

LAKHOTIA POLYESTERS (INDIA) LIMITED
18th ANNUAL REPORT - 2022-23



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CORPORATE INFORMATION

CORPORATE INFORMATION

•	Mr. Madhusudan Lakhotiya	:	Managing Director
•	Mrs. Jayshri Lakhotiya	:	Chairman & Executive Director
•	Mr. Ashok Kumar Khajanchi	:	Executive Director
•	Mr. Nikunj Shrawan Bihani	:	Non – Executive Independent Director
•	Mr. Kanhaiya Lal Sharma	:	Non – Executive Independent Director
•	Mr. Vashishtha Pandiya	:	Non – Executive Independent Director

KEY MANAGERIAL PERSONNEL

•	Mr. Madhusudan Lakhotiya	:	Managing Director
•	Mr. Vivek Rathi	:	Chief Financial Officer
•	Ms. Shannu Chaturvedi	:	Company Secretary & Compliance Officer

BOARD COMMITTEES

- **AUDIT COMMITTEE**

Mr. Nikunj Shrawan Bihani	:	Chairman
Mr. Kanhaiya Lal Sharma	:	Member
Mr. Vashishtha Pandiya	:	Member
Mr. Madhusudan Lakhotiya	:	Member
- **NOMINATION AND REMUNERATION COMMITTEE**

Mr. Vashishtha Pandiya	:	Chairman
Mr. Nikunj Shrawan Bihani	:	Member
Mr. Kanhaiya Lal Sharma	:	Member
- **STAKEHOLDERS RELATIONSHIP COMMITTEE**

Mr. Vashishtha Pandiya	:	Chairman
Mrs. Jayshri Lakhotiya	:	Member
Mr. Kanhaiya Lal Sharma	:	Member

BANKERS

- Central bank of India

STATUTORY AUDITORS

M/s Sharp Aarth & Co. LLP (FRN No. 132748W/W100823), Chartered Accountants

SECRETARIAL AUDITORS

M/s. R.M. Mimani & Associates LLP, Company Secretaries

INTERNAL AUDITORS

Mr. V B Rathi

REGISTRAR AND TRANSFER AGENT

Link Intime India Private Limited

C-101, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai-400083.

Tele No. 022-49186270, Fax: 022-40986060

Email: rnt.helpdesk@linkintime.co.in • Website: www.linkintime.co.in

REGISTERED OFFICE AND CONTACT DETAILS AND WEBSITE

Lakhotia Polyesters (India) Limited

158/159 Samarthia Sahkariaudyogik Vasahat Ltd.,

Pimpal- Gaon (Baswant), Tal Niphad, District Nashik, Maharashtra- 422209

Tel: +91 2550-252300; Fax: +91 2550-252300

Website: www.lakhotiapoly.in ; Email: info@lakhotiapoly.in

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the 18th (Eighteenth) Annual General Meeting of the Members of **Lakhotia Polyesters (India) Limited** will be held on Monday, September 25, 2023 at 2.30 p.m. through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") to transact the following businesses:

Ordinary Business:

1. Adoption of the Audited Financial Statements of the Company

To receive, consider and adopt the Financial Statements of the Company for the financial year ended March 31, 2023 including Audited Balance Sheet as at March 31, 2023 and the Statement of Profit and Loss for the financial year ended on that date and the Reports of the Board of Directors and Statutory Auditors thereon.

2. Re-appointment of Director

To appoint Mrs. Jayshri Lakhotiya (DIN: 05357609), who retires by rotation in terms of Section 152 of Companies Act, 2013 and being eligible offers herself for re-appointment as Director of the Company, liable to retire by rotation.

SPECIAL BUSINESS:

3. Re-appointment of Managing Director

To consider and if thought fit, to pass the following resolutions as a Special Resolution;

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications, as may be required or imposed by any of the authorities while granting such approvals, permissions and sanctions and pursuant to the provisions of the Articles of Association of the Company, based on the recommendation of the Nomination and Remuneration Committee and of the Board of Directors at their Meetings held on August 09, 2023, consent of the Members of the Company, be and is hereby accorded for the re-appointment of Mr. Madhusudhan Lakhotiya (DIN: 00104576), as Managing Director of the Company for a period of three years with effect from April 01, 2024 to March 31, 2027 on the terms and conditions of appointment and remuneration as stated in the explanatory statement and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company [hereinafter referred to as "the Board" (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution)] be and is hereby authorised to vary and/or revise the abovementioned remuneration within the approved limits as it may deem fit and in such manner as may be agreed to between him and the Board and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the foregoing resolution."

4. Increase in the remuneration of Mrs. Jayshri Lakhotiya (DIN: 05357609), Executive Director of the Company.

To consider and if thought fit, to pass the following resolutions as a Special Resolution;

"RESOLVED THAT pursuant to the provisions of Sections 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the "Act") and the Rules framed thereunder, (including any statutory modifications or re-enactment thereof, for the time being in force) and the Articles of Association of the Company and subject to such other approvals as may be necessary, the approval of the Members of the Company be and is hereby accorded for increase in the remuneration of Mrs. Jayshri Lakhotiya (DIN: 05357609), Executive Director of the Company from Rs.40,000/- per month to Rs. 50,000/- per annum with effect from August 09,2023.

RESOLVED FURTHER THAT in case of loss/inadequacy of profits in any financial year during her remaining tenure, the remuneration of Rs. 50,000/-per month shall be paid to her as the minimum remuneration in terms of the provisions of Section 197 read with Schedule V of the Companies Act, 2013;

RESOLVED FURTHER THAT the Board of Directors of the Company [hereinafter referred to as "the Board" (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution)] be and is hereby authorised to vary and/or revise the abovementioned remuneration within the approved limits as it may deem fit and in such manner as may be agreed to between her and the Board and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the foregoing resolution.

**By Order of the Board of Directors
For Lakhotia Polyesters (India) Limited**

**Madhusudan Lakhotiya
(Managing Director)**

DIN: 00104576

Email id: info@lakhotiapoly.in

Place: Nashik

Dated: August 09, 2023

Registered Office:

158/159 Samarth Sahkari Audyogik

Vasahat Ltd, Pimpal – Gaon (Baswant)

Tal Niphad Dist. Nashik – 422209

NOTES – FORMING PART OF THE NOTICE

1. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 (“the Act”), in respect of the businesses mentioned under item numbers 3 & 4 of the Notice dated August 09, 2023 is appended hereto.

Details of the Directors seeking appointment/re-appointment in pursuance of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standards-2 on General Meetings, as applicable are annexed to this Notice.

2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 19/2021 dated December 08, 2021, Circular No. 21/2021 dated December 14, 2021, Circular No. 3/2022 dated May 5, 2022 and Circular No. 10/2022 dated December 28, 2022 and all other relevant circulars issued from time to time (“MCA Circulars”), physical attendance of the Members to the AGM venue is not required and General Meeting can be held through Video Conferencing (VC) or Other Audio Visual Means (OAVM).

In compliance with the Companies Act, 2013, the SEBI Listing Regulations and the MCA Circulars, the 18th Annual General Meeting of the Company (AGM) is being held through VC/OAVM and Members can attend and participate in the ensuing AGM through VC/OAVM.

The detailed procedure for participating in the AGM through VC/OAVM is provided here-in-below and is also available at the Company's website i.e., www.lakhotiapoly.in

3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the Members is not available for this AGM and accordingly, the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-Voting.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 Members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.
7. The SEBI has decided that securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialize shares that are held by them in physical form. Members can contact the Company or Company's Registrar and Transfer Agents, Link Intime India Private Limited (LINK INTIME) at C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai-400083 or rnt.helpdesk@linkintime.co.in for assistance in this regard.
8. The Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, September 19, 2023 to Monday, September 25, 2023 (both days inclusive) for the purpose of the AGM of the Company.
9. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189

of the Act, will be available for inspection in the electronic form (scanned copy) by the Members during the AGM. All documents referred to in the Notice will also be available for inspection in the electronic form (scanned copy) without any fee by the Members from the date of circulation of this Notice up to the date of AGM i.e., Monday, September 25, 2023. Members seeking to inspect such documents can send an email to info@lakhotiapolym.in.

10. In compliance with the provisions of Section 129(3) of the Act, the Audited Financial Statements of the Company as defined in the Act for consideration and adoption by the Members of the Company.

11. The Members are requested to:

- Intimate change in their registered address, if any, to LINK INTIME at C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai- 400083 or rnt.helpdesk@linkintime.co.in in respect of their holdings in physical form.
- Notify immediately any change in their registered address to their Depository Participants in respect of their holdings in electronic form.
- Non-Resident Indian Members are requested to inform Link Intime India Private Limited immediately of the change in residential status on return to India for permanent settlement.

Please note that in accordance with the provisions of Section 72 of the Act, Members are entitled to make nominations in respect of the Equity Shares held by them. Members desirous of making nominations may procure the prescribed form SH-13 from Link Intime India Private Limited and have it duly filled, signed and sent back to them, in respect of shares held in physical form. Members holding shares in dematerialised mode should file their nomination with their Depository Participant (DP).

12. Green Initiative

The MCA and the SEBI have encouraged paperless communication as a contribution to greener environment.

In compliance with the aforesaid MCA Circulars and the SEBI Circular dated January 05, 2023, the copy of the Annual Report for the financial year 2022-23 including Audited Financial Statements, Board's Report etc. and Notice of the 18th Annual General Meeting of the Company, inter-alia, indicating the process and manner of remote e-Voting is being sent by electronic mode, to all those Members whose e-mail IDs are registered with their respective Depository Participants.

Members who have not registered their email address and holding shares in physical mode are requested to register their e-mail IDs with Link Intime India Private Limited and Members holding shares in Demat mode are requested to register their e-mail IDs with the respective Depository Participants (DPs) in case the same is still not registered.

If there is any change in the e-mail ID already registered with the Company, Members are requested to immediately notify such change to Link Intime India Private Limited in respect of shares held in physical form and to their respective DPs in respect of shares held in electronic form.

Members may also note that the Notice of the 18th AGM and the Annual Report for the financial year 2022-23 of the Company are also available on the Company's website www.lakhotiapolym.in.

13. IEPF Disclosures

Pursuant to Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund Rules), 2016 ('the IEPF Rules'), during the year under review, no amount of Unclaimed dividend and corresponding equity shares were due to be transferred to IEPF account.

14. Voting

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended) and the MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited ("CDSL") for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a Member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by CDSL.

Any Member holding shares in physical form and non individual Members, who acquires shares of the Company and becomes Member of the Company after the Notice is sent through e-mail and holding shares as of the cut-off date i.e., Monday, September 18, 2023, may obtain the login ID and password by sending a request at www.evotingindia.com. or Issuer/RTA. However, if you are already registered with CDSL for Remote e-Voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password" or "Physical User Reset Password" option available on www.evotingindia.com. or call on toll free nos. 1800-200-5533. In case of Individual Member holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e., Monday, September 18, 2023 may follow steps mentioned in this Notice of the AGM under "Access to CDSL e-Voting system."

In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.lakhotiapolym.in.

The Notice can also be accessed from the websites of the Stock Exchange i.e., BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e., www.evotingindia.com.

AGM is being convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020, MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and Circular No. 10/2022 dated December 28, 2022.

15. The Instructions for Members for remote e-Voting and joining General Meeting are as under:

- i. The remote e-Voting period begins on Friday, September 22, 2023 (9.00 a.m.) and ends on Sunday, September 24, 2023 (5.00 p.m.). The remote e-Voting module shall be disabled by CDSL 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., Monday, September 18, 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 Monday, September 18, 2023.

If a person was a Member as on the date of dispatch of the notice but has ceased to be a Member as on the cut-off date i.e. Monday, September 18, 2023, he/she shall not be entitled to vote. Such person should treat this Notice for information purpose only.

- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the Meeting venue.
- iii. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 Dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

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

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

Pursuant to aforementioned SEBI Circular, login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in demat mode is given below:

Type of Shareholders	Login Method
Individual shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 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 URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by the company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e., CDSL / NSDL / Link in Time Pvt. Ltd., so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from an e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/Evoting Login. The system will authenticate the user by sending OTP on registered mobile number and email ID as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com Select Register Online for IDeAS Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder / Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password / OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider’s website for casting your vote during the remote e-Voting period.

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

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

Login Type	Helpdesk Details
Individual Shareholders holding securities in Demat mode with CDSL	Shareholders facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Shareholders facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free No.: 1800 1020 990 and 1800 22 44 30

Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form:

1. The shareholders should log on to the e-voting website www.evotingindia.com.
2. Click on “Shareholders” module.
3. Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and click on Login.

5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any Company, then your existing password is to be used.
6. If you are a first-time user follow the steps given below:

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

- (i) After entering these details appropriately, click on "SUBMIT" tab.
- (ii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (iii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (iv) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (v) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (vi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (vii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (viii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (ix) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (x) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xi) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.
 - Non-Individual shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; info@lakhotiapoly.in (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further the shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 07 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting

PROCESSES FOR THOSE SHAREHOLDERS WHO'S EMAIL ADDRESSES/MOBILE NUMBER ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

- (i) For Physical shareholders- please provide necessary details like 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 Company/RTA email id.
- (ii) For Demat shareholders - please provide Demat account details (CDSL-16-digit beneficiary ID or NSDL-16-digit DPID + CLID), 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) +Update Email ID/Mobile Number to Company/ RTA email id.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 22 55 33

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

- i. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure.
- ii. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- iii. Members are encouraged to join the Meeting through Laptops for better experience
- iv. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting.
- v. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

- vi. Shareholders who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, email id, mobile number at info@lakhotiapoly.in latest by Monday, September 18, 2023 (5:00 p.m.). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
18. Mr. Manoj Mimani, Partner R M Mimani & Associates LLP, Practicing Company Secretary (Membership No. ACS 17083 and Certificate of Practice No. 11601) has been appointed as the Scrutinizer to scrutinize the remote e-Voting process and voting at AGM, in a fair and transparent manner and he has communicated willingness to be appointed and shall be available for the same purpose.
19. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter, unblock the votes cast through remote e-Voting and make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing. The voting results along with the consolidated Scrutinizer's Report shall be submitted to the Stock Exchange i.e., BSE Limited within two working days of conclusion of the AGM by the Company.
20. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company and on the website of CDSL immediately after the declaration of results by the Chairman or a person authorized by him in writing. The results shall also be uploaded on the BSE Listing Portal.
21. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the 18th Annual General Meeting i.e., Monday, September 25, 2023.

**By Order of the Board of Directors
For Lakhotia Polyesters (India) Limited**

**Madhusudan Lakhotiya
(Managing Director)
DIN: 00104576
Email id: info@lakhotiapoly.in**

Place: Nashik

Dated: August 09, 2023

Registered Office:

158/159 Samartha Sahkari Audyogik
Vasahat Ltd, Pimpal – Gaon (Baswant)
Tal Niphad Dist. Nashik – 422209

AS REQUIRED BY SECTION 102 OF THE COMPANIES ACT, 2013 (“THE ACT”), THE FOLLOWING EXPLANATORY STATEMENTS SETS OUT ALL MATERIAL FACTS RELATING TO THE BUSINESSES MENTIONED UNDER ITEM NUMBERS 3 AND 4 OF THE ACCOMPANYING NOTICE DATED AUGUST 09, 2023

Item No. 3

Mr. Madhusudhan Lakhotiya (DIN: 00104576) was appointed as Managing Director of the Company for a period of 5 years from April 01, 2019 to March 31, 2024, as per resolution passed by Members at the 14th Annual General Meeting of the Company held on September 29, 2019. His current term of appointment as the Managing Director of the Company will expire on March 31, 2024.

Based on the recommendation of the Nomination and Remuneration Committee, the Board at its Meeting held on August 09, 2023 has approved the re-appointment of Mr. Madhusudhan Lakhotiya as the Managing Director of the Company for a further period of three (3) years from April 01, 2024 to March 31, 2027, subject to the approval of the Members of the Company.

Considering his knowledge of various aspects relating to the Company's affairs and long business experience, the Board of Directors is of the opinion that for smooth and efficient running of the business, the services of Mr. Madhusudhan Lakhotiya should be available to the Company for a further period of three (3) years.

The approval of the Members is being sought for the re-appointment of Mr. Madhusudhan Lakhotiya as the Managing Director, terms & conditions of re-appointment and the remuneration payable to him as details given below:

- **Period of Appointment:** For a period of three (03) years from April 01, 2024 to March 31, 2027.

- **Salary including allowances and Incentives (Excluding Perquisites):** Not exceeding Rs. 9,60,000 Lakhs per annum (Upper limit for his entire tenure of three years).
- **Perquisites and allowances :** In addition to the consolidated salary, Mr. Madhusudhan Lakhotiya shall also be entitled to the perquisites and allowances like conveyance allowance, transport allowance, medical reimbursement, leave travel allowance, use of company car for official purposes, telephone at residence, contribution to provident fund, superannuation fund, payment of gratuity, leave encashment at the end of tenure and such other perquisites and allowances in accordance with the rules of the Company, subject to the overall ceiling stipulated in Sections 197, 198 read with Schedule V of the Companies Act, 2013 (including any subsequent amendment / modification in the Rules, Act and/or applicable laws in this regard).
- **No sitting fees shall be paid for attending the meetings of the Board of Directors or Committees thereof.**
- **Minimum Remuneration:** Notwithstanding anything herein above stated, where in any financial year during the tenure of Mr. Madhusudhan Lakhotiya, the Company incurs a loss or its profits are inadequate, the Company subject to the approval of Central Government, if any, if so required, shall pay the same remuneration as stated above but subject to being within the overall limits on Managerial Remuneration as provided under Section 197 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 including any statutory modification or re-enactment thereof for the time being in force, and the rules framed there under read with Schedule V to the said Act.

Based on the recommendation of the Nomination & Remuneration Committee, the terms and conditions as approved by the Board of Directors at its Meeting held on August 09, 2023 are keeping in line with the remuneration package that is necessary to encourage good professional managers with a sound career record to important positions as that of the Managing Director.

A copy of all the documents as stated in the notice of AGM is available for inspection by the Members at the Registered Office/ Corporate Office of the Company during the office hours on all working days other than on Saturdays and Sundays till last date for voting.

A brief profile of Mr. Madhusudhan Lakhotiya is given below:

Mr. Madhusudhan Lakhotiya (aged 42 years) and has a degree of Bachelor of Commerce (B.Com)

Mr. Madhusudhan Lakhotiya, who is well versed in understanding products as well as market and is equally excellent in ensuring growth by improving productivity, cost control, large size operations & consistently improving quality.

The Board of Directors recommends the Special Resolution as set out at item no.3 of Notice for approval by the Members of the Company.

Except Mr. Madhusudhan Lakhotiya and Ms. Jayshri Lakhotiya and their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financial or otherwise, in the resolution set out at Item No. 3.

Item No. 4

Based on the recommendation of the Nomination & Remuneration Committee (NRC), the Board of Directors at its meeting held on August 09, 2023, has increased remuneration of Ms. Jayshri Lakhotiya (DIN: 05357609), an Executive Director of the Company with effect from August 09, 2023 for the balance term of current tenure subject to the approval of the Members.

Ms. Jayshri Lakhotiya has rich experience of more than 5 years in human resources and admin functions. Considering her vast experience and based on the recommendation of Nomination & Remuneration Committee and of the Board of Directors, following payment of remuneration to Ms. Jayshri Lakhotia, Executive Director of the Company was proposed with effect from August 09, 2023

1. Salary Rs. 50,000/- per month.
2. Other allowances, benefits and perquisites admissible to the senior officers of the Company as per Rules of the Company, from time to time

In the event of absence or inadequacy of profits of the Company in any financial year during the period of appointment, the Company shall pay to the Executive Director, remuneration by way of salary, benefits, perquisites and allowances etc. and any performance linked bonus/commission, as specified above, subject to provisions of the Companies Act, 2013.

The entire remuneration package shall however be subject to the overall ceiling laid down under Sections 196 and 197 of the Act and conditions of Schedule V of the Act.

In view of the provisions of Section 196, 197 and Section 203 and any other applicable provisions of the Companies Act, 2013, the Board of Directors recommends ordinary resolution as set out at Item No. 4 of the accompanying Notice for the approval of the Members.

Except Ms. Jayshri Lakhotiya and Mr. Madhusudhan Lakhotiya and their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

Lakhotia Polyesters (India) Limited

Details of Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting as required under Regulation 36 of the Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India

Name of the Director	Mrs. Jayshri Lakhotiya	Mr. Madhusudhan Lakhotiya
DIN	05357609	00104576
Date of Birth	03-10-1982	04-09-1981
Age	41 years	42years
Designation/Category of Director	Executive Director	Managing Director
Date of the first appointment on the Board	July 24, 2012	September 03,2015
Qualification	B.Com	B.Com
Brief Profile, Experience, and Expertise in specific functional areas	Day to day Management of a business organization	Day to day Management Process
Directorships held in other companies including listed companies and excluding foreign companies as of the date of this Notice	Nil	Nil
Name of listed entities from which the person has resigned in the past three years	Nil	Nil
Memberships / Chairmanships of committees of other companies including listed companies and excluding foreign companies as of the date of this Notice	Nil	Nil
Relationship with other Directors, Managers, and other Key Managerial Personnel of the Company	Wife of Madhusudhan Lakhotiya, Managing Director	Husband of Jayshri Lakhotiya Executive Director
Shareholding in the Company including shareholding as a beneficial owner	1,55,064	14,09,380
Terms and Conditions of appointment/ reappointment	As stated in resolution, above	As stated in resolution, above
Details of Remuneration sought to be paid	As stated in resolution, above	As stated in resolution, above
In the case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Not applicable	Not applicable

BOARD REPORT

To,
The Members,
Lakhotia Polyesters (India) Limited
Nasik

Your directors are pleased to present the 18th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2023.

1. FINANCIAL RESULTS

The Board's Report shall be prepared based on the standalone financial statements of the Company.

(Rs. in Lakhs)

Particulars	FINANCIAL YEAR	
	2023-23	2022-22
Total Income	1515.83	2090.52
Less: Expenditure	1635.41	2073.12
Profit Before Finance Cost, Depreciation & Tax	(119.58)	17.40
Less: Finance Cost	50.54	53.59
Less: Depreciation	9.59	12.49
Net Profit/(Loss) Before Tax & Extraordinary Item	(179.71)	(48.67)
Less: Extraordinary Item	-	-
Less: Tax Expense	(11.93)	(2.26)
Net Profit/(Loss) After Tax	(191.64)	(46.41)

2. RESULTS OF OPERATIONS & STATE OF COMPANY'S AFFAIRS

During the financial year ended on March 31, 2023, there was gross revenue of Rs. 1515.83 Lakhs as against Rs. 2090.52 lakhs in the Financial Year 2021-22. Your Company has incurred the losses of Rs. 191.64 Lakhs during the year under review as against Rs. 46.41 Lakhs in Financial Year 2021-22.

3. CHANGES IN THE NATURE OF BUSINESS, IF ANY

During the year the Company is in the business of manufacturing of Yarns, Packaging Films, Printing Films, Chemicals and many more to come. There is no change in nature of the business of the Company. The Company has its registered office at Nashik.

4. DIVIDENDS AND RESERVES

In view of losses incurred during the year under review, your Directors are of the opinion that no dividend be declared for the year under review.

The Company does not propose to transfer any amount to reserves.

5. SHARE CAPITAL

The authorised share capital of the Company is Rs. 10,50,00,000 (Rupees Ten Crores and Fifty Lakhs only) comprising 1,05,00,000 equity shares of face value of Rs. 10/- each.

The paid-up equity share capital as at March 31, 2022 stood at Rs.10,47,39,880/- (Rupees Ten Crores Forty-Seven Lacs Thirty-Nine Thousand and Eight Hundred and Eighty Only).

There is no change in the share capital of the Company during the financial year ended on March 31, 2023.

The Company has not issued any equity shares with or without differential rights during the year under review and hence no information as per provisions of Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

There are no shares held by trustees for the benefit of employees and hence no disclosure under Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 has been furnished

6. PUBLIC DEPOSITS

The Company has neither invited nor accepted any public deposits during the period under review. No such deposits were outstanding at the beginning or end of the financial year.

7. SUBSIDIARY AND ASSOCIATE COMPANIES

As on March 31, 2023, Company does not have any subsidiary or associate or joint venture company.

8. CONSOLIDATED FINANCIAL STATEMENT

The Company is not required to consolidate its financial statements in terms of provisions of Companies Act, 2013 and rules thereunder.

9. CORPORATE GOVERNANCE

In compliance with Regulation 34 of the Listing Regulations, a separate report on Corporate Governance along with a certificate from the Secretarial Auditors on its compliance, forms an integral part of this Report.

10. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return for the financial year ended on March 31, 2023 is available on the website of the Company at www.lakhotiapoly.in under Investor Information tab.

11. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

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

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL

- a) Pursuant to the provisions of Section 149 of the Act, the independent directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company. As on March 31, 2023, Mr. Nikunj Bihani, Mr. Vashishtha Mohan Pandiya and Mr. Kanhaiya Lal Sharma are Independent Directors of the Company. Based on the confirmations received from Directors, none of the Directors are disqualified from appointment under Section 164 of the Companies Act 2013.
- b) The policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Director, and also remuneration for Key Managerial Personnel and other employees, forms part of the Corporate Governance Report of this Annual Report.
- c) Mrs Jayshri Lakhotiya redesignated as Chairman and Executive director with effect from October 07, 2022.
- d) Mrs. Jayshri Lakhotiya retires by rotation at the ensuing 18th Annual General Meeting and being eligible, offers herself for re-appointment. A resolution seeking shareholders' approval for her re-appointment forms part of the Notice of the 18th Annual General Meeting.
- e) During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission, if any and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board / Committee of the Company.
- f) During the year under review Mr. Sri Gopal Mundra has resigned from the Board with effect from October 07, 2022.
- g) During the year under review, Ms Kajal Dubey and Ms Priyanka Shravan Bihani were appointed as an Additional Director with effect from October 07, 2022 and resigned on December 01, 2022
- h) During the year under review, Mr. Nikunj Shrawan Bihani and Mr Kanhaiya Lal Sharma were appointed as Additional Director in the category of Non-Executive, Non Independent Director with effect December 16, 2022 and approved by the Members in the Extra-Ordinary General Meeting held on February 24, 2023

13. MEETINGS

A calendar of Board Meetings, Annual General Meeting and Committee Meetings is prepared and circulated in advance to the Directors of your Company. During the Financial Year 2022-2023, the Board of Directors of the Company met Six times on 26-05-2022, 05-08-2022, 07-10-2022, 09-11-2022, 16-12-2022 and 21-01-2023. The details of these Meetings

are provided in the Corporate Governance Section of the Annual Report. The maximum time gap between any two consecutive Meetings did not exceed one hundred and twenty days.

14. BOARD COMMITTEES

The Board had constituted/re-constituted various Committees in compliance with the provisions of the Act and the SEBI Listing Regulations viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee.

All decisions pertaining to the constitution of Committees, appointment of Members and fixing of terms of reference/role of the Committees are taken by the Board

The details of the role and composition of these Committees, including the number of Meetings held during the financial year and attendance at these Meetings are provided in the Corporate Governance Section of the Annual Report.

15. BOARD EVALUATION, INDUCTION AND TRAINING OF BOARD MEMBERS

Pursuant to the applicable provisions of the Act and the SEBI Listing Regulations, the Board has carried out an Annual Evaluation of its own performance, performance of the Independent Directors and the working of its committees based on the evaluation criteria specified by Nomination and Remuneration Committee for performance evaluation process of the Board, its Committees and Directors.

The Board's functioning was evaluated on various aspects, including, inter-alia, the structure of the Board, Meetings of the Board, functions of the Board, degree of fulfilment of key responsibilities, establishment, and delineation of responsibilities to various Committees and effectiveness of Board processes, information and functioning.

The Committees of the Board were assessed on the degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of Meetings. The Directors were evaluated on aspects such as attendance, contribution at Board/ Committee Meetings and guidance/support to the management outside Board/Committee Meetings.

As mentioned earlier, the performance assessment of Non-Independent Directors, Board as a whole and the Chairman were evaluated in a separate Meeting of Independent Directors. The same was also discussed in the Board Meeting. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

16. CRITERIA FOR SELECTION OF CANDIDATES FOR APPOINTMENT AS DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

The Nomination and Remuneration Committee has laid down well-defined criteria, in the Nomination and Remuneration Policy, for selection of candidates for appointment as Directors, Key Managerial Personnel and Senior Management Personnel.

The said Policy is available on the Company's website and can be accessed by weblink www.lakhotiapoly.in.

17. FAMILIARIZATION PROGRAM OF INDEPENDENT DIRECTORS

In compliance with the requirements of the SEBI Listing Regulations, the Company has put in place a familiarization program for Independent Directors to familiarize them with their role, rights and responsibility as Directors, the operations of the Company, business overview etc.

The details of the familiarization program are explained in the Corporate Governance Report and the same is also available on the website of the Company and can be accessed by weblink www.lakhotiapoly.in.

18. INDEPENDENT DIRECTORS' MEETING

In terms of Schedule IV of the Act and Regulation 25 of the SEBI Listing Regulations, Independent Directors of the Company are required to hold at least one meeting in a financial year without the attendance of Non-Independent Directors and Members of Management.

During the year under review, Independent Directors met separately on February 13, 2023, inter-alia, for

- Evaluation of performance of Non-Independent Directors and the Board of Directors of the Company as a whole.
- Evaluation of performance of the Chairman of the Company, taking into views of Executive and Non-Executive Directors; and
- Evaluation of the quality, content, and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

19. A STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE, AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

The Company has received declaration from the Independent Directors that they meet the criteria of independence as prescribed under Section 149 of the Act and Regulation 16 (1)(b) read with Regulation 25(8) of the SEBI Listing Regulations. In the opinion of the Board, they fulfil the condition for appointment/re-appointment as Independent Directors on the Board and possess the attributes of integrity, expertise and experience as required to be disclosed under Rule 8(5) (iii) of the Companies (Accounts) Rules, 2014.

20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 (if any) are given in the notes to the Financial Statements

21. WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and provides for direct access to the Chairman of the Audit Committee. It is affirmed that no person has been denied access to the Audit Committee.

The said Policy is available on the Company website and can be accessed at www.lakhotiapoly.in

22. REMUNERATION AND NOMINATION POLICY

The Nomination and Remuneration Committee has laid down the framework for remuneration of Directors, Key Managerial Personnel and Senior Management Personnel in the Nomination and Remuneration Policy recommended by it and approved by the Board of Directors. The Policy, inter-alia, defines Key Managerial Personnel and Senior Management Personnel of the Company and prescribes the role of the Nomination and Remuneration Committee. The Policy lays down the criteria for identification, appointment and retirement of Directors and Senior Management. The Policy broadly lays down the framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management Personnel. The Policy also provides for the criteria for determining qualifications, positive attributes and independence of Director and lays down the framework on Board diversity.

The said Policy is available on the Company's website and can be at www.lakhotiapoly.in

23. RELATED PARTY TRANSACTIONS

The Company has developed a related party transactions framework through standard operating procedures for the purpose of identification and monitoring of transactions with the related parties.

The policy on related party transactions as approved by the Board of Directors has been uploaded on the website of the Company. None of the Directors has any pecuniary relationship or transactions vis-a-vis the Company.

The Company has not entered into any material related party transactions, which needs given in form AOC-2 in terms of the provision of section 188(1) including certain arm's length transactions.

24. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

25. STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, M/s Sharp Aarth & Co. LLP, Chartered Accountants, (Firm Registration No. 132748W/W100823) was appointed as the Statutory Auditors of the Company to hold office from the conclusion of 17th AGM till the conclusion of 22nd AGM of the Company.

The Auditors' Report is unmodified i.e., it does not contain any qualification, reservation or adverse remark

26. DETAILS OF FRAUD REPORTED BY AUDITOR

There were no frauds reported by the Statutory Auditors under provisions of Section 143(12) of the Companies Act, 2013 and rules made thereunder.

27. COST AUDIT AND COST RECORDS

Provision of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 are not applicable to the Company during the financial year under review.

28. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed R M Mimani & Associates LLP, Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as "Annexure – 1" and forms an integral part of this report.

The Secretarial Auditor's observations are self-explanatory.

29. SECRETARIAL STANDARDS

The Company has complied with the applicable SS-1 (Secretarial Standard on Meetings of the Board of Directors) and SS-2 (Secretarial Standard on General Meetings) issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013.

30. TRANSFER OF UNCLAIMED DIVIDEND AND EQUITY SHARES TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund Rules), 2016 ('the IEPF Rules'), during the year under review, no amount of Unclaimed dividend and corresponding equity shares were due to be transferred to IEPF account.

31. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate system of internal control to ensure that the resources are used efficiently and effectively so that:

- assets are safeguarded and protected against loss from unauthorized use or disposition.
- all significant transactions are authorized, recorded and reported correctly.
- financial and other data are reliable for preparing financial information.
- other data are appropriate for maintaining accountability of assets.

The internal control is supplemented by an extensive internal audits programme, review by management along with documented policies, guidelines and procedures.

As per Section 138 of the Companies Act, 2013, the Company has appointed Mr. V B Rath., Chartered Accountants., as an internal auditor for the year 2023-24 to conduct the internal audit and to ensure adequacy of the Internal controls, adherence to Company's policies and ensure statutory and other compliance through periodical checks and internal audit.

32. INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, 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. The Company has adopted accounting policies, which are in line with the Accounting Standards and the Act.

33. RISK MANAGEMENT

During the financial year under review, the Company has identified and evaluates elements of business risk. Consequently, a Business Risk Management framework is in place. The risk management framework defines the risk management approach of the Company and includes periodic review of such risks and also documentation, mitigating controls and reporting mechanism of such risks. The framework has different risk models which help in identifying risks trend, exposure and potential impact analysis at a Company level as also separately for business.

34. PREVENTION OF SEXUAL HARASSMENT POLICY

The Company has always believed in providing a conducive work environment devoid of discrimination and harassment including sexual harassment. The Company has a well formulated Policy on Prevention and Redressal of Sexual Harassment. The objective of the Policy is to prohibit, prevent and address issues of sexual harassment at the workplace. This Policy has striven to prescribe a code of conduct for the employees and all employees have access to the Policy document and are required to strictly abide by it. The Policy covers all employees, irrespective of their nature of employment and is also applicable in respect of all allegations of sexual harassment made by an outsider against an employee.

The Company has duly constituted an Internal Complaints Committee in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. During the year 2022-23, no case of Sexual Harassment was reported.

35. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Provision of Schedule VII of the Companies Act, 2013 read with Companies Corporate Social Responsibility Policy) Rules, 2014 are not applicable to the Company during the year under review.

36. ENVIRONMENT AND SAFETY

Your Company is committed to ensure sound Safety, Health and Environmental (SHE) performance related to its activities, products and services. Your Company is taking continuous steps to develop Safer Process Technologies and Unit Operations and has been investing heavily in areas such as Process Automation for increased safety and reduction of human error element.

The Company is committed to continuously take further steps to provide a safe and healthy environment.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 134(3) (m) of the Companies Act, 2013, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 are not applicable to the Company during the financial year under review.

38. PARTICULARS OF EMPLOYEES AND OTHER ADDITIONAL INFORMATION

The information required under section 197 of the Companies Act, 2013 read with Rule 5 (1), (2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company are given in Annexure – 2 and 3 to this report.

39. MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the year 22-23 as stipulated under SEBI (LODR), Regulations, 2015 has annexed as Annexure -4 of this Report.

40. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Business Responsibility Reporting as required under SEBI (LODR), 2015 and is not applicable to your Company for the financial year under review.

41. CAUTIONARY STATEMENT

Statements in this Report, Management Discussion and Analysis, Corporate Governance, notice to the Shareholders or elsewhere in this Annual Report, describing the Company's objectives, projections, estimates and expectations may constitute 'forward looking statement' within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied in the statement depending on the Market conditions and circumstances.

42. DISCLOSURE OF AGREEMENTS

Disclosure as required under para-F of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are not applicable to the Company during the financial year.

43. STATEMENT PURSUANT TO SEBI LISTING REGULATIONS

The Company's shares are listed with BSE Ltd. Your Company has paid the respective annual listing fees and there are no arrears.

44. ACKNOWLEDGEMENT AND APPRECIATION

Your directors would like to acknowledge and place on record their sincere appreciation to all Stakeholders, Clients, Financial Institutions, Banks, Central and State Governments, the Company's valued Investors and all other Business Partners, for their continued co-operation and support extended during the year.

Your Directors recognize and appreciate the efforts and hard work of all the employees of the Company and their continued contribution to promote its development.

**By Order of the Board of Directors of
Lakhotia Polyesters (India) Limited**

Jayshri Lakhotiya
Director
DIN: 05357609

Madhusudan Lakhotiya
Managing Director
DIN: 00104576

Place: Nashik

Dated: August 09, 2023

Registered office

**158/159 Samartha Sahkariaudyogik
Vasahat Ltd, Pimpal – Gaon (Baswant)
Tal Niphad Dist. Nashik – 422209**

ANNEXURE 1 TO THE BOARD'S REPORT

Form No. MR-3

Secretarial Audit Report for the financial year ended on March 31, 2023

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

The Members

Lakhotia Polyesters (India) Limited

[CIN: L17120MH2005PLC155146]

158/159 Samarth Sahkariaudyogik

Vasahat Ltd Pimpal- Gaon (Baswant)

Tal Niphad Dist Nashik - 422209

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management.

We hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2023 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- I. The Companies Act, 2013 (the Act) and the Rules made there-under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there-under;
- III. The Depositories Act, 1996 and the Regulations and bye-laws framed there-under;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there-under to the extent 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;
- VI. The Management has Identified and confirmed the following laws as specifically applicable to the Company;
 - c. Water (Prevention and control of Pollution) Act, 1981
 - d. Air (Prevention and Control of Pollution), Act, 1974.

We have also examined compliance with the applicable clauses of the following;

- (a) Secretarial Standards issued by the Institute of Company Secretaries of India related to the meetings of Board of Directors and Shareholders;
- (b) The SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015.

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company and test verification on random basis carried out for compliances under other applicable Acts, Laws and Regulations to the Company.

The compliance by the Company of the applicable direct tax laws, indirect tax laws and other financial laws has not been reviewed in this Audit, since the same have been subject to review by the other designated professionals and being relied on the reports given by such designated professionals.

During the audit period under review, the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards etc. as mentioned above except the following:

1. *The Composition of board of directors, audit committee and Nomination and remuneration Committee are not as required under Regulation 17, 18 and 19 respectively during the part of the financial year.*

During the audit period under review, provisions of the following regulations were not applicable to the Company;

- (a) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (b) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (c) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
- (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, and
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 dealing with client.

We further report that:

- The Board of Directors of the Company is duly constituted as on March 31, 2023 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.
- Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance there was no formal system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the Meeting.
- Decisions at the meetings of Board of Directors of the Company and Committee thereof were carried out with requisite majority.
- *The Company maintained the data base as required under regulation 3(5) of SEBI (Prohibition of Insider Trading) Regulations, 2015, in excel format during the part of the year.*

We further report that based on the information provided and representation made by the Company and also on the review of compliance reports of the respective department duly signed by the department head and Compliance Certificate(s) of the Managing Director/Company Secretary/CFO taken on record by the Board of Directors of the Company, in our opinion system and process exists in the company required to be strengthen to commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For R M Mimani & Associates LLP

[Company Secretaries]

[Firm Registration No. L2015MH008300]

Sd/-

Ranjana Mimani

(Partner)

FCS : 6271

CP No.: 4234

PR No.: 1065/2021

UDIN: F006271E000773818

Place: Mumbai

Dated: August 09, 2023

Note: This report is to be read with our letter of even date which is annexed as “Annexure A” and forms an integral part of this report.

To,

The Members

Lakhotia Polyesters (India) Limited

[CIN: L99999MH1989PLC053392]

[CIN: L17120MH2005PLC155146]

158/159 Samartha Sahkariaudyogik

Vasahat Ltd Pimpal- Gaon (Baswant)

Tal Niphad Dist. Nashik - 422209

Our Secretarial Audit Report of even date is to be read along with this letter;

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit;
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company;
4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulation 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 procedure 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 R M Mimani & Associates LLP

[Company Secretaries]

[Firm Registration No. L2015MH008300]

Sd/-

Ranjana Mimani

(Partner)

FCS : 6271

CP No.: 4234

PR No.: 1065/2021

UDIN: F006271E000773818

Place: Mumbai

Dated: August 09, 2023

ANNEXURE 2 TO THE BOARD'S REPORT
Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- i) Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2022-23

Sr. No.	Name of the Director	Designation	Ratio of remuneration of each Director to median remuneration of employees
1.	Mr. Madhusudan Lakhotiya	Managing Director	3.2720
2.	Mrs. Jayshri Lakhotiya	Executive Director	1.3088
3.	Mr. Ashokkumar Khajanchi	Executive Director	-

- ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary or manager during the financial year 2022-23.

Sr. No.	Name of the Director	Designation	Percentage increase in remuneration
1.	Mr. Madhusudan Lakhotiya	Managing Director	30.43%
2.	Mrs. Jayshri Lakhotiya	Executive Director	50%
3.	Mr. Ashokkumar Khajanchi	Executive Director	0%
4.	Mr. Vivek Vijay Rathi	Chief Financial officer	0%
5.	Mrs. Shannu Chaturvedi	Company Secretary	12.60%

- iii) The Company has 3 permanent employees on the rolls of Company as on March 31, 2023.

- iv) **Relationship between average increase in remuneration and Company's performance:**

As compared to Company's increase in performance, increase in remuneration is reasonable considering present market scenario and also considering reduction in remuneration in respect of surplus staff.

- v) **Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:**

Sr.	Particulars	(2022 – 2023) (Rs. In lakhs)	(2021 – 2022) (Rs. In lakhs)	% of increase/ decrease
1	Sales / Revenue	1408.03	2021.19	(30.34)%
2	Profit before tax	(179.71)	(48.67)	269.24%
3	Remuneration of the KMP	1973800	1603800	23.07%

- vi) **Market capitalization and price earnings ratio details are asunder:**

Particulars	As on	As on 31.03.2023	Increase / (Decrease) 31.03.2022 (%)
Price Earnings Ratio	25.1441	548.33	-95.41%
Market Capitalization (Rs. in crore)	29.23	17.23	69.65%

- vii) Average percentage increase in the salaries of employees other than the managerial personnel in the financial year is 0% whereas the increase in the managerial remuneration was 23.26%.
- viii) Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company.

Sr. No.	Name of KMP	Designation	% increase in remuneration	% of increase in performance
1.	Mr. Madhusudan Lakhotiya	Managing Director	30.43%	269.24%
2.	Mr. Vivek Vijay Rathi	Chief Financial Officer	0%	269.24%
3.	Mrs. Shannu Chaturvedi	Company Secretary	12.60%	269.24%

- ix) The key parameter for any variable component of remuneration availed by Managing Directors: Not applicable being there is no variable component is paid to Managing Director
- x) The ratio of the remuneration of the highest paid Director to that of the Employees who are not Directors but receive remuneration in excess of the highest paid Director during the year: **Not Applicable.**

xi) It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

**By Order of the Board of Directors of
Lakhotia Polyesters (India) Limited**

Jayshri Lakhotiya
Director
DIN: 05357609

Madhusudan Lakhotiya
Managing Director
DIN: 00104576

Place: Nashik

Dated: August 09, 2023

Registered office

158/159 Samartha Sahkariaudyogik
Vasahat Ltd, Pimpal – Gaon (Baswant)
Tal Niphad Dist. Nashik – 422209

ANNEXURE 3 TO THE BOARD'S REPORT

Details of employees pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014.–

Not Applicable as no employees or managerial personnel draw salary equal to or exceeding Rs.102,00,000 p.a. or Rs.8,50,000 per month

**By Order of the Board of Directors of
Lakhotia Polyesters (India) Limited**

Jayshri Lakhotiya
Director
DIN: 05357609

Madhusudan Lakhotiya
Managing Director
DIN: 00104576

Place: Nashik

Dated: August 09, 2023

Registered office

158/159 Samartha Sahkariaudyogik
Vasahat Ltd, Pimpal – Gaon (Baswant)
Tal Niphad Dist. Nashik – 422209

ANNEXURE 4 TO THE BOARD'S REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This report covers the operations and financial performance of the Company for the year ended March 31, 2023 and forms part of the Annual Report.

Overview of the Economy:

The company specializes in lacquered metallised Polyesters film which finds application primarily in the textile and apparel industry. The grade of coated Polyesters film produced is used extensively in the manufacture of metallic yarns.

The process of metalizing Polyesters or polymer films leads to a product that is glossy and shiny in its appearance. The process of metalizing involves the layering or coating of polymers with aluminium. The result is a reflective surface which reduces the vulnerability of the material to sunlight, moisture and air. Polyesters coated films are available in different grades and specifications and find use across a varied number of industries from flexible packaging, shrink labels, cable insulation, and magnetic media to textiles and decorations.

Industry, Structure & Developments:

In the early days metallic yarns were limited to silver and gold variants. However, today every conceivable shade of colour is reproducible. The ability to read market trends and cater to unique shades, differentiates one company from another and determines the demand pull for metallic yarns. While the industry is fairly organized, there exist a large number of players within the metallic yarn segment. There are few companies that specialize solely in catering to the metallic yarn segment, with most players producing a large array of metallised Polyesters films which cater primarily to the needs of the flexible packaging industry.

Operational Performance

The revenue from operations of your Company for the year ended March 31, 2023 stood at Rs. 1408.03 Lakhs as against Rs. 2021.19 Lakhs for the year ended March 31, 2022. The Company has incurred a loss of Rs. 191.64 Lakhs for the Year ended March 31, 2023 as compared to Rs. 46.41 Lakhs for the year ended March 31, 2022.

Risk and Concerns

The largest component of costs involved in making flexible packaging film is attributable to raw materials.

Given the volatile trend in Polyesters and demand for Polyesters for competing applications the pressure on input costs can be expected to fluctuate.

Adequacy of Internal Control System

The Company has adequate internal control systems for the business processes in respect of all operations, financial reporting, compliance with laws and regulations etc. The management information system forms an effective and sound tool for monitoring and controlling all operating parameters. Regular internal audits ensure that responsibilities are executed effectively. The Audit Committee reviews the adequacy of internal controls on regular basis.

Human Resource Development

The Company recognizes that its human resource is its strength in realizing its goals and objectives.

Cautionary Statement

The Statement in this Management Discussion and Analysis report, describing the Company's outlook, projections, estimates, expectations or predictions may be "Forward looking Statements" within the meaning of applicable securities laws or regulations. Actual results could differ materially from those expressed or implied

**By Order of the Board of Directors of
Lakhotia Polyesters (India) Limited**

Jayshri Lakhotiya
Director
DIN: 05357609

Madhusudan Lakhotiya
Managing Director
DIN: 00104576

Place: Nashik

Dated: August 09, 2023

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2023, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The "Listing Regulations").

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Lakhotia Polyesters (India) Limited ("The Company") governance philosophy is based on trusteeship, transparency and accountability. As a corporate citizen, our business fosters a culture of ethical behavior and disclosures aimed at building trust of our stakeholders. The Company's Code of Business Conduct and Ethics, Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Designated Persons and the Charter- Business for Peace are an extension of our values and reflect our commitment to ethical business practices, integrity and regulatory compliances.

The Company's governance framework is based on the following principles:

- Appropriate composition and size of the Board, with each member bringing in expertise in their respective domains;
- Availability of information to the members of the Board and Board Committees to enable them to discharge their fiduciary duties;
- Timely disclosure of material operational and financial information to the stakeholders;
- Systems and processes in place for internal control; and
- Proper business conduct by the Board, Senior Management and Employees.

THE BOARD OF DIRECTORS

The Board is entrusted with an ultimate responsibility of the Management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures.

Committees of the Board: The Board has constituted the following Committees viz, Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, and Risk Management Committee. Each of the said Committee has been mandated to operate within a given framework.

The Company is managed by the Board of Directors in co-ordination with the Senior Management team. The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with statutory as well as business requirements. As on March 31, 2023, the Company's Board consists of Six Directors. The Board comprises of Three Executive Directors and three Non- Executive Independent Directors. Fifty per cent of the Board comprised of Independent Directors. The details of the Board of Directors as on March 31, 2023 are given below;

Name of the Director	Designation	Date of Joining	No. of Directorships / Committee Memberships/ Chairmanships			
			Public Limited Companies (including this)	Private Limited and Section 8 Companies	Committee Memberships	Committee Chairman Ships
Mr. Madhusudan Lakhotiya	Managing Director	03/09/2015	01	Nil	01	Nil
Ms. Jayshri Lakhotiya	Executive Director and Chairperson	24/07/2012	01	Nil	01	Nil
Mr. Ashok Kumar Khajanchi	Executive Director	17/08/2016	01	Nil	Nil	Nil
Mr. Nikunj Shrawan Bihani	Independent Director	16/12/2022	01	Nil	01	01
Mr. Vashishtha Mohan Pandiya	Independent Director	31/05/2019	01	Nil	01	02
Mr. Kanhaiya Lal Sharma	Independent Director	16/12/2022	01	Nil	03	Nil

Lakhotia Polyesters (India) Limited

As on March 31, 2023, Shareholding of Directors are as under;

Name of the Director	Designation	No. of shares held
Mr. Madhusudan Lakhotiya	Managing Director	14,09,380
Ms. Jayshri Lakhotiya	Executive Director and Chairperson	1,55,064
Mr. Ashok Kumar Khajanchi	Executive Director	Nil
Mr. Nikunj Shrawan Bihani	Independent Director	Nil
Mr. Vashishtha Mohan Pandiya	Independent Director	Nil
Mr. Kanhaiya Lal Sharma	Independent Director	Nil

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 ("the Act") and SEBI (LODR), Regulations, 2015

Board Meetings

The Board/Committee Meetings are pre-scheduled and proper notices of Board and Committee meetings is circulated to the Directors well in advance to enable them to plan their schedules and to ensure their meaningful participation in the Meetings.

During the Financial Year 2022-2023, the Board of Directors of the Company met Six times on 26-05-2022, 05-08-2022, 07-10-2022, 09-11-2022, 16-12-2022 and 21-01-2023. The gap between two Board meetings was in compliance with the provisions contained in the Act, MCA General Circular no. 11/2020 and the SEBI (LODR), Regulations, 2015. Details of Directors as on March 31, 2023 and their attendance at the Board meetings and Annual General Meeting ("AGM") during the financial year ended March 31, 2023 are given here-in-below:

Attendance of Directors at Board meetings and Annual General Meeting

Name of the Directors	Attendance at the Board meetings held on						Attendance at the AGM held on 23/09/2022
	26-05-22	05-08-22	07-10-22	09-11-22	16-12-22	21-01-23	
Mr. Madhusudan Lakhotiya	✓	✓	✓	✓	✓	✓	Present
Ms. Jayshri Lakhotiya	✓	✓	✓	✓	✓	✓	Present
Mr. Ashok Kumar Khajanchi	✓	✓	✓	✓	✓	✓	Absent
Mr. Nikunj Shrawan Bihani	NA	NA	NA	NA	NA	✓	NA
Mr. Vashishtha Mohan Pandiya	✓	✓	✓	✓	✓	✓	Present
Mr. Kanhaiya Lal Sharma	NA	NA	NA	NA	NA	✓	NA

Mr. Nikunj Shrawan Bihani and Mr. Kanhaiya Lal Sharma were appointed as Additional Independent Directors in the Company with effect from December 16, 2022.

Information placed before the Board

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of the Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective Meetings or by way of presentations and discussions during the Meetings.

Post Meeting Mechanism

The important decisions taken at the Board/Board Committee Meetings are communicated to the concerned department/division.

Board Support

The Company Secretary attends the Board Meetings and advises the Board on Compliances with applicable laws and governance.

Roles, Responsibilities and Duties of the Board

The duties of Board of Directors have been enumerated in Listing Regulations, Section 166 of the Companies Act, 2013 and Schedule IV of the said Act (Schedule IV is specifically for Independent Directors). There is a clear demarcation of responsibility and authority amongst the Board of Directors

Familiarization Programme for Directors

At the time of appointing a Director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities expected from him as a Director of the Company.

The Director is also explained in detail the Compliance required from him under Companies Act, 2013, the Listing Regulations and other various statutes and an affirmation is obtained. 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.

Further, on an ongoing basis as a part of Agenda of Board / Committee Meetings, presentations are regularly made to the Independent Directors on various matters inter-alia covering the Company's and its subsidiaries/associates' businesses and operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters. The details of the familiarization programme for Directors are available on the Company's website, i.e., www.lakhotiapoly.in

Governance Codes

Code of Business Conduct & Ethics

The Company has adopted Code of Business Conduct & Ethics ("the Code") which is applicable to the Board of Directors and all Employees of the Company. The Board of Directors and the members of Senior Management Team of the Company are required to affirm semi-annual Compliance of this Code. A declaration signed by the Managing Director of the Company to this effect is placed at the end of this report. The Code requires Directors and Employees to act honestly, fairly, ethically, and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is displayed on the Company's website i.e., www.lakhotiapoly.in

Conflict of Interests

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other companies including Chairmanships and notifies changes during the year. The Members of the Board while discharging their duties, avoid conflict of interest in the decision-making process. The Members of Board restrict themselves from any discussions and voting in transactions in which they have concern or interest

Insider Trading Code

The Company has adopted an 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Designated Persons' ("the Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (The PIT Regulations). The Code is applicable to Promoters, Member of Promoter's Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company.

Committees of the Board

The Board of Directors has constituted Board Committees to deal with specific areas and activities which concern the Company and requires a closer review. The Board Committees are formed with approval of the Board and function under their respective Charters. These Committees play an important role in the overall Management of day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The Minutes of the Committee Meetings are placed before the Board for noting. The Company has 03 (three) Board Level Committees:

- Audit Committee,
- Nomination and Remuneration Committee,
- Stakeholders' Relationship Committee and

Audit Committee

Audit Committee of the Board of Directors ("the Audit Committee") is entrusted with the responsibility to supervise the Company's financial reporting process and internal controls. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the Listing Regulations. All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Economics and Risk etc. It functions in accordance with its terms of reference that defines its authority, responsibility and reporting function

Lakhotia Polyesters (India) Limited

Meetings and Attendance

The Audit Committee met Five (05) times during the Financial Year 2022-23. The maximum gap between two Meetings was less than one hundred and twenty days. During the Financial Year 2022-23, Audit Committee met 5 (Five) times on 26-05-2022, 05-08-2022, 07-10-2022, 09-11-2022, and 21-01-2023. The requisite quorum was present at all the Meetings. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on September 23, 2022.

Constitution of the Audit Committee and attendance at their meetings during the financial year ended March 31, 2023 are given below:

Name of Directors	Designation	Nature of Directorship	Number Meetings Held during the Year	Meetings Attended by the Member
Mr. Nikunj Shrawan Bihani	Chairman	Independent Director	5	1
Mr. Vashishtha Mohan Pandiya	Member	Independent Director	5	5
Mr. Madhusudan Lakhotiya	Member	Managing Director	5	5
Mr. Kanhaiya Lal Sharma	Member	Independent Director	5	1

Mr. Nikunj Shrawan Bihani and Mr. Kanhaiya Lal Sharma were appointed as Additional Independent Directors in the Company with effect from December 16, 2022.

Terms of reference of the audit committee are broadly defined as under:

The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of SEBI (LODR) Regulations, 2015

a. Nomination & Remuneration Committee

As per Section 178 (1) of the Companies Act, 2013, Our Company has constituted a Nomination & Remuneration Committee. The Members of the said committee as on March 31, 2023 are:

Name of Directors	Designation	Nature of Directorship	Number Meetings Held during the Year	Meetings Attended by the Member
Mr. Vashishtha Mohan Pandiya	Chairman	Independent, Non-executive	2	2
Mr. Nikunj Shrawan Bihani	Member	Non- Executive Director	2	0
Mr. Kanhaiya Lal Sharma	Member	Independent, Non-executive	2	0

Mr. Nikunj Shrawan Bihani and Mr. Kanhaiya Lal Sharma were appointed as Additional Independent Directors in the Company with effect from December 16, 2022

Terms of reference of the Nomination & Remuneration Committees are broadly defined as under:

The Committee's terms of reference powers, role and functions are as stipulated under Section 178 of Companies Act, 2013.

The Companies Act, 2013 and Regulation 19 of the Listing Regulation, which are as followed:

- To guide the Board and lay down criteria in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To evaluate the performance of the Members of the Board and provide necessary report to the Board for further evaluation of the Board.
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management
- To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- To devise a policy on Board diversity
- To develop a succession plan for the Board and to regularly review the plan.

During the year ended 31st March, 2023, 2 (Two) Nomination & Remuneration Committee Meeting were held on 05-08-2022 and 28-11-2022

b. Stakeholders Relationship Committee –

As Companies Act, 2013 ('the Act') have come into force w.e.f. April 01, 2014 pursuant to Section 178 of the Act, your Company has re-constituted Shareholders / Investors Grievances & Share Transfer Committee to "Stakeholders Relationship Committee".

Ms. Shannu Chaturvedi, Company Secretary is designated as Compliance Officer of the Company.

The Stakeholders Relationship Committee met 4 times during the financial year ended 26-05-2022, 05-08-2022, 07-10-2022, 09-11-2022, and 21-01-2023.

The Members of the committee as on March 31, 2023 are:

Name of Directors	Designation	Nature of Directorship	Number Meetings Held during the Year	Meetings Attended by the Member
Mr. Vashishtha Mohan Pandiya	Chairman	Independent Director	4	4
Ms. Jayshri Lakhotiya	Member	Executive Director	4	4
Mr. Kanhaiya Lal Sharma	Member	Independent Director	4	4

Details of Shareholders' / Investors' Complaints during the FY ended 31st March 2022.

Number of Shareholders' Complaints at the beginning of the year	Nil
Number of Shareholders' Complaints received during the year.	Nil
Number of Shareholders' Complaints resolved during the year	Nil
Number of Shareholders' Complaints Pending at the end of the year	Nil

c. Risk Management Committee

Forming Risk Management Committee is not applicable to our Company.

d. Policy on material subsidiary

Company does not have a material subsidiary and hence the Company is not required to formulate policy on material subsidiary

e. Policy on Related party transactions

The Company has not entered into any material Related Party Transaction during the year. In line with requirement of the Companies Act, 2013 and Listing Regulations. The details of the policy have been disclosed on company's website www.lakhotiapoly.in. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

This policy specifically deals with the review and approval of Material Related Party Transactions keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions. All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and / or entered in the ordinary course of business and are at Arm's Length.

All Related Party Transactions entered during the year were in Ordinary Course of the business and on Arm's Length basis. No Material Related Party Transactions, i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements, were entered during the year by your Company.

f. Independent Directors' Meeting

During the year under review, the Independent Directors met on January 21, 2023 inter alia, to discuss and review:

- Evaluation of the performance of Non-independent Directors and the Board of Directors as a whole.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Policy on Disclosure and Internal procedure for prevention of Insider Trading

Ms. Shannu Chaturvedi, Company Secretary & Compliance Officer is responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

Lakhotia Polyesters (India) Limited

SHAREHOLDER INFORMATION

- GENERAL BODY MEETINGS:**

The details of date, time and location of Annual General Meetings held in the last three years are as under:

Year	Date of AGM	Day	Time	Venue
2021-22	05.11.2022	Saturday	2.30 P.M.	through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")
2020-21	30.09.2021	Thursday	3.00 P.M.	through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")
2019-20	25.09.2020	Friday	3.00 P.M.	Through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")

- Postal Ballot**

No Meeting was held through postal ballot during the year under review.

- Annual General Meeting for the financial year 2022-23**

Date	Monday, September 25, 2023
Venue	The Company is conducting meeting through VC / OAVM as such there is no requirement to have a venue for the AGM
Time	2.30 P.M.

- Calendar of financial year ended 31st March 2024**

The tentative dates for Board Meetings for consideration of quarterly financial results are as follows:

First Quarter	By 02nd week of August 2023
Second Quarter	By 02nd week of November 2023
Third Quarter	By 02nd week of February 2024
Fourth Quarter	By 4th week of May 2024

- Bifurcation of shares held in physical and demat form as on 31st March 2023**

Particulars	No. of Shares	
Physical Shares	NIL	NIL
Demat Shares		
NSDL (A)	75,470	0.72
CDSL (B)	10,398,518	99.28
TOTAL (A+B)	10,473,988	100.00

- Listing Details**

Name and Address of Stock Exchange	Stock Code
BSE Limited Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	535387
ISIN	INE191001010

The listing fee for the financial year 2023-24 has been paid to the above Stock Exchange.

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• Share Price Data

The monthly high and low prices and volumes of shares of the Company at BSE Limited (BSE) for the year ended 31st March, 2023 are as under:

Month	High Price	Low Price	No. of Shares
April 2022	-	-	-
May 2022	17.25	16.15	3575
June 2022	17.70	15.40	510
July 2022	17.70	16.60	297357
August 2022	19.05	15.80	577877
September 2022	19.05	18.10	1531
October 2022	19.00	19.00	1700
November 2022	19.95	19.00	9153
December 2022	-	-	-
January 2023	20.90	20.90	15
February 2023	21.90	21.90	600
March 2023	27.91	21.90	570

• Share holding pattern of the Company as on 31.03.2023

Sr.	Category	No. of Shares	% (Percentage)
1.	Promoters (Including Promoters Body Corporate)	35,49,388	33.89
2.	Body Corporate (Public)	39,30,950	37.53
3.	Resident Individuals and HUF (Public)	29,93,650	28.58
	TOTAL	1,04,73,988	100.00

• Distribution of Shareholding as on 31.03.2023:

No. of Shares held	No. of Shareholders	%	No. of Shares	% of Issued Capital
1 to 5000	123	72.7811	33450	0.3194
5001 to 10000	5	2.9586	39416	0.3763
10001 to 20000	8	4.7337	97334	0.9293
20001 to 30000	1	0.5917	22450	0.2143
30001 to 40000	3	1.7751	114000	1.0884
40001 to 50000	5	2.9586	238000	2.2723
50001 and 100000	4	2.3669	293450	2.8017
100001 onwards	20	11.8343	9635888	91.9983
Total	169	100.00	10473988	100.00

• Share Transfer System:

Trading in Equity Shares of the Company is permitted only in dematerialized form as per notification issued by the Securities & Exchange Board of India (SEBI). Link Intime India Private Limited handles both Demat and Physical Shares Transfers.

• Unclaimed Dividend/ Shares

The Company was not required to transfer any amount of unclaimed Dividend to Investor Education and Protection Fund ('the IEPF') pursuant to the provisions of Section 124(5) of the Companies Act, 2013.

• Outstanding GDRs/ ADRs/ Warrants or any convertible instruments: Nil

• Plant Locations:

Location	Activity
Plot 158, 159, 160, 161, 162, Shree Samartha Sahakari Audyogik Vasahat Ltd., Pimpalgaon Baswant, Taluka - Niphad, District Nashik, Maharashtra	Metallic Film Manufacturing, Lacquer Coated Metallic Yarn Manufacturing, Chemical Resistant Films Manufacturing
S. No 329/2, Plot No 11 (Part) + 12+13+14 (Part), Near Rajasthani School, Malegaon, (Nashik) – 423203	Grey Fabric Manufacturing

Lakhotia Polyesters (India) Limited

Means of Communication to Shareholders

- The Un-audited quarterly/ half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the closure of the financial year as per the requirement of the Listing Regulations.
- The approved financial results are forthwith sent to the Stock Exchange and are published in 'Free press General' (English newspaper) and 'Navshakti' (local language (Marathi) newspaper), within forty-eight hours of approval thereof. Presently the same are not sent to the shareholders separately. The Company's financial results and official press releases are displayed on the Company's Website i.e. www.lakhotiapoly.in
- Management Discussion and Analysis report forms part of the Annual Report, which is sent to the shareholders of the Company
- The quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the BSE Limited are filed electronically. The Company has complied with filing submissions through BSE's BSE Listing Centre
- SEBI processes investor complaints in a centralized web based complaints redressal system i.e. SCORES. Through this system a shareholder can lodge complaint against a Company for his grievance. The Company uploads the action taken on the complaint which can be viewed by the shareholder. The Company and shareholder can seek and provide clarifications online through SEBI
- The Company has designated the email id: info@lakhotiapoly.in. exclusively for investor relation, and the same is prominently displayed on the Company's website i.e., www.lakhotiapoly.in.

Address for Correspondence:

Lakhotia Polyesters (India) Limited

158/159 Samaratha Sahkari Aydyogik Vasahat Ltd.

Pimpal – Gaon (Baswant), Tal Niphad,

District Nashik, Maharashtra – 422209

Tel: +91 02554-232000 Fax: +91 02554-232000

Website: www.lakhotiapoly.in Email: info@lakhotiapoly.in

CIN: L17120MH2005PLC155146

Name, Designation and address of the Compliance Officer:

Ms. Shannu Chaturvedi

158/159 Samaratha Sahkari Audyogik Vasahat Ltd.

Pimpal- Gaon (Baswant), Tal Niphad, District Nashik,

Maharashtra – 422209; Tel: +91 02554-232000

Fax: +91 02554-232000 Email: info@lakhotiapoly.in

Registrar and Share Transfer Agent:

AFFIRMATIONS AND DISCLOSURES

Related Party Transaction:

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulations during the financial year were on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. Related party transactions have been disclosed under significant accounting policies and notes forming part of the Financial Statements in accordance with "IND AS". A statement in summary form of transactions with Related Parties in ordinary course of business and arm's length basis is periodically placed before the Audit committee for review and recommendation to the Board for their approval. As required under Regulation 23(1) of the Listing Regulations, the Company has formulated a policy on dealing with Related Party Transactions.

Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during last three financial years;

The Company has generally complied with all the requirements of the listing agreements with the stock exchanges as well as regulations and guidelines of SEBI. Details of the non-compliance and penalties during the last three financials year are as under;

Sr. No.	Date of order	Amount of Penalty	Reason	Authority
1.	-	140,000	Non-compliance of regulation 33 of the SEBI (LODR), 2015 for the Quarter ended June 2020	BSE Limited
2.	-	1,92,000	Non-compliance of SOP-Reg-19(1)/19(2) Limited_and 29(2) 29(3) SEBI (LODR) 2015 for October 2020	BSE Limited

The Company has followed all relevant accounting standards notified by the Companies Accounting Standards Rules 2006 and relevant provisions of the Companies Act, 2013 while preparing its financial statements.

Vigil Mechanism / Whistle Blower Policy:

Pursuant to Section 177(9) and (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 i.e., www.lakhotiapoly.in.

Reconciliation of Share Capital Audit:

In line with the requirements stipulated by Securities and Exchange Board of India (SEBI), Reconciliation of Share Capital Audit is carried out on a quarterly basis by a Practicing Company Secretary to confirm that the aggregate number of equity shares of the Company held in National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and in physical form tally with the total number of issued, paid-up, listed and admitted capital of the Company.

Disclosure of Accounting Treatment

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

Risk Management

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

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

A certificate from a 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 companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.

The Certificate of Company Secretary in practice is annexed herewith as a part of the report.

Where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year. Not Applicable

Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part. 1,50,000

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.15

The details of number of complaints filed and disposed of during the year and pending as on March 31, 2023 is given in the Directors' report.

Non-mandatory requirements

Adoption of non-mandatory requirements of the Listing Regulations is being reviewed by the Board from time-to time.

Details of Adoption of Non-Mandatory (Discretionary) Requirements

Non-mandatory (discretionary) requirements under Regulation 27 of the Listing Regulations. The status of compliance with the non-mandatory requirements of the Listing Regulations is provided below:

- No separate office was maintained for Chairman and/or Managing Director of the Company Shareholders rights
The Company has not adopted the practice of sending out quarterly or half-yearly declaration of financial performance to shareholders. Quarterly results as approved by the Board are disseminated to Stock Exchanges and updated on the website of the Company.
- Modified opinion(s) in audit report ; There are no modified opinions in audit report
- Reporting of Internal Auditor

In accordance with the provisions of Section 138 of the Companies Act, 2013, the Company has appointed an Internal Auditor who reports to the Audit Committee. Quarterly internal audit reports are submitted to the Audit Committee which reviews the audit reports and suggests necessary action

Compliance with the mandatory requirements of Corporate Governance as per SEBI (LODR) Regulations, 2015

The Company has complied with the mandatory requirements Regulation 27 of SEBI (LODR) Regulations, 2015 and submits on quarterly/yearly basis the Corporate Governance reports to the concerned Stock Exchanges.

The provisions of regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (LODR), Regulations, 2015 are fully complied with, to the extent applicable to the Company. All the mandatory disclosure as required in term of the provisions of SEBI (LODR), Regulations, 2015 are disclosed in this report.

CEO/CFO CERTIFICATE:

Appropriate certification as required under Regulation 17(8) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 has been made to the Board of Directors by the CEO/CFO which has been taken note of by the Board.

**By Order of the Board of Directors of
Lakhotia Polyesters (India) Limited**

Jayshri Lakhotiya	Madhusudan Lakhotiya
Director	Managing Director
DIN: 05357609	DIN: 00104576

Place: Nashik

Dated: August 09, 2023

DECLARATION BY THE CEO UNDER REGULATION 26(3) OF THE SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING ADHERENCE CODE OF CONDUCT

In accordance with Regulation 26(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all the Directors and the Senior Management Personnel of the Company have affirmed compliance to the Code of Conduct for the Financial Year ended March 31, 2023.

**By Order of the Board of Directors of
Lakhotia Polyesters (India) Limited**

Madhusudan Lakhotiya
Managing Director
DIN: 00104576

Place: Nashik

Dated: August 09, 2023

CEO / CFO CERTIFICATION

**CEO / CFO certification for Preparation of Financial Statements on Standalone Basis
[Regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]**

**To,
The Board of Directors,
Lakhotia Polyesters (India) Limited**

CEO / CFO certification for Preparation of Financial Statements on Standalone & Consolidated Basis

We, Mr. Madhusudhan Lakhotiya, Managing Director and Mr. Vivek Rathi – Chief Financial Officer of the Company, hereby certify to the Board that:

- (a) We have reviewed financial statements and the cash flow statement prepared for the financial year ended on 31st March, 2023 and that to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit committee that
 - i. There are no significant changes in internal control over financial reporting during the year;
 - ii. There are no changes in accounting policies during the year requiring disclosure in the notes to financial statements; and
 - iii. There are no instances of significant fraud in the company's internal control system over financial reporting.

For Lakhotia Polyesters (India) Limited

**Vivek Rathi
Chief Financial Officer**

**Madhusudan Lakhotiya
Managing Director
DIN: 00104576**

Place: Nashik

Dated: May 15, 2023

Corporate Governance Compliance Certificate

The Members of

Lakhotia Polyesters (India) Limited

[CIN: L17120MH2005PLC155146]

158/159 Samarth Sahkariaudyogik Vasahat Ltd,

Pimpal- Gaon (Baswant),

Tal Niphad Dist. Nashik 422209

We have examined the compliance of conditions of Corporate Governance by Lakhotia Polyesters (India) Limited ("the Company") for the financial year ended on March 31, 2023, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para-C and D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR').

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the LODR.

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforesaid provisions of LODR) during the financial year ended March 31, 2023, **except that of regulation 17 of the LODR, with regard to constitution of Board and Committees.**

We 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 R M Mimani & Associates LLP

[Company Secretaries]

[Firm Registration No. L2015MH008300]

Sd/-

Ranjana Mimani

(Partner)

FCS : 6271

CP No.: 4234

PR No.: 1065/2021

UDIN: F006271E000773831

Place: Mumbai

Dated: August 09, 2023

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)

The Members of

Lakhotia Polyesters (India) Limited

[CIN: L17120MH2005PLC155146]

158/159 Samarth Sahkariudyogik Vasahat Ltd,

Pimpal- Gaon (Baswant),

Tal Niphad Dist. Nashik 422209

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Lakhotia Polyesters (India) Limited (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) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority;

DID	Name of the Board Member	Designation	Date of Appointment
00104576	Mr. Madhusudan Shamsundar Lakhotiya	Managing Director	03/09/2015
01532044	Mr. Ashokkumar Gulabchand Khajanchi	Director	17/08/2016
09773768	Mr. Nikunj Shrawan Bihani	Independent Director	16/12/2022
05357609	Mrs. Jayshri Madhusudhan Lakhotiya	Executive Director	24/07/2012
08475997	Mr. Vashishtha Mohan Pandiya	Independent Director	31/05/2019
09773823	Mr. Kanhaiya Lal Sharma	Independent Director	16/12/2022

3Ensuring 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.

For R M Mimani & Associates LLP

[Company Secretaries]

[Firm Registration No. L2015MH008300]

Sd/-

Ranjana Mimani

(Partner)

FCS : 6271

CP No.: 4234

PR No.: 1065/2021

UDIN: F006271E000773829

Place: Mumbai

Dated: August 09, 2023

INDEPENDENT AUDITOR'S REPORT

The Members of

M/s. Lakhotia Polyesters (India) Limited

Report on the Audit of Ind AS Standalone Financial Statements

Opinion

We have audited the accompanying Ind AS Standalone Financial Statements of M/s. Lakhotia Polyesters (India) Limited ("the Company"), which comprise the balance sheet as at March 31, 2023, the Statement of Profit and Loss, (including the statement of Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Ind AS & accounting principles generally accepted in India:

- a) in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2023; and
- b) in the case of the statement of profit and loss, of the loss including other comprehensive income for the year ended on that date.
- c) in the case of the statement of cash flows, of the cash flows for the year ended on that date.
- d) in the case of the statement of changes in equity, of the changes in equity share capital and other equity for the year ended on that date.

Basis for Opinion

We have conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing as specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the Ind AS 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 provision of the Act and the Rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the ICAI Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Board of Directors' Report, but does not include the Ind AS financial statements and our Auditor's report thereon.

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

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, that were operating effectively for ensuring

the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors Responsibility for the Audit of the Ind AS Financial Statements

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in paragraph 3 and 4 of the order.
2. (A) As required by section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

- c) the balance sheet, the statement of profit and loss including the statement of other comprehensive income, the statement of cash flows, 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 specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e) on the basis of written representations received from the directors as on 31 March, 2023 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2023, from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over the financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in “**Annexure B**”.
- B.) with respect to the other matters to be included in Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to explanations given to us:
 - a) The Company does not have any pending litigations which would impact its financial position;
 - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - c) The Company was not required to transfer any amount to Investor Education and Protection Fund,
 - d)
 - i. 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:
 - Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company; or
 - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - ii. 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 (“Fund Parties”) with the understanding, whether recorded in writing or otherwise that the Company shall:
 - Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party; or
 - Provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
 - iii. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause d (i) and d (ii) contain any material misstatement.
 - e) During the year, the Company has not declared or paid any dividend.
- C.) With respect to the matter to be included in the Auditor’s Report under Section 197 (16) of the Act:

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. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For M/S. SHARP AARTH & CO LLP

Chartered Accountants

FRN: 132748W / W100823

CA Praveen Purohit

Partner

Membership No.: 429231

UDIN:23429231BGXFEU7707

Place: Nashik

Date: May 15, 2023

Annexure A to the Independent Auditors' Report on the Standalone Financial Statements of M/s. Lakhotia Polyesters (India) Limited for the year ended 31st March, 2023

Referred to in paragraph 1 of the section on "Report on other legal and regulatory requirements" of our report of even date
On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- (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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment by which all Property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain Property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in the aggregate, hence reporting under this clause is not required.
- (iii) According to the information and explanations are given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security except for advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. The Company has granted loans secured or unsecured to companies, firms, limited liability partnerships or any other parties during the year the details of which are as under:
- (a) A. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not granted any loans to subsidiaries.
- B. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has granted loans to parties other than subsidiaries.

Particulars	Amount (INR Lakhs)
Aggregate amount of loan provided during the year	-
Subsidiaries	-
Joint Ventures	-
Associates	-
Others	105.00

Particulars	Amount (INR Lakhs)
Balance outstanding as at the balancesheet date in respect of the above loans	-
Subsidiaries	-
Joint Ventures	-
Associates	
Others	20.00

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest;
- (c) According to information and explanations given to us and on the basis of our examination of the records of the Company, the repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular.
- (d) According to information and explanations given to us and on the basis of our examination of the records of the Company, no amount is overdue.
- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended, or fresh loans given to settle the overdue of existing loans given to the same party.
- (f) According to information and explanations given to us and on the basis of our examination of the records of the Company, no loans are given by the Company, which is repayable on demand and without specifying any terms or period of repayment.
- (iv) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013.
- Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Companies Act, 2013 for the products manufactured by it (and / or services provided by it). Accordingly, clause 3 (vi) of the order is not applicable.
- (vii) (a) The Company does not have liability in respect of Sales Tax, Service Tax, Duty of Excise and Value Added Tax during the year since effective 1st July, 2017, these statutory dues have been subsumed into GST.
- According to the information and explanation are given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees State Insurance, Income Tax, Duty of Customs, cess or other material statutory dues have generally been regularly deposited (except as described below) with the appropriate authorities.
- According to the information and explanations given to us, there are no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess, and other material statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations are given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of disputes.
- (viii) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (f) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender.

- (g) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (h) According to information and explanations given to us by the management, the term loans availed by the company were applied for the purpose for which the loans were obtained.
- (i) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that funds raised on short term basis have not been utilised for long term.
- (j) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- (k) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- (xiv) (a) Based on the information and explanations provided to us and our audit procedures, in our opinion, as per Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014, the Company has an Internal Audit System that commensurates with the size and nature of its business.
- (b) The Internal Audit Reports of the company issued till date of the audit report, for the period under audit have been considered by us.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of the audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) The Statutory Auditor for previous financial year has resigned and there are no objections or concerns raised by the outgoing auditor.

- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation 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 the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on 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 the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
- (xxi) The requirements of reporting on consolidated financial statements are not applicable to the Company. Accordingly, the requirements of clause 3(xxi) are not applicable.

For M/S. SHARP AARTH & CO LLP

Chartered Accountants

FRN: 132748W / W100823

CA Praveen Purohit

Partner

Membership No.: 429231

UDIN:23429231BGXFEU7707

Place: Nashik

Date: May 15, 2023

Annexure B to the Independent Auditors' Report

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

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

Opinion

We have audited the internal financial controls over financial reporting of **M/s. Lakhotia Polyesters (India) Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2023, based on the criteria for internal financial control over financial reporting 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.

Managements and Board of Directors' Responsibility for Internal Financial Controls

The Company's management and the Board of Directors 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") 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 with reference to standalone financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 with Reference to Standalone Financial Statements

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 M/S. SHARP AARTH & CO LLP

Chartered Accountants

FRN: 132748W / W100823

CA Praveen Purohit

Partner

Membership No.: 429231

UDIN:23429231BGXFEU7707

Place: Nashik

Date: May 15, 2023

LAKHOTIA POLYESTERS (INDIA) LIMITED
CIN - L17120MH2005PLC155146
Balancesheet as on March 31, 2023
INR (In Lakhs)

Particulars	Note Ref	As at March 31 st , 2023	As at March 31 st , 2022
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	3	9.01	17.64
(b) Capital work-in-progress		-	-
(c) Investment Properties		-	-
(d) Intangible Assets		-	-
(e) Financial Assets		-	-
(i) Investments	4(a)	0.01	0.01
(ii) Loans & Advances	4(b)	-	-
(iii) Trade Receivables		-	-
(iv) Other Financial Assets	4(c)	61.91	61.91
(f) Deferred Tax Assets		2.90	14.83
(g) Other Non-Current Assets	5	-	-
Total Non-Current Assets		73.83	94.39
Current Assets			
(a) Inventories	6	260.66	427.27
(b) Financial Assets			
(i) Investments	4(a)	226.61	81.61
(ii) Trade Receivables	4(d)	1,746.45	1,389.66
(iii) Cash and Cash Equivalents	4(e)	9.11	10.18
(iv) Bank balances other than (iii) above		-	-
(v) Loans & Advances	4(b)	20.56	2.96
(vi) Other Financial Assets	4(c)	8.22	11.71
(c) Current Tax Assets (Net)	4(f)	41.21	18.68
(d) Other Current Assets	5	0.22	-
Total Current Assets		2,313.06	1,942.08
Total Assets (1+2)		2,386.89	2,036.48
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	7(a)	1,047.40	1,047.40
(b) Other Equity	7(b)	(176.48)	(292.77)
Total Equity		870.92	754.63
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	8(a)	6.26	33.63
(ii) Trade Payables		-	-
(iii) Other Financial Liabilities		-	-
(b) Other Non-Current Liabilities		-	-
(c) Provisions	9	2.63	2.63
(d) Deferred Tax Liabilities		-	-
Total Non-Current Liabilities		8.89	36.26

LAKHOTIA POLYESTERS (INDIA) LIMITED

CIN - L17120MH2005PLC155146

Balancesheet as on March 31, 2023

INR (In Lakhs)

Particulars	Note Ref	As at March 31 st , 2023	As at March 31 st , 2022
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	8(a)	775.41	708.70
(ii) Trade Payables			-
- Total Outstanding Dues of Micro Enterprises and Small Enterprises	10	120.19	493.43
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	10	598.19	36.09
(iii) Other Financial Liabilities		-	-
(b) Provisions	9	0.91	1.60
(c) Current Tax Liabilities (Net)	11	6.04	-
(d) Other Current Liabilities	12	6.34	5.77
Total Current Liabilities		1,507.08	1,245.58
Total Equity & Liabilities (1+2+3)		2,386.89	2,036.48

For and on behalf of the Board
Lakhotia Polysters(India) Limited

SHARP AARTH & CO. LLP

Chartered Accountants

FRN: 132748W/W100823

Madhusudan S Lakhotiya

Managing Director

DIN: 00104576

Jayshri M Lakhotiya

Chairperson

DIN: 05357609

CA Praveen Purohit

Partner

UDIN: 23429231BGXFEU7707

Vivek Rathi

Chief Financial Officer

Shannu Chaturvedi

Company Secretary

MRN: 429231

Date: 15.05.2023

Place: Nashik

Date: 15.05.2023

Place: Nashik

Date: 15.05.2023

Place: Nashik

LAKHOTIA POLYESTERS (INDIA) LIMITED
CIN - L17120MH2005PLC155146
Profit and Loss Statement for the year ended March 31, 2023

INR (In Lakhs)

Particulars	Note	31st March 2023	31st March 2022
Income			
(a) Revenue from Operations	26	1,408.03	2,021.19
(b) Other Income	27	107.80	69.33
Total Income		1,515.83	2,090.52
Expenses			
(a) Cost of Material Consumed	28	1,429.74	1,929.35
(b) Changes in inventories of work-in-progress, stock-in-trade and finished goods	29	98.94	7.37
(c) Employee Benefits Expenses	30	30.91	28.51
(d) Finance Costs	31	50.54	53.59
(e) Depreciation and Amortization Expenses	32	9.59	12.49
(f) Other Expenses	33	75.82	107.89
Total Expenses		1,695.54	2,139.19
Profit Before Tax for the period / year (1-2)		(179.71)	(48.67)
Tax Expense Charge / (Credit)			
(a) Current Tax		-	-
(b) Deferred Tax		11.93	(2.26)
Total Tax Expenses		11.93	(2.26)
Profit after Tax for the period (3-4)		(191.64)	(46.41)
Other Comprehensive Income for the period / year			
Net changes in fair values of investments in equity shares carried at fair values through OCI		238.09	53.87
Profit/(Loss) on Sale of Equity Shares held as Investment		75.88	(4.18)
Less: Tax related to OCI items	-	6.04	-
Total Comprehensive Income / (Loss) for the period / year (5+6)	-	116.28	3.28
Earning per Equity Share (EPS)* (Face value of Rs. 10 each)			
Basic EPS	-	1.11	0.03
Diluted EPS	-	1.11	0.03

For and on behalf of the Board
Lakhotia Polysters(India) Limited

SHARP AARTH & CO. LLP

Chartered Accountants
 FRN: 132748W/W100823

Madhusudan S Lakhotiya
 Managing Director
 DIN: 00104576

Jayshri M Lakhotiya
 Chairperson
 DIN: 05357609

CA Praveen Purohit

Partner
 UDIN: 23429231BGXFEU7707

Vivek Rathi
 Chief Financial Officer

Shannu Chaturvedi
 Company Secretary
 MRN: 429231

Date: 15.05.2023
 Place: Nashik

Date: 15.05.2023
 Place: Nashik

Date: 15.05.2023
 Place: Nashik

LAKHOTIA POLYESTERS (INDIA) LIMITED
CIN - L17120MH2005PLC155146
Statement of Cash Flow as on March 31, 2023

INR (In Lakhs)

Particulars	31st March 2023	31st March 2022
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Income Tax	(179.71)	(48.67)
Adjustments for:		
Depreciation & Amortization Expenses	9.59	12.49
Interest Income	(2.82)	-
Finance Cost 50.54	53.59	
Adjustment for Deferred Taxes	-	(2.23)
Adjustment of Other Comprehensive Income		(0.39)
Operating Profit before Working Capital Changes	(122.39)	14.78
Changes in Operating Assets & Liabilities:		
(Increase) / Decrease in Financial Assets	(277.81)	(525.79)
(Increase) / Decrease in Non Financial Assets	(22.75)	74.60
Increase / (Decrease) in Financial Liabilities	188.86	142.01
Increase / (Decrease) in Non Financial Liabilities	(0.12)	(5.62)
(Increase) / Decrease in Inventories	166.61	137.69
Cash Generated from Operations	(67.60)	(162.33)
Income Taxes Paid		5.03
Net Cash Flows from Operating Activities	(67.60)	(167.36)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipments	(0.96)	(1.88)
Proceeds from Sale of Investments	75.88	31.73
Sale of Property, Plant & Equipments	-	(0.63)
Interest Income	2.82	2.23
Net Cash Flows from Investing Activities	77.74	31.46
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	(27.37)	(34.45)
Proceeds from Short Term Borrowings	66.71	217.10
Finance Cost	(50.54)	(53.59)
Net Cash Inflows from Financing Activities	(11.20)	129.07
Net Increase / (Decrease) in Cash & Cash Equivalents	(1.07)	(1.81)
Cash & Cash Equivalents at the Beginning of the Year	10.18	11.98
Cash & Cash Equivalents at the End of the Year	9.11	10.18

For and on behalf of the Board
Lakhotia Polysters(India) Limited

SHARP AARTH & CO. LLP

Chartered Accountants
FRN: 132748W/W100823

Madhusudan S Lakhotiya
Managing Director
DIN: 00104576

Jayshri M Lakhotiya
Chairperson
DIN: 05357609

CA Praveen Purohit

Partner
UDIN: 23429231BGXFEU7707

Vivek Rathi
Chief Financial Officer

Shannu Chaturvedi
Company Secretary
MRN: 429231

Date: 15.05.2023
Place: Nashik

Date: 15.05.2023
Place: Nashik

Date: 15.05.2023
Place: Nashik

LAKHOTIA POLYESTERS (INDIA) LIMITED

Notes to the Financial Statements for the year ended March 31, 2023.

Note 3: Property, Plant and Equipment Assets

INR (In Lakhs)

Particulars	Useful Life	SLM Rate	GROSS BLOCK			DEPRECIATION			NET BLOCK	
			As at 01 April, 2022	Additions during the year	Deductions during the year	As at Mar 31, 2023	Upto 01 April, 2022	For the year ended Mar 31,2023	Deductions Upto Mar 31, 2023	As at Mar 31, 2023
a) Plant Property & Equipment										
Land			1.87	-	-	1.87	-	-	-	1.87
Buildings	30	3.17%	12.89	-	-	12.89	6.24	0.41	-	6.24
Plant and Machinery	15	6.33%	122.11	-	-	122.11	115.37	6.75	-	122.11
Furniture & Fixtures	10	9.50%	1.62	-	-	1.62	1.62	-	-	1.62
Office Equipments	5	19.00%	14.39	0.96	-	15.35	12.01	2.43	-	14.45
Vehicles	8	11.88%	-	-	-	-	-	-	-	-
Total Plant Property & Equipment			152.88	0.96		153.83	135.24	9.59	-	144.83

Particulars	Useful Life	SLM Rate	GROSS BLOCK			DEPRECIATION			NET BLOCK	
			As at 01 April, 2021	Additions during the year	Deductions during the year	As at Mar 31, 2022	Upto 01 April, 2021	For the year ended Mar 31,2022	Deductions Upto Mar 31, 2022	As at Mar 31, 2022
a) Plant Property & Equipment										
Land			1.87	-	-	1.87	-	-	-	1.87
Buildings	30	3.17%	12.89	-	-	12.89	5.83	0.41	-	6.24
Plant and Machinery	15	6.33%	149.59	-	27.48	122.11	133.38	9.47	27.48	115.37
Furniture & Fixtures	10	9.50%	1.62	-	-	1.62	1.62	-	1.62	-
Office Equipments	5	19.00%	12.51	1.88	-	14.39	9.40	2.61	-	12.01
Vehicles	8	11.88%	15.32	-	15.32	-	15.32	-	15.32	-
Total Plant Property & Equipment			193.80	1.88	42.80	152.88	165.55	12.49	42.80	135.23

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Note 4: Financial Assets

4 (a) Non Current Investments

INR (In Lakhs)

Particulars	31.03.2023	31.03.2022
A) Investment in Fully paid-up Equity Instruments (Unquoted)		
B) Unquoted shares of co-operative society	0.01	0.01
Total Non Current Investments (A+B)	0.01	0.01

4 (a) Current Investments

Particulars	31.03.2023	31.03.2022
Kavita Fab Pvt Ltd	226.08	81.02
Reliance Industries	-	0.26
West Coast Pap - Eq 2/- Shares	0.53	0.33
Total	226.61	81.61

Valuation of quoted equity shares were done on the closing market price on 31/03/2023, and any changes in fair value of its investment was shown as Other Comprehensive Income in the Statement of Profit and Loss.

4 (b) Non-Current Loans and Advances

Particulars	31.03.2023	31.03.2022
Loans to Others	-	-
Total	-	-

4 (b) Current Loans and Advances

Particulars	31.03.2023	31.03.2022
Loans to Related Parties	0.56	2.96
Loans to Others - Unsecured, Considered Good	20.00	-
Total	20.56	2.96

4 (c) Other Financial Assets - Non Current

Particulars	31.03.2023	31.03.2022
Shares Deposits	0.15	0.15
Security Deposits	0.94	0.94
Rent Deposits	59.93	59.93
Customs Duty (Advance)	0.90	0.90
Total	61.91	61.91

Footnote:

1. Balances with banks in margin money and fixed deposits are kept as security for guarantees / other facilities.

4 (c) Other Financial Assets - Current

Particulars	31.03.2023	31.03.2022
Loans to Others - Unsecured, Considered Good		-
Duty Drawback Receivable	8.22	11.71
Total	8.22	11.71

Note 4: Financial Assets
4 (d) Trade Receivables - For the year ended 31.03.2023

Name of the Directors	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables - considered good	1,333.95	60.85	101.49	20.31	229.85	1,746.45
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-
Less: Allowance for doubtful trade receivables	-	-	-	-	-	-
TOTAL						1,746.45

For the year ended 31.03.2022

Name of the Directors	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables - considered good	525.53	32.60	7.91	31.72	274.26	872.02
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-
Less: Allowance for doubtful trade receivables	-	-	-	-	-	-
TOTAL						872.02

Note 4: Financial Assets

4 (e) Cash and Cash Equivalents

Particulars	31.03.2023	31.03.2022
Balances with Banks		
Current Accounts	0.43	0.37
	-	-
Cash on Hand	8.69	9.81
Total	9.11	10.18

4 (f) Current Tax Assets

Particulars	31.03.2023	31.03.2022
Balances with Government Authorities		
Advance Tax & income Tax Payment		
Tax Collected at Source	0.24	1.01
Excess Credit Balances of GST & Service Tax	40.78	17.56
GST Payable	0.19	0.11
Total	41.21	18.68

Note 5 : Other Non-Financial Assets

Particulars	31.03.2023	31.03.2022
Other Non-Current Assets		
-		
Total	-	-
Other Current Assets		
Prepaid Expenses	0.17	
Other Receivables	0.05	
Total	0.22	-

Note 6 : Inventories

Particulars	31.03.2023	31.03.2022
Inventories (lower of cost or net realisable value)		
Raw Material	175.66	243.33
Work in Progress	-	-
Finished Goods	85.01	183.94
Stock in trade	-	-
Closing stock (Contract) - Asset		
Total	260.66	427.27

Footnote:

- Refer Note 16 for cost of inventories recognised as an expense during the period.
- Nil amount of inventories were written down to net realisable value during the current and comparable periods. Similarly, Nil amount of reversal of write down was accounted during the current and comparable periods.
- Mode of valuation of inventories is stated in Note 2

Lakhotia Polyesters (India) Limited

Note 7 (a) : Equity Share Capital

Particulars	31.03.2023	31.03.2022
Authorised Share Capital		
1,050.00 (As at 31st March, 2023: 1050.00; As at 1st April, 2022: 1,050.00) Equity Shares of Rs.10/- each	1,050.00	1,050.00
Issued and subscribed capital comprises:		
1047.39880 (As at 31st March, 2023: 1047.3988; As at 1st April, 2022: 1047.3988) Equity Shares of Rs.10/- each fully paid-up	1,047.40	1,047.40

1. Reconciliation of number of shares outstanding at the beginning and at the end of the year

Particulars	31.03.2023	31.03.2022
Fully paid equity shares (in Lakhs)	1,047.40	1,047.40
Add : Issued during the year (Bonus Issue)	-	-
Less: Bought back during the year	-	-
Balance at 31st March, 2022	1,047.40	1,047.40
Add : Issued during the year (Bonus Issue)	-	-
Add : Issued during the year (Fresh Issue in IPO)	-	-
Less: Bought back during the year	-	-
Balance at 31st March, 2023	1,047.40	1,047.40

2. Terms / rights attached to equity shares

The Company has a single class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The Board of Directors have not declared dividend for the year ending 31st March, 2023.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held by each shareholder, after settlement of all preferential obligations.

3. Details of shares held by each shareholder holding more than 5% shares

Particulars	Number of Shares	% of Holding 31.03.2022
Fully paid up equity shares (In Lakhs)		
Shreyas Surana	6.21	5.93%
Arrowspace Advisors Private Limited	9.02	8.62%
Sanjog Trade Link Private Limited	9.68	9.24%
Giza Estates Private Limited	10.95	10.46%
Mukesh Kumar Jain HUF	5.60	5.35%

Particulars	Number of Shares	% of Holding 31.03.2022
Fully paid up equity shares (In Lakhs)		
Sanjog Trade Link Private Limited	20.49	19.56%
Intensive Finance Private Limited	3.49	3.33%
Giza Estates Private Limited	10.95	10.45%
Arrowspace Advisors Private Limited	9.02	8.61%
Shyamsunder Lakhotia	5.53	5.28%
Madhusudan Lakhotia	14.09	13.45%
Kanchandevi Lakhotia	7.37	7.04%

4. Details of Shares held by the promoters

Particulars	Number of Shares	% change
Shyamsunder Lakhota	5.28%	0
Madhusudan Lakhota	13.46%	0
Kanchandevi Lakhota	7.03%	0
Madhusudan Lakhota (HUF)	4.05%	0
Shyamsunder Lakhota(huf)	2.59%	0
Jayashree Lakhota	1.48%	0

Particulars	Number of Shares	% change
Shyamsunder Lakhota	5.28%	0
Madhusudan Lakhota	13.46%	0
Kanchandevi Lakhota	7.03%	0
Madhusudan Lakhota (HUF)	4.05%	0
Shyamsunder Lakhota(huf)	2.59%	0
Jayashree Lakhota	1.48%	0

Note 7 (b) : Other Equity

DIC Subsidy	31.03.2023	31.03.2022
Balance at the beginning of the year	10.00	10.00
Add / (Less) :		
Amount transferred to general reserve		
Balance at the end of the year	10.00	10.00

General Reserve	31.03.2023	31.03.2022
Balance at the beginning of the year	(302.77)	(306.05)
Add / (Less) :		
Profit attributable to the owners of the company	116.28	3.28
Excess / (Short) Provision of Income Tax		
Income Tax Expenses		
Dividend Paid		
Balance at the end of the year	(186.48)	(302.77)
Total	(176.48)	(292.77)
Total	(176.48)	(292.77)

Note 8 (a) Borrowings - Non Current

Particulars	31.03.2023	31.03.2022
Secured		
(a) Term loans		
From Banks & Financial Institutions - Rupee loan	34.76	63.63
	34.76	63.63
Unsecured		
(a) Other Loans		
Loans from Others	-	-
Total Non-Current Borrowings	34.76	63.63
Less: Transferred to Current Maturities	28.50	30.00
TOTAL	6.26	33.63

Lakhotia Polyesters (India) Limited

Note 8 (a) Borrowings - Current

Particulars	31.03.2023	31.03.2022
Secured		
(a) Loan against Construction Projects		
Working Capital Loan / Cash Credit from Banks	(17.84)	51.78
Packing Credit facility from bank	449.90	391.84
	432.06	443.62
Unsecured		
(a) Other Loans - Repayable on Demand		
From Others		-
From Related Parties	314.84	235.08
	314.84	235.08
Current Maturities of Long Term Debt	28.50	30.00
Total	775.41	708.70

Footnote:

- The Company has availed Term Loan under GECL Scheme from Central Bank of India at 7.50% with an EMI of Rs. 2.50 Lakhs starting from 30.06.2021. It secured by primary and collateral securities
- The Company has also availed Bank Overdraft of Rs. 450 Lakhs with Sub-limit of Export Packing Credit (EPC) Facility of similar amount from Central Bank of India at 9.00% p.a.

Primary Security

Hypothecation of Stocks/Inventory & Book Debts/Receivable.

Collateral Security

- Land and Building at P No. 11,12,13 & 14, S. No. 329/2, Malegaon Dist. Nashik Owned by Mr. Madhusudan Lakhotia
- Plot No. 158 - 159, S. No. 670/A/2, at Shri Samarth Audyogik Vasahat Ltd., Pimpalgaon, Tal. Niphad, Dist. Nashik owned by Mr. Shamsunder Lakhotia
- Plot No. 158 - 159, S. No. 670/A/2, at Shri Samarth Audyogik Vasahat Ltd., Pimpalgaon, Tal. Niphad, Dist. Nashik owned by the Company.

Note 9: Provisions

Non Current Provisions

Particulars	31.03.2023	31.03.2022
Employee Benefits		
Provision for Gratuity	2.63	2.63
Total	2.63	2.63

Current Provisions

Particulars	31.03.2023	31.03.2022
Employee Benefits		
Employee Provident Fund Payable	0.06	
Other Provisions		
Audit Fees Payable	0.75	1.50
Professional Tax Payable	0.09	0.10
Total	0.91	10.00

Note 10: Trade Payables

Trade Payables	As at 31st March 2023 Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(a) MSME*	91.32	-	-	28.88	120.19
(b) Others	587.05	-	0.41	10.72	598.19
(c) Disputed Dues- MSME					-
(d) Disputed Dues- Others					-
Total	678.37	-	0.41	39.60	718.38

Trade Payables	As at 31st March 2022 Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(a) MSME*	437.83	-	19.74	9.40	466.97
(b) Others	26.36	4.82	0.00	31.37	62.55
(c) Disputed Dues- MSME					-
(d) Disputed Dues- Others					-
Total	464.19	4.82	19.74	40.77	529.52

Footnotes:

- a) The average credit period on purchases is 1 to 6 months.
- b) The above figures of Trade Payables are shown as net of advances paid to the local/foreign suppliers
- Details of dues to Micro, Small and Medium Enterprises as defined under Micro Small Medium Enterprises Development Act, 2006 :**
- c) Trade payables include Rs. 120.19 as at 31st March, 2023 due to micro, small and medium enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED).
- d) No interest was paid / payable to micro and small enterprises during the year.
- e) The above information has been determined to the extent such parties could be identified on the basis of the information available with the Company regarding the status of parties under the MSMED Act and has been relied upon by the auditors.

Note 11: Provisions

Particulars	31.03.2023	31.03.2022
Provision for Income Tax	6.04	-
Total	6.04	-

Note 12: Other Current Liabilities

Particulars	31.03.2023	31.03.2022
Other Payables		
Statutory Dues	6.34	5.77
Total	6.34	5.77

Note 13: Revenue from Operations

Particulars	31.03.2023	31.03.2022
Sale of Products		
(a) Manufactured Goods		
Export	1,256.11	1,854.42
Domestic	48.98	80.78
(b) Exempt Sale -MEIS Liscence	1.68	14.15
(C) Exempt Sale -ROSCTL Liscence	4.53	5.20
(d) Exempt Sale -RODTEP Liscence	85.34	66.64
Sale of Services		
Export of Services		-
Other Services		-
Branch Sale	11.41	-
Total	1,408.03	2,021.19

Note 14: Other Income

Particulars	31.03.2023	31.03.2022
(a) Duty Drawback	19.07	26.80
(b) Discount Received	0.31	0.50
(c) Foreign Exchange Gain	85.54	39.80
(d) Profit on Sale of Assets	-	2.23
(e) Dividend	0.06	-
(f) Interest Received	2.82	-
Total	107.80	69.33

Note 15: Cost of Material Consumed

Particulars	31.03.2023	31.03.2022
Raw Materials and Packing material at the beginning of the period	243.33	373.66
Add: Purchases of Raw Materials	1,362.07	1,799.02
Less: Raw material and Packing material at the end of the year	175.66	243.33
Total cost of materials consumed	1,429.74	1,929.35

Note 16: Changes in inventories of work-in-progress, stock-in-trade and finished goods

Particulars	31.03.2023	31.03.2022
Opening balance		
Work-in Progress		
Finished Goods	183.94	191.31
Stock in Trade		
Total Opening Balance	183.94	191.31
Closing balance		
Work-in Progress		
Finished Goods	85.01	183.94
Stock in Trade		
Total Closing Balance	85.01	183.94
Total changes in inventories of work-in-progress, stock-in-trade and finished goods	98.94	7.37

Note 17: Employee Benefit Expenses

Particulars	31.03.2023	31.03.2022
Salary & wages - Manufacturing	4.44	5.23
Salary & wages - Office	12.00	12.20
Directors Remuneration	12.60	9.30
Provident Fund	0.48	0.44
Miscellaneous Expenses	1.39	1.34
Gratuity -	-	-
Total	30.91	28.51

Note 18: Finance costs

Particulars	31.03.2023	31.03.2022
Bank Interest	42.58	42.78
Interest on Statutory Dues	0.04	-
Interest - Others	0.42	3.00
Bank Charges & Commission	3.97	3.30
ECGC Premium	3.53	4.51
Loan Processing Fees	-	-
Total	50.54	53.59

Note 19: Other Expenses

Particulars	31.03.2023	31.03.2022
Direct Expenses		
Power & Fuel	1.81	2.04
Factory Expenses	1.07	0.27
Freight, Packing, Loading & Unloading Expenses	3.87	6.34
Export Related Expenses - C&F,Transport & Job Work	22.03	70.11
Rent Expenses	-	-
Packing Material	-	-
Indirect Expenses		
Audit Fees	1.50	1.50
Advertisement Expenses	0.65	0.63
BSE, NSDL & ROC Charges	3.56	3.22
Commission Expenses	22.62	4.64
Discount Expenses	0.01	0.33
Donation	0.51	0.11
Delay Payment Charges	-	0.07
DGFT Charges	0.01	0.04
Export Expenses	6.26	8.15
Freight Inward	-	0.07
Foreign Exchange Loss	-	-
Insurance	0.49	0.50
Misc. Expenses	-	-
Municipal Taxes	0.81	0.77
Office Expenses	0.59	0.01
DP Charges	-	0.02
Postage & Couriers	0.79	0.39
Petrol & Diesel	-	0.09
Professional Charges	4.85	7.47
Rates & Taxes	0.12	0.01
Travelling & Conveyance	4.08	0.82
Website Charges	0.20	-
BL Surrender Fees	-	0.31
Total	75.82	107.89

Note 20: Payment to Auditor

Particulars	31.03.2023	31.03.2022
Payment to Auditor		
As Auditor		-
- Audit Fees	1.50	1.50
- Other matters in Professional Capacity		
Total	1.50	1.50

Note 21: Earning per Share

Particulars	31.03.2023	31.03.2022
Profit attributable to Equity Shareholders	116.28	3.28
Weighted Average number of shares	104.74	104.74
Nominal Value of Shares	INR 10/-	INR 10/-
Basic EPS	1.11	0.03
Diluted EPS	1.11	0.03

Note 22: Fair Value Measurement

Particulars	March 31, 2023		March 31, 2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets designated as fair value through other comprehensive income	-	-	-	-
Financial assets designated at amortised cost.				
Non Current				
Loans	-	-	-	-
Investments	0.01	0.01	0.01	0.01
Other Financial Assets	61.91	61.91	61.91	61.91
Current				
Loans	20.56	20.56	2.96	2.96
Trade receivables	1,746.45	1,746.45	1,389.66	1,389.66
Cash and cash equivalents	9.11	9.11	10.18	10.18
Other Bank Balances	-	-	-	-
Investments	226.61	226.61	81.61	81.61
Other Financial Asset	8.22	8.22	11.71	11.71
	2,072.89	2,072.89	1,558.05	1,558.05
Financial liabilities designated at amortised cost				
Non Current				
Borrowings	6.26	6.26	33.63	33.63
Current				
Borrowings	775.41	775.41	708.70	708.70
Trade payables	718.38	718.38	529.52	529.52
Other Financial Liabilities	-	-	-	-
	1,500.04	1,500.04	1,271.84	1,271.84

(ii) Valuation technique used to determine fair value

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. "The following methods and assumptions were used to estimate the fair values:"

- Fair value for financial investments are valued using closing NAV.
- Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

- c) Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings approximates their carrying values.
- d) The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

(iii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are: (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

Financial assets and liabilities measured "at fair value-recurring fair value measurements"	March 31, 2023			
	Level 1	Level 2	Level 3	Level 4
Financial assets at amortised Cost Non Current Investment		0.01		0.01
Financial investments at FVTOCI Current Investment	226.61	-	-	226.61
Total financial assets	226.61	0.01	-	226.62

Financial assets and liabilities measured "at fair value-recurring fair value measurements"	March 31, 2022			
	Level 1	Level 2	Level 3	Level 4
Financial assets at amortised Cost Non Current Investment		0.01		0.01
Financial investments at FVTOCI Current Investment	81.61	-	-	81.61
Total financial assets	81.61	0.01	-	81.61

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument are included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in Level 3. The Company's policy is to recognise transfers into and transfer out in fair value hierarchy levels at the end of the reporting period.

Note 23 : Financial Risk Management

Financial Risk Factors

The Company's principal financial liabilities comprise borrowings and trade payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loan, trade and other receivables, cash and short-term deposits that arise directly from its operations. The Company's activities expose it to a variety of financial risks:

i) Credit Risk

Credit risk arises from cash and cash equivalents and deposits with bank(s) / other company, as well as credit exposure to counter party that will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

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Expected credit loss for trade receivables

Particulars	As at March 31.03.2023	As at March 31.03.2022
Trade Receivables		
Gross carrying amount	1,746.45	1,389.66
Expected loss rate	0.00%	0.00%
Expected credit losses (Loss allowance provision)		
Carrying amount of trade receivables (net of impairment)	1,746.45	1,389.66

ii) Market Risk

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates.

(a) Foreign Exchange Risk

The company is engaged in exports business and imports are very minimal for which hedging instruments are not required.

Earnings in Foreign Exchange

Particulars	As at March 31.03.2023	As at March 31.03.2022
Export of Goods	1,256.11	1,854.42
Total	1,256.11	1,854.42

iii) Liquidity Risk

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. Generally, the balances are maintained with the institutions with which the Company has also availed borrowings. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations subject to the compliance with loan facilities. Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions.

The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings, capital infusion and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Particulars	As at March 31, 2023				
	Carrying Amount	On Demand	< 6 months	6 to 12 months	> 1 year
Borrowings - Non Current	6.26			-	6.26
Borrowings - Current	775.41	745.41	15.00	15.00	-
Trade Payables	718.38	718.38	-	-	-
Other Financial Liabilities	-	-	-	-	-
Total	1,500.04	1,463.78	15.00	15.00	6.26

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Particulars	As at March 31, 2022				
	Carrying Amount	On Demand	< 6 months	6 to 12 months	> 1 year
Borrowings - Non Current	33.63	-			33.63
Borrowings - Current	708.70	678.70	15.00	15.00	-
Trade Payables	529.52	529.52	-	-	-
Other Financial Liabilities	-	-	-	-	-
Total	1,271.84	1,208.22	15.00	15.00	33.63

Note 24 : Capital Management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The Company's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders.
- Maintain an optimal capital structure to reduce cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is debt divided by equity capital. No changes were made in objectives, policies or processes during the year ended March 31, 2023 and March 31, 2022.

Particulars	As at March 31.03.2023	As at March 31.03.2022
Borrowings	781.66	742.33
Current Maturities of Long Term Debts	28.50	30.00
Less: Cash and cash equivalents	9.11	10.18
Net Debt (a)	819.28	782.50
Total Equity	870.92	754.63
Total capital (b)	870.92	754.63
Net Debt to Equity ratio (a/b)	0.94	1.04

Note 25 : Related Party Transactions

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are:

a) List of the related party

Particulars	Relationship	(% of holding)	
		As at March 31.03.2023	As at March 31.03.2022
Shyamsunder Lakhotiya	Relative of Director	5.28%	5.28%
Madhusudan Lakhotiya	Director & KMP	13.46%	13.46%
Kanchandevi Lakhotiya	Director & KMP	7.03%	7.03%
Madhusudan Lakhotiya (HUF)	HUF of Director or KMP	4.05%	4.05%
Shyamsunder Lakhotiya (huf)	HUF of Director or KMP	2.59%	2.59%
Jayashri Lakhotiya	Director & KMP	1.48%	1.48%
Shannu Chaturvedi Vinayak	KMP	-	-
Vivek Vijay Rathi	KMP	-	-
S C Threads Private Limited	Enterprises owned or significantly influenced by Director or their relatives	-	-
Rajiv Mundra	Relative of Director	-	-
Sujata Mundara	Relative of Director	-	-

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b) Transactions during the year with related parties

Name of the party	Nature of transactions	As at March 31,2023	As at March 31,2022
Madhusudan Lakhotia	Remuneration	11.00	6.90
Madhusudan Lakhotia	Unsecured Loans	29.00	184.48
Madhusudan Lakhotia	Repayment of Unsecured Loan	112.35	16.80
Jayashree Lakhotia	Remuneration	3.60	2.40
Jayashree Lakhotia	Unsecured Loans	98.16	17.00
Jayashree Lakhotia	Repayment of Unsecured Loan	5.50	11.50
Madhusudan Lakhotia (HUF)	Unsecured Loans	224.70	69.51
Madhusudan Lakhotia (HUF)	Repayment of Unsecured Loan	154.25	25.62
Shannu Chaturvedi Vinayak	Remuneration	3.58	3.20
Vivek Vijay Rathi	Remuneration	3.56	4.20
S C Threads Private Limited	Trade Receivables	31.50	0.00
Shyamsunder Lakhotia	Unsecured Loans	16.20	0.00
Shyamsunder Lakhotia	Repayment of Unsecured Loan	16.20	0.00
Rajiv Mundra	Commission	6.01	0.00
Sujata Mundara	Commission	16.28	0.00

c) Balance outstanding of related parties

Name of the Party	Receivable/(Payable)	As at March 31, 2023	As at March 31, 2022
Madhusudan Lakhotia	Remuneration	0.30	0.08
Madhusudan Lakhotia	Unsecured Loans	88.44	171.79
Jayashree Lakhotia	Remuneration	-	0.80
Jayashree Lakhotia	Unsecured Loans	110.73	18.07
Madhusudan Lakhotia (HUF)	Unsecured Loans	115.66	45.21
Shannu Chaturvedi Vinayak	Remuneration	0.60	1.21
Vivek Vijay Rathi	Remuneration	0.43	1.00
S C Threads Private Limited	Trade Receivables	170.09	270.56
Shyamsunder Lakhotia	Unsecured Loans	-	-
Rajiv Mundra	Commission	5.71	-
Sujata Mundara	Commission	5.01	-

d) Key Management Personnel Compensation

Particulars	As at March 31,2023	As at March 31, 2022
NIL		
Total Compensation	-	-

Note 26 : Contingent Liabilities

Particulars	Contingent Liability not provided in the books of accounts (Rs. In Lakh)	
	As at March 31, 2023	As at March 31, 2022
NIL	-	-

Note 27 : Commitments

a) Capital expenditure contracted at the end of the reporting period but not recognised as liability is as follows :

Particulars	Capital Commitments	
	As at March 31, 202	As at March 31, 2022
NIL	-	-

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b) Commitments against lease arrangement:

Particulars	Lease Commitments	
	As at March 31, 2022	As at March 31, 2023
- Not later than 1 year	-	-
- Later than 1 year but not later than 5 years	-	-
- Later than 5 years	-	-

Note 28 :Income Taxes

The company has realized deferred tax asset of Rs. 11.85 Lacs in the Profit and Loss Account, the details of which are as under:

Particulars	Deferred Tax	
	As at March 31, 2022	As at March 31, 2023
Opening Balance of Deferred Tax Asset	14.83	12.56
- Due to difference in WDV as per Income Tax and as per Books	(11.93)	2.26
Closing Balance	2.89	14.83

Note 29 : Segment Reporting

The company is operating in single segment as per IND AS 108. Hence segment reporting is not applicable.

Note 30 : Disclosure pursuant to Indian Accounting Standard (Ind-AS) 19 Employees Benefits

(i) Defined Benefit Plan

Contribution to defined benefit plans recognized as an expense during the year.

Particulars	As at March 31, 2023	As at March 31, 2022
Employers Contribution to Provident Fund	0.42	0.44
Total	0.42	0.44

Note 31 : Additional Regulatory Information

Ratio	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022
Current Ratio (in times)	Total Current Assets	Total Current Liabilities	1.53	1.56
Debt-Equity Ratio (in times)	Debt consists of borrowings & liabilities	Total Equity	0.90	0.98
Debt Service Coverage Ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non cash operating expenses + Interest + Other Non Cash Adjustments	Debt Service = Interest and lease payments + Principal repayments	-1.97	0.79
Return on Equity Ratio (in %)	Profit for the year	Average Total Equity	13.35%	0.44%
Inventory Turnover Ratio (in times)	Cost of Goods Sold	Average Inventory	5.86	3.50
Trade Receivables Turnover Ratio (in times)	Revenue from operations	Average Trade Receivables	0.90	1.85
Trade Payables Turnover Ratio (in times)	Purchases + Other Direct Expenses	Average Trade Payables	4.51	4.22
Net Capital Turnover Ratio (in times)	Revenue from operations	Working capital (i.e. Total Current Assets less Total Current Liabilities)	1.75	3.09
Net Profit Ratio (in %)	Profit for the year	Revenue from operations	8.26%	0.16%
Return on Capital Employed (in %)	Profit before tax and finance cost	Capital Employed = Net Worth + Lease Liabilities + Deferred Tax Liabilities	-14.88%	0.65%

Note 32 : Rounding Off

Figures of Current and Previous year are rounded off to nearest thousand, as per the requirements of Schedule III.

Note 33 :

Figures of Previous year have been regrouped / reclassified in order to make them comparable with current year figures, wherever necessary.

SHARP AARTH & CO. LLP

Chartered Accountants

FRN: 132748W/W100823

CA Praveen Purohit

Partner

UDIN: 23429231BGXFEU7707

Date: 15.05.2023

Place: Nashik

**For and on behalf of the Board
Lakhotia Polysters(India) Limited**

Madhusudan S Lakhotiya

Managing Director

DIN: 00104576

Jayshri M Lakhotiya

Chairperson

DIN: 05357609

Vivek Rathi

Chief Financial Officer

Shannu Chaturvedi

Company Secretary

MRN: 429231

Date: 15.05.2023

Place: Nashik

Date: 15.05.2023

Place: Nashik

Notes

Lakhotia Polyesters (India) Limited

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