL</b>		<b>9949.83</b>	<b>9656.49</b>

Statement of Accounting Policies and Notes  
Forming Part of Financial Statements  
As per our Audit Report Attached

1 to 44

**For RAJENDRA SHARMA & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No.: 108390W**

**For & On Behalf of Board of Directors**

*Sd/-*  
**Narayan Saboo**  
**(Managing Director)**  
**DIN: 00223324**

*Sd/-*  
**Naresh Saboo**  
**(Director)**  
**DIN: 00223350**

*Sd/-*  
**(Rajendra Ratanlal Sharma)**  
**Partner**  
**M. No. 044393**  
**Surat, 29th May, 2023**

*Sd/-*  
**Manish Saboo**  
**(Director & CFO)**  
**DIN: 01576187**

*Sd/-*  
**Janvi Shirawala**  
**(Company Secretary)**  
**Membership No. A65093**

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2023**

		(₹ in Lakhs)		
Particulars		Note No.	Figures for the year ended on 31-03-2023	Figures for the year ended on 31-03-2022
<b>I.</b>	<b>Revenue from Operations</b>			
	Revenue from Operations	<b>24</b>	16718.57	16665.45
<b>II.</b>	<b>Other Income</b>	<b>25</b>	274.01	320.72
<b>III.</b>	<b>Total Revenue (I+II)</b>		<b>16992.58</b>	<b>16986.16</b>
<b>IV.</b>	<b>Expenses</b>			
	Cost of Materials Consumed	<b>26</b>	12593.86	12549.12
	Purchase of Traded Goods		925.25	633.49
	Changes in Inventories of Finished Goods & Trading Goods	<b>30</b>	-278.74	-175.60
	Employee Benefit Expenses	<b>27</b>	827.28	760.21
	Finance Costs	<b>28</b>	444.52	518.09
	Depreciation & Amortization	<b>4</b>	172.22	263.14
	Other Expenses	<b>29</b>	2437.18	2402.30
	<b>Total Expenses</b>		<b>17121.57</b>	<b>16950.75</b>
<b>V.</b>	<b>Profit / (Loss) Before Exceptional Item &amp; Tax</b>		<b>-128.99</b>	<b>35.42</b>
<b>VI.</b>	<b>Exceptional Item</b>	<b>31</b>	-	<b>0.81</b>
<b>VII.</b>	<b>Profit / (Loss) Before Prior Period Item</b>		<b>-128.99</b>	<b>36.23</b>
<b>VIII.</b>	<b>Prior Period Item (Income / (Expenses))</b>		-	-
<b>IX.</b>	<b>Profit / (Loss) Before Tax</b>		<b>-128.99</b>	<b>36.23</b>
<b>X.</b>	<b>Tax Expenses</b>			
	For Current Tax		-	20.72
	For Deferred Tax Charge / (Credit)		-2.24	-20.22
	Income Tax of Earlier Years		20.59	7.26
	<b>Sub-Total</b>		<b>18.34</b>	<b>7.76</b>
<b>XI.</b>	<b>Profit / (Loss) for the Period (After Tax)</b>		<b>-147.33</b>	<b>28.47</b>
<b>XII.</b>	<b>Share in Profit / (Loss) of Associates (net of tax)</b>		2.85	-16.05
<b>XIII.</b>	<b>Profit / (Loss) for the Period</b>		<b>-144.48</b>	<b>12.42</b>
	<b>Profit/(Loss) attributable to Non Controlling Interest</b>		-	-
	<b>Profit/(Loss) attributable to Owners of the Parent</b>		<b>-144.48</b>	<b>12.42</b>
<b>XIV.</b>	<b>OTHER COMPREHENSIVE INCOME</b>			
<b>A</b>	(i) Items that will not be reclassified to profit or loss			
	-- Equity Instruments valued at Fair Value Through OCI		414.20	569.63
	-- Share in OCI Of Associates		3989.49	7867.28
	(ii) Income Tax relating to items that will not be reclassified to profit or loss		-	-
<b>B</b>	(i) Items that will be reclassified to profit or loss		-	-
	(ii) Income Tax relating to items that will be reclassified to profit or loss		-	-

	<b>Other Comprehensive Income for the Period</b>		<b>4403.69</b>	<b>8436.91</b>
	Other Comprehensive Income attributable to Non Controlling Interest		-	-
	Other Comprehensive Income attributable to Owners of the Parent		4403.69	8436.91
<b>XV.</b>	<b>Total Comprehensive Income for the Period</b>		<b>266.86</b>	<b>598.10</b>
	Total comprehensive income attributable to Non-controlling Interest		-	-
	Total comprehensive income attributable to Owners of the Parent		4259.21	8449.33
<b>XVI.</b>	<b>Earnings per share (of Face Value of Rs. 10/- each)</b>	<b>37</b>		
	<b>(a) Basic</b>		<b>(1.04)</b>	<b>0.20</b>
	<b>(b) Diluted</b>		<b>(1.04)</b>	<b>0.20</b>

Statement of Accounting Policies and Notes  
Forming Part of Financial Statements  
As per our Audit Report Attached

1 to 44

**For & On Behalf of Board of Directors**

**For RAJENDRA SHARMA & ASSOCIATES  
Chartered Accountants  
Firm Registration No.: 108390W**

*Sd/-*  
**Narayan Saboo**  
(Managing Director)  
DIN: 00223324

*Sd/-*  
**Naresh Saboo**  
(Director)  
DIN: 00223350

*Sd/-*  
**(Rajendra Ratanlal Sharma)**  
Partner  
M. No. 044393  
Surat, 29th May, 2023

*Sd/-*  
**Manish Saboo**  
(Director & CFO)  
DIN: 01576187

*Sd/-*  
**Janvi Shirawala**  
(Company Secretary)  
Membership No.  
A65093

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2023**
**(₹ in Lakhs)**

PARTICULARS		2022-23	2021-22
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before tax and extra-ordinary items	-128.99	36.23
	<b>ADJUSTMENTS FOR:</b>		
	1. Depreciation & Amortization	172.22	263.14
	2. Interest & Dividend Classified as Investment Cash Flows	-100.93	-121.32
	3. Amortization of Government Grants	-10.34	-12.77
	4. (Profit) / Loss on sale of Fixed assets and Investments	-	-0.81
	5. (Profit) / Loss on sale of Investments	-1.75	-13.93
	<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>-69.80</b>	<b>150.54</b>
	<b>ADJUSTMENTS FOR:</b>		
	1. (Increase) / Decrease in Trade Receivables	132.65	-180.31
	2. (Increase) / Decrease in Other Assets	-92.76	-7.82
	3. (Increase) / Decrease in Inventories	-103.47	-178.99
	4. Increase / (Decrease) in Trade Payable	-300.00	143.37
	5. Increase / (Decrease) in Other Financial Liabilities	-	-
	6. Increase / (Decrease) in Other Current Liabilities	-22.75	-17.00
	<b>CASH GENERATED FROM OPERATIONS</b>	<b>-456.12</b>	<b>-90.21</b>
	1. Income Taxes Paid	-14.66	-57.73
	<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>A -470.78</b>	<b>-147.94</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
	1. Payment for Property, Plant & Equipment	-38.71	-27.92
	2. Proceeds from Sale/ Disposal of Property, Plant & Equipment	-	6.79
	3. Payment for Purchase of Investments	-3.00	-551.69
	4. Proceeds from sale of investments	7.74	113.06
	5. (Increase) / Decrease in Loans & Deposits	28.60	312.21
	6. Interest & Dividend Income	100.93	121.32
	<b>NET CASH USED IN INVESTMENT ACTIVITIES</b>	<b>B 95.57</b>	<b>-26.24</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	1. Increase / (Decrease) in Working Capital Borrowings	958.87	-878.78
	2. Increase / (Decrease) in Term Loan	-390.30	516.33
	3. Increase / (Decrease) in Unsecured Loans	-195.25	521.50
	<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>C 373.32</b>	<b>159.05</b>
	<b>NET INCREASE IN CASH &amp; CASH EQUIVALENTS</b>	<b>(A+B+C) -1.89</b>	<b>-15.12</b>
	CASH AND CASH EQUIVALENTS (OPENING)	10.52	25.64
	CASH AND CASH EQUIVALENTS (CLOSING)	8.63	10.52

Statement of Accounting Policies and Notes

**For RAJENDRA SHARMA & ASSOCIATES**  
Chartered Accountants  
Firm Registration No.: 108390W

Sd/-  
(Rajendra Ratanlal Sharma)  
Partner  
M. No. 044393  
Surat, 29th May, 2023

**For & On Behalf of Board of Directors**

Sd/-  
Narayan Saboo  
(Managing Director)  
DIN: 00223324

Sd/-  
Naresh Saboo  
(Director)  
DIN: 00223350

Sd/-  
Manish Saboo  
(Director & CFO)  
DIN: 01576187

Sd/-  
Janvi Shirawala  
(Company Secretary)  
Membership No. A65093

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2023**

(₹ in Lakhs)

**A. EQUITY SHARE CAPITAL FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2023**

Balance as at 1st April 2022	Changes in the Equity Share Capital during the Year	Balance as at 31 <sup>st</sup> March 2023
1415.76	-	1415.76

**EQUITY SHARE CAPITAL FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2022**

Balance as at 1st April 2021	Changes in the Equity Share Capital during the Year	Balance as at 31 <sup>st</sup> March 2022
1415.76	-	1415.76

**B. OTHER EQUITY FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH 2023**

PARTICULARS	RESERVES AND SURPLUS			OTHER RESERVES	TOTAL
	Securities Premium Reserve	General Reserve	Retained Earnings	FVOCI - Equity Instruments	
<b>Opening Balance as at 1st April 2022</b>	587.67	-	1200.18	10601.75	12389.60
Profit for the Year	-	-	-144.48	-	-144.48
Other Comprehensive Income of last year	-	-	-	4403.69	4403.69
<b>Closing Balance as at 31st March 2023</b>	<b>587.67</b>	-	<b>1055.70</b>	<b>15005.44</b>	<b>16648.81</b>

**OTHER EQUITY FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH 2022**

PARTICULARS	Reserves & Surplus			Other Comprehensive Income	TOTAL
	Securities Premium Reserve	General Reserve	Retained Earnings	Equity Instruments Through other Comprehensive Income	
<b>Opening Balance as at 1st April 2020</b>	587.67	-	1187.76	2164.84	3940.28
Profit for the Year	-	-	12.42	-	12.42
Other Comprehensive Income of the year	-	-	-	8436.91	8436.91
<b>Closing Balance as at 31st March 2022</b>	<b>587.67</b>	-	<b>1200.18</b>	<b>10601.75</b>	<b>12389.60</b>

Statement of Accounting Policies and Notes

**For RAJENDRA SHARMA & ASSOCIATES**  
 Chartered Accountants  
 Firm Registration No.: 108390W

*Sd/-*  
 (Rajendra Ratanlal Sharma)  
 Partner  
 M. No. 044393  
 Surat, 29th May, 2023

**For & On Behalf of Board of Directors**
*Sd/-*  
 Narayan Saboo  
 (Managing Director)  
 DIN: 00223324

*Sd/-*  
 Manish Saboo  
 (Director & CFO)  
 DIN: 01576187

*Sd/-*  
 Naresh Saboo  
 (Director)  
 DIN: 00223350

*Sd/-*  
 Janvi Shirawala  
 (Company Secretary)  
 Membership No. A65093

**Notes Forming Part of Financial Statements for the year ended 31st March, 2023****1. CORPORATE INFORMATION**

Mohit Industries Limited ('the company') is a public limited company domiciled in India and incorporated under the provisions of the Company Law. Its shares are listed on BSE and NSE. The company is having its head quarters in Surat and plants at Kim. The company is primarily engaged in manufacture of Texturized Yarn from POY and weaving of the Yarn to Grey Cloth.

The consolidated financial statements comprise financial statements of Mohit Industries Limited ('the Company'), its subsidiaries and associate (collectively, the Group) for the year ended 31<sup>st</sup> March, 2018.

**2. BASIS OF PREPARATION**

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016.

**3. SIGNIFICANT ACCOUNTING POLICIES****3.1 Presentation and disclosure of financial statements**

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31st March 2018. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

**3.2 Consolidation procedure**

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the



- subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
  - (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS - 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group's investment in its associate is accounted for using the equity method. Under the equity method, the investment in an associate is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

### 3.3 Goodwill / Capital Reserve on consolidation

The excess of cost to the Parent company of its investment in Subsidiary Companies and Associate Companies over the Parent Company's portion of equity, at the date on which investment in Subsidiaries and Associate Companies is made, is recognized as Goodwill in the Consolidated Financial Statements. When the cost to the Parent Company is less than the Parent Company's portion of equity, the difference is recognized in the financial statements as Capital Reserve. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

### 3.4 Other significant accounting policies

These are set out under "Significant Accounting Policies" as given in separate financial statements of Parent and subsidiary.

**4. PROPERTY, PLANT & EQUIPMENT**
**(₹ in Lakhs)**

PARTICULARS	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
	Balance as at 1st April 2022	Additions / Adjustments	Disposals / Retirements	Balance as at 31st March, 2023	Balance as at 1st April, 2022	Depreciation Charge for the year	On Disposals	Balance as at 31st March, 2023	Balance as at 31st March, 2023	Balance as at 31st March, 2022
Land	161.55	-	-	161.55	-	-	-	-	161.55	161.55
Factory Building	2186.70	-	-	2186.70	651.45	70.26	-	721.71	1464.99	1535.26
Office Building	33.80	-	-	33.80	8.24	0.54	-	8.78	25.02	25.56
Plant & Machinery	2300.67	29.39	-	2330.06	2087.36	52.21	-	2139.57	190.49	213.31
Generator Set	46.21	-	-	46.21	43.90	0	-	43.90	2.31	2.31
Water Jet Looms	747.59	-	-	747.59	707.15	3.05	-	710.21	37.38	40.43
Water Jet Imported	584.34	-	-	584.34	545.97	9.15	-	555.12	29.22	38.36
Electric Installation	219.80	-	-	219.80	175.47	6.80	-	182.27	37.53	44.33
Office & Factory Equipments	132.81	-	-	132.81	100.24	9.07	-	109.31	23.50	32.57
Vehicles	136.34	9.32	-	145.66	64.90	15.15	-	80.05	65.61	71.44
Furniture	34.98	-	-	34.98	26.95	1.50	-	28.45	6.54	8.03
Diesel Tank	1.61	-	-	1.61	1.61	-	-	1.61	-	-
Computer	69.37	-	-	69.37	61.42	3.69	-	65.11	4.25	7.95
<b>Total Tangible Assets</b>	<b>6655.76</b>	<b>38.71</b>	<b>-</b>	<b>6694.47</b>	<b>4474.66</b>	<b>171.43</b>	<b>-</b>	<b>4646.08</b>	<b>2048.38</b>	<b>2181.11</b>
<b>INTANGIBLE ASSETS</b>										
Computer Software	11.29	-	-	11.29	9.52	0.79	-	10.31	0.98	1.77
<b>Total Intangible Assets</b>	<b>11.29</b>	<b>-</b>	<b>-</b>	<b>11.29</b>	<b>9.52</b>	<b>0.79</b>	<b>-</b>	<b>10.31</b>	<b>0.98</b>	<b>1.77</b>
<b>Previous Year</b>	<b>6671.75</b>	<b>27.92</b>	<b>32.62</b>	<b>6667.05</b>	<b>4247.68</b>	<b>263.14</b>	<b>26.64</b>	<b>4484.17</b>	<b>2182.88</b>	<b>2424.07</b>

**Notes Forming Part of Financial Statements for year ended 31<sup>st</sup> March, 2023**
**(₹ in Lakhs)**
**5. Investment Properties**

Particulars	As At 31st March, 2023	As At 31st March, 2022
<i>Gross Carrying Amount</i>		
Opening Gross Carrying Amount	76.73	76.73
Additions	-	-
Closing Gross Carrying Amount	76.73	76.73
<i>Accumulated Depreciation</i>		
Opening Accumulated Depreciation	-	-
Additions	-	-
Closing Accumulated Depreciation	-	-
<b>Net Carrying Amount</b>	<b>76.73</b>	<b>76.73</b>

**6. Non-Current Investments**

Particulars		As At 31st March, 2023	As At 31st March, 2022
<b>A. Equity Accounted Associates</b>			
	<b>No. of Shares</b>		
<b>(a) Mohit Yarns Ltd.</b>	<b>663000</b>		
Original Cost		157.23	157.23
Share in Profit / (Loss) in Associate		143.84	141.78
Share in OCI of Associate		8509.07	6062.77
<b>Carrying amount at year end</b>		<b>8810.14</b>	<b>6361.78</b>
<b>(b) Mohit Overseas Limited</b>	<b>394000</b>		
Original Cost		37.99	37.99
Share in Profit / (Loss) in Associate		63.03	62.24
Share in OCI of Associate		5502.32	3959.13
<b>Carrying amount at year end</b>		<b>5603.34</b>	<b>4059.35</b>
<b>Investment in Equity Instruments (Fully Paid Up)</b>			
<b>(i) Unquoted</b>	<b>No. of Shares</b>		
(a) Sasmi Co-op. Society Ltd.		0.07	0.07
(b) ITC Co-op. Hsg. Soc. Ltd.	5	0.0	0.0
(c) Shamrao Vithal Co.op Bank	100	0.03	0.03
<b>(ii) Quoted</b>	<b>No. of Shares</b>		
(a) Birla Power Solutions (Cost of Rs. NIL)	5999	0.01	0.01
(b) BigBloc Construction Limited (Cost of Rs. 4,74,44,393/-)	1151024	1468.71	1054.34
(c) Bhatia Communication & Retail	0	-	0.70
(d) Yes Bank Ltd.	0	-	2.46
<b>TOTAL</b>		<b>15882.29</b>	<b>11478.74</b>

**7. Non-Current Financial Assets - Other Financial Assets**

Particulars	As At 31st March, 2023	As At 31st March, 2022
<b>(Unsecured, Considered Good by Directors)</b>		
(a) Security Deposits	34.88	120.01
<b>TOTAL</b>	<b>34.88</b>	<b>120.01</b>

**8. Other Non-current Assets**

Particulars	As At 31st March, 2023	As At 31st March, 2022
(a) Capital Advances	20.82	21.63
<b>TOTAL</b>	<b>20.82</b>	<b>21.63</b>

**9. Inventories**

Particulars	As At 31st March, 2023	As At 31st March, 2022
(a) Raw Materials & Stock in process	1042.42	1196.95
(b) Finished Goods	1363.22	1084.48
(c) Yarn Oil	20.20	20.41
(d) Packing Material	31.21	51.79
(e) Stores & Spares	11.94	11.89
<b>TOTAL</b>	<b>2469.00</b>	<b>2365.52</b>

**10. Trade Receivable**

Particulars	As At 31st March, 2023	As At 31st March, 2022
Sundry Debtors (Unsecured, considered good by Directors)	1679.64	1738.89
Other Trade Receivables (Unsecured, considered good by Directors)	118.75	192.15
<b>TOTAL</b>	<b>1798.39</b>	<b>1931.04</b>

**TRADE RECEIVABLE AGEING SCHEDULE AS ON 31<sup>ST</sup> MARCH, 2023**

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	1580.73	15.90	8.63	9.78	106.09	1721.15
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	2.91	18.85	-	-	55.48	77.24
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

**TRADE RECEIVABLE AGEING SCHEDULE AS ON 31<sup>ST</sup> MARCH, 2022**

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	1691.25	24.02	30.15	7.52	178.12	1931.04
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

**11. Cash & Cash Equivalents**

Particulars	As At 31st March, 2023	As At 31st March, 2022
<b>(a) Cash on Hand</b>	8.03	7.37
(b) Balances in Bank in Current Account	0.60	3.14
(c) Balances in Bank in EEFC Account	-	0.01
<b>TOTAL</b>	<b>8.63</b>	<b>10.52</b>

**12. Other Bank Balances**

Particulars	As At 31st March, 2023	As At 31st March, 2022
(a) Balances with Bank in F.D. (As margin Deposits)	13.19	0.44
<b>TOTAL</b>	<b>13.19</b>	<b>0.44</b>

**13. Loans**

Particulars	As At 31st March, 2023	As At 31st March, 2022
<b>(Unsecured, considered good by Directors)</b>		
(a) Loans & Advances Given		
-- To Related Parties	-	-
-- To Others	862.00	833.06
<b>TOTAL</b>	<b>862.00</b>	<b>833.06</b>

**14. Other Current Assets**

Particulars	As At 31st March, 2023	As At 31st March, 2022
<b>(Unsecured, considered good by Directors)</b>		
(a) Interest Accrued on Bank FDR	0.58	0.02
(b) Advance to Suppliers	93.81	64.53
(c) Balances with Revenue / Government Authorities	825.34	734.30
(d) Other Advances	33.08	62.99
<b>TOTAL</b>	<b>952.80</b>	<b>861.84</b>

**15. Share Capital**

Particulars	As At 31st March, 2023	As At 31st March, 2022
<b>Authorized Share Capital</b>		
2,50,00,000 equity shares of Rs. 10/- each (As at 31-03-2022: 2,50,00,000 equity shares)	2500.00	2500.00
<b>Issued Share Capital</b>		
1,46,82,900 Equity Shares of Rs. 10/- each (As at 31-03-2022, 1,46,82,900 equity shares)	1468.29	1468.29
<b>Subscribed &amp; Fully Paid Up</b>		
1,41,57,575 equity shares of Rs. 10/- each, fully paid up (as at 31-03-2022, 1,41,57,575 equity shares of Rs. 10/- each )	1415.76	1415.76
<b>TOTAL</b>	<b>1415.76</b>	<b>1415.76</b>

**15.1** The Company has only one class of shares referred to as Equity Shares having face value of Rs. 10/- each. Each equity Shareholder is eligible for one vote per share held.

**15.2** Reconciliation of No. of Equity Shares Outstanding at the Beginning & End of the reporting period:

Particulars	As At 31st March, 2023	As At 31st March, 2022
Shares Outstanding at the Beginning of the Year	1,41,57,575	1,41,57,575
(+) Shares Issued during the year	-	-
(-) Shares Buy-back During the year	-	-
Shares Outstanding at the End of the year	1,41,57,575	1,41,57,575

**15.3 Shares in the company held by each shareholder holding more than 5% Equity Shares**

Name of Shareholder	Equity Shares			
	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mask Investments Limited	14,28,881	10.09%	14,28,881	10.09%
Mohit Overseas Limited	15,98,622	11.29%	15,98,622	11.29%
Mohit Yarns Limited	19,70,609	13.92%	19,70,609	13.92%
Narayan Sitaram Saboo	7,85,779	5.55%	7,85,779	5.55%

**15.4 Shares in the company Held by promoter at the end of the year**

Sr. No.	Promoter Name	No. of Shares held as on 31 <sup>st</sup> March, 2023	% of Total Shares Held	% Change during the year	No. of Shares held as on 31 <sup>st</sup> March 2022	% of Total Shares Held
1	Naresh Sitaram Saboo	2,68,445	1.90%	242.30%	78,424	0.55%
2	Narayan Sitaram Saboo	7,85,779	5.55%	0.00%	7,85,779	5.55%
3	Narayan Sitaram Saboo - HUF	27,866	0.20%	0.00%	27,866	0.20%
4	Manish N. Saboo	75,440	0.53%	0.00%	75,440	0.53%
5	Sitaram Nandlal Saboo - HUF	30,100	0.21%	0.00%	30,100	0.21%
6	Ayushi Manish Saboo	60,000	0.42%	0.00%	60,000	0.42%
7	Madhu Narayan Saboo	6,21,878	4.39%	0.00%	6,21,878	4.39%
8	Sitaram Nandlal Saboo	0	0.00%	-100.00%	1,90,021	1.34%
9	Sonia Naresh Saboo	60,000	0.42%	0.00%	60,000	0.42%
10	Mohit Narayan Saboo	1,62,836	1.15%	0.00%	1,62,836	1.15%
11	Mohit Yarns Limited	19,70,609	13.92%	0.00%	19,70,609	13.92%
12	Mohit Overseas Limited	15,98,622	11.29%	0.00%	15,98,622	11.29%
13	Mask Investments Limited	14,28,881	10.09%	0.00%	14,28,881	10.09%
14	Mohit Exim Private Limited	6,00,000	4.24%	0.00%	6,00,000	4.24%

**16. Non-Current Financial Liabilities – Borrowings**

Particulars	As At 31 <sup>st</sup> March, 2023	As At 31 <sup>st</sup> March, 2022
<b>(a) Secured Loans - At Amortised Cost</b>		
<b>(i) Term Loans - from Banks &amp; NBFC</b>		
-- Term Loans from Banks	1206.98	1587.32
-- Car Loans	26.57	36.54
	1233.55	1623.85
Less:- (a) Current Maturities of Long Term Debts	539.20	385.67
(b) Interest Accrued But not Due	-	-
<b>Sub-Total</b>	<b>694.36</b>	<b>1238.18</b>
<b>(b) Unsecured - At Amortised Cost</b>		
<b>(i) Loans from Director</b>	134.03	372.90
Less:- (a) Current Maturities of Long Term Debts	-	-
(b) Interest Accrued But not Due	-	-
<b>Sub-Total</b>	<b>134.03</b>	<b>372.90</b>
<b>TOTAL</b>	<b>828.39</b>	<b>1611.08</b>

**16.1** Car Loans from Bank & Financial Institutions are secured by hypothecation of Motor Cars for which loan has been taken.

**16.2** Term Loans from Banks are secured by hypothecation of all the fixed assets of the company.

**16.3** Term Loan from Banks are also secured by entire Land & Building of the Company located at Kudsad-Kim, Olpad, Taluka, Surat.



**16.4** The Term Loans are also secured against Flat at Soffitel Tower, Surat and Office at International Trade Center, Surat of the company. Term Loan is also secured against peronal properties of directors and sister concern M/s Mohit Yarns Ltd. All the term loans are guaranteed by directors of the Company.

**16.5** Terms of Repayment of Term Loans:-

(a) Term Loans of Axis Bank are repayment in Monthly installmnets of Rs. 914750/-; Rs. 1300000/- and Rs. 11,58,000/- each and shall be repaid by December, 2024; March, 2025 and November 2026. The rate of interest is 9.50% p.a.

Term loan of SVC Bank of Rs. 413 Lakhs (O/s Amount Rs. 217.15 Lakhs) shall be repaid in monthly installments of Rs. 17,84,788/- and shall be repaid by June, 2024. The rate of interest is 10% p.a.

(b) Car Loan taken from ICICI bank is repayable in installments of Rs. 11,841/- each.

(c) Car Loan taken from BMW Financial Services is repayable in installments of Rs. 99,059/- each.

**17. Deferred Tax Liabilities**

Particulars	As At 31st March, 2023	As At 31st March, 2022
<b>Deferred Tax Liabilities</b>		
Property, Plant & Equipment	178.46	181.09
<b>Deferred Tax Assets:</b>		
Demerger Expenses (Deferred in Income Tax)	-0.76	-1.14
<b>Net Deferred Tax Liability / (Asset)</b>	<b>177.70</b>	<b>179.95</b>

**18. Government Grants**

Particulars	As At 31st March, 2023	As At 31st March, 2022
Opening Balances	10.34	23.11
Add:- Grants During the Year	-	-
Less:- Released to profit and loss	10.34	12.77
<b>TOTAL</b>	<b>-</b>	<b>10.34</b>

**19. Current Financial Liabilities – Borrowings**

Particulars	As At 31st March, 2023	As At 31st March, 2022
<b>(a) Secured Loans - At Amortised Cost</b>		
(i) Cash Credit Limit From Banks	2929.52	1292.70
(ii) Export Packing Credit Limit	235.53	913.49
<b>Sub-Total</b>	<b>3165.05</b>	<b>2206.18</b>
<b>(b) Current Maturities of Long Term Debt</b>		
<b>Sub-Total</b>	<b>539.20</b>	<b>385.67</b>
<b>(c) Unsecured Loans - At Amortised Cost</b>		
(i) From Companies (Repayable on demand)	76.75	163.94
(ii) From Related Parties Companies	-	8.89
(iii) From Directors & Their relatives	977.94	838.23
<b>Sub-Total</b>	<b>1054.69</b>	<b>1011.06</b>
<b>TOTAL</b>	<b>4758.94</b>	<b>3602.92</b>

**19.1** Cash Credit Limit & Export Packing Credit Limit is secured against First paripassu charge on the stock, book debts and entire current assets of the company. It is also secured by charge over assets mentioned in Note No. 16.3 and 16.4 above.

**20. Current Financial Liabilities - Trade Payables**

Particulars	As At 31st March, 2023	As At 31st March, 2022
A. Total outstanding dues of micro enterprises and small enterprises (See Note No. 38)	85.53	8.04
B. Total outstanding dues of creditors other than micro enterprises and small enterprises	221.54	599.03
<b>TOTAL</b>	<b>307.07</b>	<b>607.07</b>

**TRADE PAYABLE DUE FOR PAYMENT**

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	83.46	0.52	-	1.55	85.53
(ii) Others	200.74	7.05	0.74	2.07	210.59
(iii) Disputed Dues-MSME	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	10.95	10.95

**TRADE PAYABLE AGEING SCHEDULE AS ON 31<sup>ST</sup> MARCH, 2022**

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	7.66	0.38	-	-	8.04
(ii) Others	545.48	1.20	7.42	44.93	599.03
(iii) Disputed Dues-MSME	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-

**21. Other Financial Liabilities**

Particulars	As At 31st March, 2023	As At 31st March, 2022
(a) Interest Accrued but Not Due	-	-
(b) Unclaimed Dividend	0.60	0.60
<b>TOTAL</b>	<b>0.60</b>	<b>0.60</b>

**22. Other Current Liabilities**

Particulars	As At 31st March, 2023	As At 31st March, 2022
(a) Statutory Dues Payable	16.27	34.38
(b) Advance from Customers	5.36	10.00
<b>TOTAL</b>	<b>21.63</b>	<b>44.38</b>

**23. Current Tax Liabilities**

Particulars	As At 31st March, 2023	As At 31st March, 2022
Income Tax Payable	9.20	-
Provision for Tax	-	20.72
<b>TOTAL</b>	<b>9.20</b>	<b>20.72</b>

**24. Revenue from Operations**

Particulars	For Year Ended on 31st March, 2023	For Year Ended on 31st March, 2022
(a) Sales of Services (Job Charges Received)	5.09	1.69
(b) Sales of Services (Job work income)		
-- Finished Goods	15568.97	16014.14
-- Traded Goods	810.41	317.73
(c) Other Operating Revenues		
-- Export Benefits	154.48	257.78
-- Commission Received	179.62	74.11
<b>TOTAL</b>	<b>16718.57</b>	<b>16665.45</b>

**25. Other Income**

Particulars	For Year Ended on 31st March, 2023	For Year Ended on 31st March, 2022
Dividend Received	2.31	1.32
Net Gain from Foreign Currency Transaction & Translation	78.17	81.60
Interest Received from Debtors	39.78	52.12
Interest Received on Bank FD & Loans given	98.62	120.00
Government Grant	10.34	12.77
Balances w/back	6.73	3.84
Profit/(Loss) from Derivative Trading	-1.28	10.95
Profit/(Loss) from Sales of Shares	1.75	13.93
Rent Income	11.00	15.00
Interest received on Excise Refund	2.56	-
Insurance Claim Received	24.02	9.19
<b>TOTAL</b>	<b>274.01</b>	<b>320.72</b>

**26. Cost of Materials Consumed**

Particulars	For Year Ended on 31st March, 2023	For Year Ended on 31st March, 2022
Raw Material Consumed	12593.86	12549.12
<b>TOTAL</b>	<b>12593.86</b>	<b>12549.12</b>

**27. Employee Benefit Expenses**

Particulars	For Year Ended on 31st March, 2023	For Year Ended on 31st March, 2022
Salary, Wages & Bonus	787.35	723.91
Staff Welfare Expenses	16.23	13.28
Contribution to Provident Fund & other Funds	23.70	23.02
<b>TOTAL</b>	<b>827.28</b>	<b>760.21</b>

**28. Finance Costs**

Particulars	For Year Ended on 31st March, 2023	For Year Ended on 31st March, 2022
Interest	406.91	384.95
Other Bank & Finance Charges	37.61	133.14
<b>TOTAL</b>	<b>444.52</b>	<b>518.09</b>

**29. Other Expenses**

Particulars	For Year Ended on 31st March, 2023	For Year Ended on 31st March, 2022
<b><u>Manufacturing Expenses</u></b>		
Stores & Spares consumed	126.18	130.79
Power & Fuel	845.69	779.11
Yarn Oil Consumed	378.55	299.21
Packing Material Consumed	421.07	454.55
Job Charges Paid	0.15	0.32
Factory Expenses	23.26	23.59
Machinery Rent	-	5.00
Carriage Inward	-	0.15
<b>(a)</b>	<b>1794.89</b>	<b>1692.73</b>
<b><u>Establishment Expenses</u></b>		
Repairs to Machinery	42.98	53.48
Travelling & Conveyance	64.82	90.95
Computer Expenses	2.06	3.45
Demat Charges	0.01	0.09
Donation	0.76	0.22
Electricity Expense	4.62	4.46
Office & General Expense	15.01	17.56
Interest on Creditors & Taxes	3.02	6.56
Membership Fees	2.19	4.68
Printing & Stationery	3.95	4.29
Communication expense	7.40	7.33
Legal & Professional Expense	34.88	31.10
Insurance	16.18	14.56
Rates & Taxes	0.69	2.28
Software Expense	1.60	0.60
Excise Duty Expenses	4.54	-
GST expense	7.68	0.07
GST Penalty	0.46	-
Security Service Charges	27.54	23.76
<b>(b)</b>	<b>240.40</b>	<b>265.45</b>
<b><u>Selling and Distribution Expenses</u></b>		
Commission & Brokerage	19.64	16.36
Discount	4.84	6.92
Loss on Sale of RoDTEP Scrip	3.19	8.10
Export Expenses	290.17	342.72
Carriage Outward	80.22	63.03
Cartage Expense	2.39	1.71
Sales Promotion	0.83	4.30
Advertisement	0.61	0.96
<b>(c)</b>	<b>401.89</b>	<b>444.12</b>
<b>TOTAL (a+b+c)</b>	<b>2437.18</b>	<b>2402.30</b>

**30. Changes in Inventories of Finished Goods**

Particulars	For Year Ended on 31st March, 2023	For Year Ended on 31st March, 2022
Opening Stock of Finished Goods	1084.48	908.87
Less:- Closing Stock of Finished Goods	1363.22	1084.48
<b>TOTAL</b>	<b>-278.74</b>	<b>-175.60</b>

**31. Exceptional Item**

Particulars	For Year Ended on 31st March, 2023	For Year Ended on 31st March, 2022
(a) Profit / (Loss) on Sale of Fixed Assets	-	0.81
<b>TOTAL</b>	<b>-</b>	<b>0.81</b>

**32. CONTINGENT LIABILITY & COMMITMENTS**
**(iii) Contingent Liability in Respect of**

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>(k)</b> Gujarat Entry Tax Demand of F.Y. 2006-07 pending at appeal stage* * The Tribunal has set-aside the order to First Appellate Authority. The management states that the demand is not sustainable in law.	433.18	433.18
<b>(l)</b> Gujarat Entry Tax Demand of F.Y. 2009-10 pending at appeal stage* * The Tribunal has set-aside the order to First Appellate Authority. The management states that the demand is not sustainable in law.	513.83	513.83
<b>(m)</b> Gujarat VAT Demand of F.Y. 2010-11 (Tax and Penalty)* Gujarat Entry Tax Demand of F.Y. 2010-11 pending at appeal stage* * The appeal against above demands is pending before First Appellate Authority. The management states that Tribunal has deleted identical demand of FY 2009-10 in case of VAT and demand in case of Entry Tax has been set aside for FY 2009-10 to First Appellate Authority and thus demand raised is not sustainable in law.	301.49 323.53	301.49 323.53
<b>(n)</b> Gujarat VAT Demand of F.Y. 2011-12 (Tax and Penalty)* Gujarat Entry Tax Demand of F.Y. 2011-12 pending at appeal stage* * The appeal against above demand is pending before First Appellate Authority (Set aside by Tribunal). The management states that this demand is not sustainable in law.	72.05 577.26	72.05 577.26
<b>(o)</b> Gujarat Entry Tax Demand of F.Y. 2007-08 pending at appeal stage* * The appeal against above demand is pending before First Appellate Authority. The management states that this demand is not sustainable in law.	1097.26	1097.26
<b>(p)</b> Gujarat VAT Demand of F.Y. 2012-13 (Tax and Penalty)* Gujarat CST Demand of F.Y. 2012-13 (Tax and Penalty)* Gujarat Entry Tax Demand of F.Y. 2012-13 (Tax and Penalty)* * The appeal against above demands is pending before Second Appellate Authority. * The appeal against above demands is pending before First Appellate Authority. The management states that Tribunal has deleted identical demand of FY 2009-10 in case of VAT and demand in case of Entry Tax has been set aside for FY 2009-10 to First Appellate Authority and thus demand raised is not sustainable in law.	14.10 4.47 339.64	14.10 4.47 339.64
<b>(q)</b> Excise Duty Demands/ Excise Rebate rejected pending at various Appellate Stages.	146.48	213.41
<b>(r)</b> Excise Duty Demand and Penalty for period April, 2016 to June, 2017.	-	848.02
<b>(s)</b> Income Tax Demand of A.Y. 2014-15 disputed in appeal (effect in A.Y. 2018-19).	53.81	6.48
<b>(t)</b> Income Tax Demand of A.Y. 2011-12 disputed in appeal.	5.71	5.71

**(iv) Commitments**

- (a) Estimated amount of contracts remaining to be executed on capital account and not provided for is NIL (P.Y. NIL) against which advance paid is Rs. 20.82 Lakhs (P.Y. Rs. 21.63 Lakhs).
- (b) Uncalled Liability on shares and other investments partly paid Rs. Nil (P.Y. Rs. Nil).
- (c) Other Commitments Rs. Nil (P.Y. Rs. Nil).

**33. PAYMENT TO AUDITORS**

Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Audit Fees (Including Tax Audit Fees)	3.25	3.25
For Taxation Matters	-	-
<b>TOTAL</b>	<b>3.25</b>	<b>3.25</b>

**34.**

Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
(d) Value of imports	1410.05	313.28
(e) Expenditure in Foreign Currency	-	-
(f) Amount remitted in foreign currency on dividend A/c.	-	-

**35.**

Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
(c) Exports on F.O.B.	3260.83	5160.16
(d) Earnings in Foreign Currency	-	-

**36. RELATED PARTY RELATIONSHIP AND TRANSACTION**
**A. Name of Related Parties & Nature of Relationships**
**(a) Associates**

- |                           |                        |
|---------------------------|------------------------|
| 1. Mohit Overseas Limited | 2. Mohit Yarns Limited |
|---------------------------|------------------------|

**(b) Enterprises Controlled by Key Managerial Personnel & their relatives**

- |  |   |
|--|---|
| 1. Soul Clothing Private Limited             | 5. Mohit Texport Private Limited                    |
| 2. Mohit Exim Private Limited                | 6. Mask Investments Limited                         |
| 3. Bigbloc Construction Limited              | 7. Starbigbloc Building Material Pvt. Ltd.          |
| 4. Bigbloc Building Elements Private Limited | 8. Siam Cement Bigbloc Cons. Technologies Pvt. Ltd. |

**(c) Key Managerial Personnel**

- |                          |                         |
|--------------------------|-------------------------|
| 1. Narayan Sitaram Saboo | 3. Manish Narayan Saboo |
| 2. Naresh Sitaram Saboo  | 4. Mittal Shah          |



**B. Transactions with Related Parties**

Particulars	Enterprises Controlled by Key Management personnel		Subsidiary		Associates		Key Managerial Personnel & Their Relatives	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>Transaction during the year</b>								
(a) Loans / Advances Given	40.50	75.00	-	-	-	-	-	-
(b) Repayment of Loans/Advances Given	40.50	95.00	-	-	-	-	-	-
(c) Purchase of Goods	-	-	-	-	275.45	686.05	-	-
(d) Sales of Goods	-	-	-	-	271.20	677.47	-	-
(e) Interest Paid	16.85	9.88	-	-	-	-	-	-
(f) Unsecured Loan / Advances Taken	828.56	947.34	-	-	-	-	1386.46	632.20
(g) Repayment of Unsecured Loan / Advances Taken	852.61	947.34	-	-	-	-	1246.76	124.53
(h) Rent Income	11.00	15.00	-	-	-	-	-	-
(i) Purchase of Machinery	-	-	-	-	8.00	-	-	-
(j) Machinery Rent paid	-	-	-	-	-	5.00	-	-
<b>S</b>								
(a) Trade Payables	-	-	-	-	-	225.85	-	-
(b) Trade Receivables	-	-	-	-	-	266.02	-	-
(c) Unsecured Loans	-	8.89	-	-	-	-	1111.97	1211.13
(d) Loans / Advance Given	1.64	-	-	-	-	-	-	-
(e) Investments (Share)	-	-	-	-	195.22	195.22	-	-

**C. Disclosure in respect of Material Related party transaction during the year**

Particulars	Enterprises Controlled by Key Management personnel	Subsidiary	Associates	Key Management Personnel & Relatives of Key Management Personnel
(a) Sales of Goods				
- Mohit Overseas Ltd.	-	-	271.20	-
(b) Purchase of Machinery				
- Mohit Overseas Ltd.	-	-	8.00	-
(c) Interest Paid				
- Bigbloc Construction Ltd.	2.56	-	-	-
- Starbigbloc Building Material Pvt. Ltd.	14.29	-	-	-
(d) Purchase of Goods				
-- Mohit Overseas Ltd.	-	-	275.45	-
(e) Unsecured Loans / Advances Taken				
- Narayan Saboo	-	-	-	971.62
- Naresh Saboo	-	-	-	298.71
- Manish Saboo	-	-	-	116.13
- Bigbloc Construction Ltd.	250.06	-	-	-
- Starbigbloc Building Material Pvt. Ltd.	578.50	-	-	-
(f) Repayment of Unsecured Loans / Advances Taken				
- Narayan Saboo	-	-	-	727.42
- Naresh Saboo	-	-	-	349.54
- Manish Saboo	-	-	-	169.65
- Narayan Saboo (HUF)	-	-	-	0.15
- Bigbloc Construction Ltd.	253.57	-	-	-
- Starbigbloc Building Material Pvt. Ltd.	599.04	-	-	-
(g) Rent Income				
- Siam Cement Bigbloc Cons Technologies Pvt Ltd	11.00	-	-	-
(h) Advance Given				
- Mohit Texport Pvt. Ltd.	40.50	-	-	-
(i) Repayment Advances Given				
- Mohit Texport Pvt. Ltd.	40.50	-	-	-

**37. EARNINGS PER SHARE**

Sr. No.	Particulars	Unit of Measurement	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
1	Net Profit / (Loss ) after tax	Rs.	(144.48)	12.42
2	Weighted Average Number of Equity Shares	Number	141.58	141.58
3	Earnings Per Share - Basic & Diluted	Rs.	(1.02)	0.09

**38. Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)**

Sr. No.	Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>A</b>	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	85.53	8.04
<b>B</b>	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
<b>C</b>	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
<b>D</b>	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during year	-	-
<b>E</b>	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
<b>F</b>	Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-

The above information disclosure regarding Trade Payables of Micro, Small and Medium Enterprises is made by the Management as per information from suppliers' regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and relied upon by Auditors. The liability to pay interest u/s 16 of MSMED Act is provided in books of accounts as and when same is claimed by supplier by raising Debit Note in respect of the same. Accordingly, the above disclosure has been given as per liability of Trade Payable shown in the books of accounts of the company.

**39. Segment Reporting**

In line with Accounting Standard 17 on 'Segment Reporting', taking into account the organizational structure, product type as well as the differing risks and returns criterion, the Company is engaged in only one reportable segment viz. "Textiles".

**40. Disclosure pursuant to Indian Accounting Standard 19 'Employee benefits'**

(C) The Company has recognized the following amounts towards defined contribution plans as an expense and included in the Statement of Profit and Loss.

Particulars	F.Y. 2022-23	F.Y. 2021-22
Provident Fund	22.73	22.05
Employees' State Insurance	0.97	0.97

(D) The company has not provided for Post Employment Benefits and other long term employee benefits under Defined Benefit Plans on accrual basis but provides the same as and when they become due for payment. Accordingly, the following amounts have been provided as expenses during the year and charged in the Statement of Profit and Loss as they have become due:

Particulars	F.Y. 2022-23	F.Y. 2021-22
Gratuity	18.63	3.37

**41. Income Tax**

(C) **Income tax expense in the statement of profit and loss consists of:**

Particulars	F.Y. 2022-23	F.Y. 2021-22
Current income tax:		
-- In respect of the current period	-	20.72
-- In respect of the prior periods	20.59	7.26
Deferred tax		
-- In respect of the current period	-2.24	-20.22
<b>Income tax expense recognized in the statement of profit or loss</b>	<b>18.34</b>	<b>7.76</b>

(D) The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

Particulars	F.Y. 2022-23	F.Y. 2021-22
Profit Before Tax	-128.99	36.23
Enacted Income Tax Rate in India	25.17%	25.17%
<b>Computed Expected Tax Expenses</b>	<b>(32.46)</b>	<b>9.12</b>
Effect of		
-- Deferred Tax	-2.24	-20.22
-- Adjustment to Current tax for prior periods	20.59	7.26
-- Impact of charges on account of Computation	32.00	11.60
<b>Income tax expense recognized in the statement of profit or loss</b>	<b>17.88</b>	<b>7.76</b>

#### 42. Financial Risk Management

Mohit Industries Limited (MIL) continues to deploy a well articulated risk management framework. This is based upon a three-tiered approach encompassing (i) enterprise risks, (ii) process risks, and (iii) compliance risks.

(i) Enterprise risk : The company continue to evaluate the risk and also ensures that the mitigation processes are in place.

(ii) Process risk management involves assurances by the Company's internal audit department regarding the effectiveness of business and financial controls and processes in all key activities across the various business processes.

(iii) Compliance risk management comprises a detailed mechanism of assurances with respect to adherence of all laws and regulations, with a comprehensive reporting process that cascades upwards from the accountable business line executives to MIL's Audit Committed and then on to the Board of Directors.

The outcomes of business review meetings conducted by management and internal audit regarding processes and their compliance, as well as observations of the Audit Committee and the Board of Directors are continuously incorporated to capture new risks and update the existing ones. All three dimensions of MIL's Risk Management framework are reviewed annually for their relevance and modifications, as required. The businesses and internal audit make regular presentations to the Audit Committee for detailed review. The risk management process, including its tracking and adherence, is substantially enabled for greater consistency and better reporting capabilities.

#### 43. CONSOLIDATED FINANCIAL STATEMENT

The Consolidated Financial Statements of Mohit Industries Limited, its subsidiaries and its associates is prepared in accordance with Ind AS - 110 on Consolidated Financial statements and Equity method of accounting given in Ind AS - 28 on "Investments in Associates and Joint ventures". The details of such subsidiary and associates are as follows:

Name of Subsidiary & Associates	% of Holding of Mohit Industries Limited	Date of Financial Statements
1. Mohit Yarns Limited	49.48%	31 <sup>st</sup> March, 2023
2. Mohit Overseas Limited	49.25%	31 <sup>st</sup> March, 2023

**44. STATEMENT OF NET ASSETS AND PROFIT OR LOSS ATTRIBUTABLE TO OWNERS AND MINORITY INTEREST**

Name of Entity	As % of Consolidated Net Assets	Net Assets i.e. Total Assets minus Total Liabilities	As % of Consolidated Profit	Shares in Consolidated Profit or Loss	As % of Other Comprehensive Income	Share in Other Comprehensive Income	As % of Total Comprehensive Income	Share in Total Comprehensive Income
<b>A Parent</b>								
1 Mohit Industries Limited	20.21%	3651.09	101.98%	-147.33	9.41%	414.20	6.27%	266.86
<b>B Associates</b>								
1 Mohit Overseas Limited	31.02%	5603.34	-0.55%	0.79	35.04%	1543.20	36.25%	1543.99
2 Mohit Yarns Limited	48.77%	8810.14	-1.43%	2.06	55.55%	2446.29	57.48%	2448.36
<b>TOTAL</b>	<b>100.00%</b>	<b>18064.57</b>	<b>100.00%</b>	<b>-144.48</b>	<b>100.00%</b>	<b>4403.69</b>	<b>100.00%</b>	<b>4259.21</b>

**45. FORM AOC – I**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries, associates and joint ventures

**Part “A”: Subsidiaries**

Not Applicable as there is no subsidiary

**Part “B”: Associates and Joint Ventures**

Name of Associates	Mohit Overseas Ltd.	Mohit Yarns Ltd.
1 Latest Audited Balance Sheet	31st March, 2023	31st March, 2023
2 Shares of Associate/Joint Ventures held by the company on the year end		
<b>A. Number</b>	394000	663000
<b>B. Amount of Investment in Associates</b>	37.99	157.23
<b>C. Extend of Holding%</b>	49.25%	49.48%
3 Description of how there is significant influence	By Virtue of 49.25% holding in associate	By Virtue of 46.69% holding in associate
4 Reason why the associate/joint venture is not consolidated	Not Applicable	Not Applicable
5 Net worth attributable to shareholding as per latest Audited Balance Sheet	5640.36	9151.18
6 Profit/(Loss) for the year		
<b>(i) Considered in Consolidation</b>	0.79	2.06
<b>(ii) Not Considered in Consolidation</b>	0.81	2.11

- Name of Associate which is yet to commence business: None
- Names of associates or joint ventures which have been liquidated or sold during the year: None

46. Previous Year Figures have been regrouped/rearranged wherever necessary.

**47. ADDITIONAL REGULATORY INFORMATION**
**(i) Borrowings from banks or financial institutions on the basis of security of current assets**

The material differences in amount of quarterly statement / return filed with Bank and as per books of accounts as given below:

Quarter	Name of Bank	Particulars of Securities Provided	Amount as per Books of accounts	Amount reported in Quarterly statement / return	Amount of Difference	Reasons for Material difference
June, 2022	Axis Bank Ltd. & SVC Co.op. bank Ltd.	Inventories	2326.07	2414.13	-88.06	Note No. 1 below
June, 2022	Axis Bank Ltd. & SVC Co.op. bank Ltd.	Trade Receivables	1841.78	1265.12	576.66	Note No. 1 below
June, 2022	Axis Bank Ltd. & SVC Co.op. bank Ltd.	Trade Payable for Goods	233.39	88.06	145.33	Note No. 1 below
September, 2022	Axis Bank Ltd. & SVC Co.op. bank Ltd.	Inventories	2300.12	2189.44	110.68	Note No. 1 below
September, 2022	Axis Bank Ltd. & SVC Co.op. bank Ltd.	Trade Payable for Goods	399.25	86.71	312.54	Note No. 1 below
September, 2022	Axis Bank Ltd. & SVC Co.op. bank Ltd.	Trade Receivables	2958.62	1933.94	1024.68	Note No. 1 below
December, 2022	Axis Bank Ltd. & SVC Co.op. bank Ltd.	Inventories	2185.43	2444.53	-259.10	Note No. 1 below
December, 2022	Axis Bank Ltd. & SVC Co.op. bank Ltd.	Trade Payable for Goods	147.36	50.84	96.52	Note No. 1 below
December, 2022	Axis Bank Ltd. & SVC Co.op. bank Ltd.	Trade Receivables	1756.95	1792.34	-35.39	Note No. 1 below
March, 2023	Axis Bank Ltd. & SVC Co.op. bank Ltd.	Inventories	2469.00	2551.29	-82.29	Note No. 1 below
March, 2023	Axis Bank Ltd. & SVC Co.op. bank Ltd.	Trade Receivables	1679.64	1630.19	49.45	Note No. 1 below

**Note on Explanation for difference in amount as per Books of accounts and amount reported in quarterly statement/return filed with bank :-**

- The difference between amounts as per books of accounts and amounts reported in quarterly statement filed with bank is because stock statements are filed with bank before updation/finalization of accounts for quarterly limited review / audit of the accounts. Hence, debtors, creditors and stock are reported on ad hoc basis with bank without complete updation of books of accounts.

As per our Audit Report Attached

**For RAJENDRA SHARMA & ASSOCIATES**  
Chartered Accountants  
Firm Registration No.: 108390W

Sd/-  
(Rajendra Ratanlal Sharma)  
Partner  
M. No. 044393  
Surat, 29th May, 2023

**For & On Behalf of Board of Directors**

Sd/-  
Narayan Saboo  
(Managing Director)  
DIN: 00223324

Sd/-  
Manish Saboo  
(Director & CFO)  
DIN: 01576187

Sd/-  
Naresh Saboo  
(Director)  
DIN: 00223350

Sd/-  
Janvi Shirawala  
(Company Secretary)  
Membership No. A65093



**MOHIT INDUSTRIES LIMITED**

CIN No.: L17119GJ1991PLC015074

Office No. 908, 9<sup>th</sup> Floor, Rajhans Montessa,  
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