

# SPUNWEB NONWOVEN PRIVATE LIMITED

CIN: U17291GJ2015PTC084107

REGISTERED OFFICE: Survey No. 109(2), N.H. 27, Near Wankaner Boundry, Post At - Jalida, Village Rangpar, Wankaner, Rajkot -363621, GUJARAT

EMAIL: info@spunweb.in

Phone: +91 9537320032

## NOTICE

**Notice** is hereby given that the **Annual General Meeting** of the Members of **SPUNWEB NONWOVEN PRIVATE LIMITED** will be held on Monday, September 30, 2024, at 11:30 A.M. at its registered office of the company, to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Director's Report and Audited Financial Statement for the year ended March 31, 2024, together with the report of the Auditors thereon.
2. To appoint M/s Kushal Dave & Associates, Chartered Accountants, (FRN 143936W) as a Statutory Auditors of the Company for the term of 05 years and to hold office up to the conclusion of 14th Annual General Meeting of the company, on a remuneration plus reimbursement of out-of-pocket expenses, as may be mutually agreed to between the Board of Directors and the Auditors.

By Order of the Board of Directors



*Jay Kagathara*

Jay Kagathara  
Chairman

### Registered Office:

Survey No. 109(2), N.H. 27,  
Near Wankaner Boundry,  
Post At - Jalida, Village Rangpar,  
Wankaner, Rajkot -363621,  
Gujarat  
Phone: +91 9537320032  
EMAIL: info@spunweb.in

Place: Rangpar

Date: September 5, 2024

### NOTES:

- A. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE VALID MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- B. The Members are requested to notify any change in their address to the Company.
- C. Members desiring any information as regards the Accounts are requested to write to the Company at least 10 days before the date of the meeting to enable the management to keep the information ready.

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## DIRECTOR'S REPORT

Dear Members,

The Board of Directors ("Board") of SPUNWEB NONWOVEN PRIVATE LIMITED ("Company") with immense pleasure present their Ninth Director Report on the business and operations of your Company for the financial year 2023-2024. This Report is being presented along with the audited financial statements for the year.

### FINANCIAL PERFORMANCE:

Financial Particulars	(Amt in Lakh)	
	For the year ended March 31	
	2024	2023
Revenue from operations	14,802.50	11,474.18
Other Income	626.12	293.79
<b>Total revenues</b>	<b>15,428.62</b>	<b>11,767.97</b>
Cost of Material Consumed	11,632.09	8,875.35
Change in Inventories	(627.56)	(211.93)
Employee Benefit expense	447.80	425.12
Finance Costs	454.89	447.75
Depreciation and amortization expense	870.85	650.34
Other expenses	1,896.98	1,434.76
<b>Total Expenses</b>	<b>14,675.05</b>	<b>11,621.39</b>
Profit before tax	753.57	146.58
Current Tax	198.00	00
Deferred tax	(41.44)	28.73
<b>Profit/Loss for the year</b>	<b>597.01</b>	<b>117.85</b>

### PERFORMANCE REVIEW:

During the year, your company has achieved revenue from operation of Rs. 14,802.50 Lakh as compared to previous year revenue from operation of Rs. 11,474.18 Lakh. Profit after tax was Rs. 597.01 Lakh during the year under review as compared to profit after tax of Rs. 117.85 Lakh of previous year. Your directors expect further growth of the company in the year to come.

### TRANSFER TO RESERVE

The Board of Directors of your company transfer Rs. 597.01 Lakhs to the Reserve for the financial year.

### DIVIDEND

The Company has decided to sustain the growth in line with the long term growth objectives of the company by retaining the profits and utilizing the same for opportunities in hand, therefore the company does not recommended any dividend.

### MATERIAL CHANGES AND COMMITMENTS

#### Conversion of Private Limited to Public Limited

The shareholders passed the Special Resolution for conversion of the company from Private Limited to Public Limited at the Extra Ordinary General Meeting held on July 06,



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2024. As on date, the company has not received the certificate of conversion of company from Ministry of Corporate Affairs ("MCA").

Except above, no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and the date of this report except herein mentioned above.

## **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS**

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

## **HUMAN RESOURCES DEVELOPMENT**

Your Company continues to take new initiatives to further align its HR policies to meet the growing needs of its business. People development continues to be a key focus area of the Company. The industrial relations in all the units of the Company remained cordial and peaceful throughout the year.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

The directors report that

1. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss account of the company for that period.
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. The Directors have prepared the annual accounts on a going concern basis.
5. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
6. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **SHARE CAPITAL**

### **Authorised Share Capital**

During the year under review, there was no change in Authorized, Issued, Subscribed and Paid up Share Capital of the company.

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The Authorised Share Capital of the Company is Rs. 14,00,00,000/- (Rupees Fourteen Crore Only) divided into 1,40,00,000 (One Crore Forty Lakhs) equity shares of Rs. 10/- each.

The Issued, Subscribed and Paid up Share Capital of the Company is Rs. 9,99,91,000/- (Rupees Nine Crore Ninety Nine Lakhs Ninety One Thousand Only) divided into 99,99,100 (Ninety Nine Lakhs Ninety Nine Thousand Hundred) Equity Shares of Rs. 10/- each.

## **FIXED DEPOSITS**

The Company has not accepted any Fixed Deposits from the public and it is therefore not required to comply with the requirement under Non-Banking Non-Financial Companies (Reserve Bank) Directions, 1996 and Companies (Acceptance of Deposits) Rules, 1975.

## **FINANCE**

During the period up to this report, company has been utilizing cash credit/term loan facilities from the Bank and the Company has been regular in payment of interest as well as instalments as per schedule to Banks.

## **DIRECTORS**

During the year under review, the following changes have made in the composition of Board of the Company

- Mr. Dineshbhai Hansrajbhai Kagthara has resigned from the company as a director w.e.f. 01<sup>st</sup> July, 2023.
- Mr. Keyur Dineshbhai Kagathara has resigned from the company as a director w.e.f. 01<sup>st</sup> July, 2023.

During the period up to this Report, the following changes have made in the composition of Board of the Company:

- Mrs. Charulata Jay Kagathara appointed as a Non-Executive & Non-Independent Director w.e.f. 06<sup>th</sup> July, 2024 in the Extra Ordinary General Meeting.

## **MEETINGS OF THE BOARD OF DIRECTORS**

During the current financial year, the Board of Directors of the Company duly met 11 (Eleven) times on April 07, 2024, June 29, 2023, June 30, 2023, July 01, 2023, September 05, 2023, October 01, 2023, October 26, 2023, November 10, 2023, November 23, 2023 and February 26, 2024, March 27, 2024. Proper notices were given and the proceedings were properly recorded and signed in the Minutes Book as required by the Articles of Association of the Company and the Act.

## **AUDITOR**

M/s Kushal Dave & Associates were appointed as a Statutory Auditor for the period of financial year 2023-2024 to fill casual vacancy caused by resignation of M/s Busa & Associates, Chartered Accountant, (FRN - 122574W) as a Statutory Auditor of the company w.e.f. 22<sup>nd</sup> July, 2024.

Your company has appointed M/s Kushal Dave & Associates as a Statutory Auditor for the term of 5 years and to hold office till the conclusion of Fourteenth Annual General Meeting which will be held in the year 2029.



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The Statutory Auditor has confirmed their eligibility and submitted the certificate that they are not disqualified to hold the office of the Statutory Auditor.

## **AUDIT OBSERVATIONS**

Auditor's observations are suitably explained in notes to the accounts and are self - explanatory.

## **SECRETARIAL STANDARDS OF ICSI**

Pursuant to provisions of section 118 of the Companies Act, 2013, the Company has complied with the applicable provisions of the Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs, wherever applicable.

## **COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178;**

The Company, Being a Private Limited Company was not required to constitute a Nomination and Remuneration Committee under Section 178(1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Stakeholders Relationship Committee under Section 178(5) of the Companies Act, 2013.

## **PARTICULARS OF EMPLOYEE**

None of the Employee has Received Remuneration Exceeding the Limit as Stated in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

## **DECLARATION OF INDEPENDENT DIRECTORS**

Since Your Company is Private Company, the provisions of Section 149 for appointment of Independent Directors do not apply to the company.

## **RISK MANAGEMENT POLICY**

The Company has adopted proper Risk Management Policy which in the opinion of the Board is adequate and working effectively.

## **INTERNAL FINANCIAL CONTROLS**

The Company has in place adequate internal financial controls with reference to financial statements. During the year the Company has not come across any fraud or financial irregularity or any material risk event which may threaten the existence of the Company.

## **INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has in place a Policy against Sexual Harassment at workplace in line with the requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Complaints Committee has been set-up to redress complaints received regarding sexual harassment. All employees (permanent, contractual,

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temporary and trainees) are covered under this policy. No complaints were received by the Committee during the year.

## CORPORATE SOCIAL RESPONSIBILITY

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

## RELATED PARTY TRANSACTIONS

A detailed report on contracts and arrangements made during the year, being arm's length transactions have been reported and annexed hereto in this report.

## CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The company has complied with Section 134(3)(m) of the Act read with Rule 8 of The Companies (Accounts) Rules 2014 for conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated.

### Foreign Exchange Earnings & Expenditure:

i) Details of Foreign Exchange Earnings:

(Rs in Lakhs)

Sr No.	Particulars	F.Y. 2023-2024	F.Y. 2022-2023
1.	Foreign Exchange Earnings	387.12	0

ii) Details of Foreign Exchange Expenditure:

(Rs in Lakhs)

Sr No.	Particulars	F.Y. 2023-2024	F.Y. 2022-2023
1.	Foreign Exchange Expenditure	7979.62	0

## SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANY

During the year under review, the Company does not have any Subsidiaries, associate or joint venture.

## EXTRACTS OF ANNUAL RETURN AND OTHER DISCLOSURES UNDER COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014

As provided under Section 92(3) of the Act, the extract of annual return is available on Company's website i.e. [www.spunweb.com](http://www.spunweb.com) for the kind perusal and information, which forms part of this report.



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## ACKNOWLEDGEMENT

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

### *By order of the Board of Directors*



**Jay Kagathara**  
Director  
DIN: 07335356



**Kishan Kagathara**  
Director  
DIN: 09730384



**Place: Rangpar**

**Date: September 05, 2024**

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## FORM NO. AOC-2

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

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

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

Sr. No.	Name of Related Party and Nature of Relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
..... Nil .....								

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

Sr. No.	Name of Related Party and Nature of Relationship	Nature of contracts/arrangements / transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Dineshbhai Hansrajibhai Kagathara. - Relative of Director	Salary	Not Fixed	- Rs. 250,000/-	Salary paid to Relative of Directors.	29.06.2023	--
2	Jay Dillipbhai Kagathara - Director	Remuneration	Not Fixed	- Rs. 1,759,000/-	Remuneration to Director	29.06.2023	--



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3	Keyurbhai Dineshbhai Kagathara - Relative of Director	Salary	Not Fixed	- Rs. 177,000/-	Salary paid to Relative of Directors.	29.06.2023	--
4	Dilipbhai Hansraibhai Kagathara - Relative of Director	Salary	Not Fixed	- Rs. 1,861,000/-	Salary paid to Relative of Directors.	29.06.2023	--
5	Charulataben Jagdishbhai Bhut - Relative of Director	Salary	Not Fixed	- Rs. 909,000/-	Salary paid to Relative of Directors.	29.06.2023	--
6	Kishanbhai Dilipbhai Kagathara - Director	Remuneration	Not Fixed	- Rs. 1,350,000/-	Remuneration to Director	29.06.2023	--
7	Spunweb Nonwoven – Sister Concern	Sales and Purchase	Not Fixed	- Rs. 232,130,000/-	Remuneration to Director	29.06.2023	--

Tracy

**Kishan Kagathara**  
**Director**  
**DIN: 09730384**

*Theresa*

**Date: September 05, 2024**

**Date: September 05, 2024**

*Kaushal Dave*

Registered Valuer

*Kaushal Dave & Associates*

Chartered Accountants

**SPUNWEB NONWOVEN PRIVATE LIMITED**

**PAN: AAWCS0641L**

**FINANCIAL YEAR: 2023-24**

**ASSESSMENT YEAR 2024-25**

TRANSPARENCY  
DECISION  
INTERESTS  
PROCEDURES  
AFFAIRS  
PARTICIPANTS  
CORPORATE  
REGULATION  
MONITORING  
SYSTEM  
INTEGRITY  
RULES  
POLICY  
MECHANISM  
MARKET  
ENVIRONMENT  
CONTROL  
DIRECTION  
STAKEHOLDER  
OBJECTIVES  
MANAGEMENT  
LAW  
BEHAVIOR  
**CORPORATE GOVERNANCE**



# *Kaushal Dave & Associates*

Chartered Accountants

## INDEPENDENT AUDITOR'S REPORT

To,  
the Members of  
**Spunweb Nonwoven Private Limited**  
Rajkot.

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

#### Opinion

- 1 We have audited the standalone financial statements of **Spunweb Nonwoven Private Limited**, Rajkot, (CIN: U17291GJ2015PTC084107), (hereinafter referred to as the "Company") which comprise the balance sheet as at 31<sup>st</sup> March 2024, and the statement of Profit and Loss and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
- 2 In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2024 and its Profit and its cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Key audit matters

- 1 Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period.
- 2 Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the company as it is an unlisted company.





*Kaushal Dave & Associates*  
Chartered Accountants

**Information other than the financial statements and auditors, report thereon.**

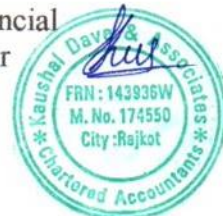
- 3 The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report but does not include the financial statements and our auditor's report thereon.
- 4 Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- 5 In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**Responsibility of Management and those charged with Governance for the Standalone Financial Statements**

- 1 The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.
- 2 In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
- 3 Those Board of Directors are also responsible for overseeing the company's financial reporting process.

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

- 1 Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or





# *Kaushal Dave & Associates*

## Chartered Accountants

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

3 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





# *Kaushal Dave & Associates*

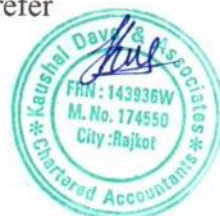
## Chartered Accountants

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.

### Other Matters

#### Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2020 (the "Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the accompanying standalone financial statements.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Company does not have any branch and therefore, this clause is not applicable.
  - (d) The standalone financial statements dealt with by this Report are in agreement with the books of account.
  - (e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (f) In our opinion, there are no observations or comments on financial transactions or matters which have any adverse effect on the functioning of the Company;
  - (g) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (h) In our opinion, there are no qualifications, reservations or adverse remarks relating to the maintenance of accounts and other matters connected therewith, except as mentioned as under
  - (i) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A."





# *Kaushal Dave & Associates*

Chartered Accountants

- (j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company does not have any pending litigations which would impact its financial position in its financial statements;
  - (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts, and
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - (iv) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note No. 39 of the financial statements attached herewith, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person/s or entity/ies including foreign entity/ies ("Intermediaries"), with the understanding, whether recoded in writing or otherwise, that the Intermediaries shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on the behalf of the Ultimate Beneficiaries.
  - (v) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note No. 40 of the financial statements attached herewith, no funds have been received by the Company from any person/s or entity/ies including foreign entity/ies ("Funding Party/ies"), with the understanding, whether recoded in writing or otherwise, that the Company shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party/ies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on the behalf of the Ultimate Beneficiaries.
  - (vi) Based on the audits procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that representations under sub-clauses (i) and (ii) of clause (e) of Rule 11 contain any material mis-statement.



# *Kaushal Dave & Associates*

Chartered Accountants

- (vii) During the financial year under audit, no dividend has been declared, or paid by the Company.
- (viii) Based on our examination, except for the instances mentioned below, the company has used an accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, We did not come across any instance of audit trail feature being tampered with

**For, Kaushal Dave & Associates.,**  
**Chartered Accountants**  
**[ICAI Firm Registration No.143936W]**



*Kaushal Dave*

**(Kaushal V. Dave)**  
**Partner**

**(Membership No.174550)**  
**UDIN: 24174550BKAHRA2589**

**Place: Rajkot**  
**Date: 05<sup>th</sup> September-2024**



**ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT**

In terms of the information and explanations sought by us and given by the Company and the books of account made available to us in the normal course of audit and to the best of our knowledge and belief, 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 is maintaining proper records showing full particulars of intangible assets.
- (b) These property, plant, and equipment have been physically verified by the management during the year as there is a regular program of verification. Discrepancies, having regard to size of the Company, considered as minor, were noticed on such verification and the said discrepancies were appropriately recognized in the financial statements by way of writing off of its assets.
- (c) The title deeds of all the immovable properties disclosed in the financial statements attached to this report are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant, and Equipment (including Right of Use assets) or intangible asset or both during the year, and hence, this clause is not applicable to the Company.
- (e) No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The inventory has been physically verified during the year by the management. As reported to us, discrepancies up to 10% for each class of inventories were not noticed.
- (b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. The quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) The Company has not made investment in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties.





# *Kaushal Dave & Associates*

Chartered Accountants

- (a) As the Company has not provided loans, or provided advances in the nature of loans or stood guarantee, or provided security to any other entity, this clause is not applicable for the year under audit.
- (b) As the Company has not made investments, or provided guarantee, or given any security, this clause is not applicable for the year under audit.
- (c) As the Company has not granted any loans and advances in the nature of loans, this clause is not applicable for the year under audit.
- (d) As the Company has not granted any loans and advances in the nature of loans, this clause is not applicable for the year under audit.
- (e) As the Company has not granted any loans and advances in the nature of loans, this clause is not applicable for the year under audit.
- (f) As the Company has not granted any loans and advances in the nature of loans, this clause is not applicable for the year under audit.
- (iv) The Company has complied with sections 185 and 186 of the Companies Act, 2013, wherever applicable.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act, 2013 and the rules made thereunder, to the extent applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of costs records under section 148(1) of the Companies Act, 2013 and We are of the opinion that the Company have made and maintained the said books of accounts and records.
- (vii) (a) The Company has been regularly depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues, applicable, to the appropriate authorities, except advance income tax.  
(b) There are no material dues of income tax, sales tax, service tax, wealth tax, duty of customs, duty of excise, value added tax, goods and services tax, and cess which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) There were no transactions which have, during the financial year under audit, been surrendered or disclosed as income during the year in the tax assessment under the Income-tax Act, 1961.





# *Kaushal Dave & Associates*

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- (ix) (a) The Company has not defaulted in repayment of loan or other borrowings or in the payment of interest thereon to any lenders.
- (b) The Company is not a declared willful defaulter by any bank or financial institution or other lender.
- (c) The company has, prima facie, applied the term loans for the purpose for which they were obtained.
- (d) The Company has not utilized short-term funds for long term purposes.
- (e) The Company has not taken any loans from any entity or person on account of or to meet the obligation of its subsidiaries, associates, or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies.
- (x) (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments), and therefore, this clause is not applicable.
- (b) The Company has not made any preferential allotment, or private placement of shares or fully or partly convertible debentures.
- (xi) (a) We are not prima facie, noticed any fraud (i.e. intentional material misstatements resulting from fraudulent financial reporting and misappropriations of assets) on or by the company, during the year. Further, the management has represented to me that no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year.
- (b) The auditor of the company has not filed any report under sub-section (12) of section 143 of the Companies Act, 2013 in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014.
- (c) We have not received any whistle-blower complaints during the year under audit.
- (xii) (a) This clause is not applicable to the Company as the Company is not Nidhi Company.
- (b) This clause is not applicable to the Company as the Company is not Nidhi Company.
- (c) This clause is not applicable to the Company as the Company is not Nidhi Company.



# *Kaushal Dave & Associates*

Chartered Accountants

- (xiii) All transactions with related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements etc. as required by the applicable Indian Accounting Standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.  
(b) Requirement for appointment of internal auditor is not applicable to company.
- (xv) The Company has not entered into non-cash transactions with directors or persons connected with him.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.  
(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities.  
(c) This clause is not applicable to the Company as the company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India.  
(d) This clause is not applicable to the Company as the company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India.
- (xvii) The Company has not incurred cash losses in the financial year under audit and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) We are of the opinion that no material uncertainty exists as on the date of the audit report that the Company is 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.
- (xx) (a) The Company has spent amount in the financial year in compliance with section 135 and therefore this clause is not applicable to the Company for the financial year under audit.  
(b) This clause is not applicable to the Company for the financial year under audit.





# *Kaushal Dave & Associates*

Chartered Accountants

- (xxi) This clause is not applicable to the Company for the financial year under audit as the Company is not required to prepare its consolidated financial statement.

For **Kaushal Dave & Associates**  
Chartered Accountants  
ICAI Firm Registration No 143936W



*Kaushal Dave*

Place: Rajkot.  
Date: 05.09.2024

**Kaushal V. Dave**  
Partner  
Membership No. 174550  
UDIN: 24174550BKAHRA2589

# *Kaushal Dave & Associates*

Chartered Accountants

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

We have audited the internal financial controls over financial reporting of Spunweb Nonwoven Private Limited, (the “Company”) as of 31<sup>st</sup> March, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

Office No 604 & 605, Level-06, Opp Imperial Heights, Near A P Park, Rajkot-360001





# *Kaushal Dave & Associates*

Chartered Accountants

## **Meaning of Internal Financial Controls Over Financial Reporting:**

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

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting:**

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

## **Opinion:**

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

**For, Kaushal Dave & Associates**  
Chartered Accountants  
ICAI Firm Registration No 143936W



**(Kaushal V. Dave)**  
Partner  
Membership No. 174550  
UDIN:24174550BKAHRA2589

Place: Rajkot  
Date: 05<sup>th</sup> September-2024

(Rs in lakhs)			
Particulars	Note	31 March 2024	31 March 2023
<strong>I. EQUITY AND LIABILITIES</strong>			
<strong>(1) Shareholders' funds</strong>			
(a) Share Capital	3	999.91	999.91
(b) Reserves and Surplus	4	1,646.56	1,049.55
Total		2,646.47	2,049.46
<strong>(2) Non-current liabilities</strong>			
(a) Long-term Borrowings	5	2,860.36	3,832.05
(b) Other Long-term Liabilities	6	16.66	-
Total		2,877.02	3,832.05
<strong>(3) Current liabilities</strong>			
(a) Short-term Borrowings	7	1,976.99	1,581.22
(b) Trade Payables	8		
- Due to Micro and Small Enterprises		187.84	211.03
- Due to Others		2,669.44	1,493.30
(c) Other Current Liabilities	9	299.82	139.85
Total		5,134.09	3,425.40
Total Equity and Liabilities		10,657.58	9,306.91
<strong>II. ASSETS</strong>			
<strong>(1) Non-current assets</strong>			
(a) Property, Plant and Equipment and Intangible Assets			
(i) Property, Plant and Equipment	10	4,593.47	5,029.94
(ii) Intangible Assets	10	5.87	-
(b) Non-current Investments	11	190.48	241.38
(c) Deferred Tax Assets (net)	12	47.18	5.74
(d) Long term Loans and Advances	13	189.91	0.09
Total		5,026.91	5,277.15
<strong>(2) Current assets</strong>			
(a) Inventories	14	2,388.66	985.33
(b) Trade Receivables	15	2,828.64	2,192.98
(c) Cash and cash equivalents	16	17.09	9.69
(d) Short-term Loans and Advances	17	189.19	385.69
(e) Other Current Assets	18	207.09	456.07
Total		5,630.67	4,029.76
Total Assets		10,657.58	9,306.91

See accompanying notes to the financial statements

As per our report of even date  
For Kaushal Dave & Associates  
Chartered Accountants  
Firm's Registration No. 143936W

  
Kaushal V.Dave  
Partner  
Membership No. 174550  
UDIN: 24174550BKAHRA2589  
Place: Rajkot  
Date: 5 September 2024



For and on behalf of the Board of  
SPUNWEB NONWOVEN PRIVATE LIMITED

	
Jay D. Kagathara	Kishan D. Kagathara
Director	Director
0733556	09730384

Place:  
Date: 31 August 2024



**SPUNWEB NONWOVEN PRIVATE LIMITED**

(CIN: U17291GJ2015PTC084107)

(Address: SURVEY NO.109(2), N.H. 27, NEAR WANKANER BOUNDRY POST AT JALIDA, VILLAGE RANGPAR,RAJKOT)

**Statement of Profit and loss for the year ended 31 March 2024**

(Rs in lakhs)

Particulars	Note	31 March 2024	31 March 2023
Revenue from Operations	19	14,802.50	11,474.18
Other Income	20	626.12	293.79
<b>Total Income</b>		<b>15,428.62</b>	<b>11,767.97</b>
<b>Expenses</b>			
Cost of Material Consumed	21	11,632.09	8,875.35
Change in Inventories of work in progress and finished goods		(627.56)	(211.93)
Employee Benefit Expenses	22	447.80	425.12
Finance Costs	23	454.89	447.75
Depreciation and Amortization Expenses	24	870.85	650.34
Other Expenses	25	1,896.98	1,434.76
<b>Total expenses</b>		<b>14,675.05</b>	<b>11,621.39</b>
<b>Profit/(Loss) before Exceptional and Extraordinary Item and Tax</b>		<b>753.57</b>	<b>146.58</b>
Exceptional Item		-	-
<b>Profit/(Loss) before Extraordinary Item and Tax</b>		<b>753.57</b>	<b>146.58</b>
Extraordinary Item		-	-
<b>Profit/(Loss) before Tax</b>		<b>753.57</b>	<b>146.58</b>
Tax Expenses	26		
- Current Tax		198.00	-
- Deferred Tax		(41.44)	28.73
<b>Profit/(Loss) after Tax</b>		<b>597.01</b>	<b>117.85</b>
Earnings Per Share (Face Value per Share Rs.10 each)			
-Basic (In Rs)	27	5.97	1.18
-Diluted (In Rs)	27	5.97	1.18

See accompanying notes to the financial statements

For our report of even date

**For Kaushal Dave & Associates**

Chartered Accountants

Firm's Registration No. 143936W


**Kaushal V.Dave**

Partner

Membership No. 174550

UDIN: 24174550BKAHRA2589

Place: Rajkot

Date: 5 September 2024



For and on behalf of the Board of  
SPUNWEB NONWOVEN PRIVATE LIMITED


**Jay D. Kagathara**

Director

0733556


**Kishan D. Kagathara**

Director

09730384

Place:

Date: 31 August 2024

**SPUNWEB NONWOVEN PRIVATE LIMITED**

(CIN: U17291GJ2015PTC084107)

(Address: SURVEY NO.109(2), N.H. 27, NEAR WANKANER BOUNDARY POST AT JALIDA, VILLAGE RANGPAR,RAJKOT)

**Cash Flow Statement for the year ended 31 March 2024**

(Rs in lakhs)

Particulars	Note	31 March 2024	31 March 2023
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit after tax		597.01	117.85
Depreciation and Amortisation Expense		870.85	650.34
Provision for tax		156.56	28.73
Loss/(Gain) on Sale / Discard of Assets (Net)		0.14	-
Bad debt, provision for doubtful debts		16.74	-
Finance Costs		454.89	447.75
<b>Operating Profit before working capital changes</b>		<b>2,096.19</b>	<b>1,244.67</b>
<b>Adjustment for:</b>			
Inventories		-1,403.33	-70.10
Trade Receivables		-652.40	-995.96
Loans and Advances		-230.60	103.31
Other Current Assets		486.27	217.43
Trade Payables		1,152.96	878.12
Other Current Liabilities		176.63	-91.71
Cash (Used in)/Generated from Operations		1,625.72	1,285.77
Interest paid(Net)		198.00	-
<b>Net Cash (Used in)/Generated from Operating Activities</b>		<b>1,427.72</b>	<b>1,285.77</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Property, Plant and Equipment		-440.39	-659.13
Investment in Term Deposits		50.90	-11.47
<b>Net Cash (Used in)/Generated from Investing Activities</b>		<b>-389.50</b>	<b>-670.60</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from Long Term Borrowings		-971.69	-1,116.27
Proceeds from Short Term Borrowings		395.76	946.44
Interest Paid		-454.89	-447.75
<b>Net Cash (Used in)/Generated from Financing Activities</b>		<b>-1,030.82</b>	<b>-617.57</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>		<b>7.40</b>	<b>-2.41</b>
Opening Balance of Cash and Cash Equivalents		9.69	12.10
<b>Closing Balance of Cash and Cash Equivalents</b>	16	<b>17.09</b>	<b>9.69</b>

Components of cash and cash equivalents	31 March 2024	31 March 2023
Cash on hand	17.09	9.69
Balances with banks in current accounts	-	-
<b>Cash and cash equivalents as per Cash Flow Statement</b>	<b>17.09</b>	<b>9.69</b>

**Note:**

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 (AS-3), "Cash Flow Statements".

**See accompanying notes to the financial statements**

As per our report of even date

For Kaushal Dave &amp; Associates

Chartered Accountants

Firm's Registration No. 143936W



Kaushal V. Dave

Partner

Membership No. 174550

UDIN: 24174550BKAHRA2589

Place: Rajkot

Date: 5 September 2024




Jay D. Kagathara

Director

0733556

For and on behalf of the Board of  
SPUNWEB NONWOVEN PRIVATE LIMITED



Kishan D. Kagathara

Director

09730384

Place:

Date: 31 August 2024



# SPUNWEB NONWOVEN PRIVATE LIMITED

(CIN: U17291GJ2015PTC084107)

Notes forming part of the Financial Statements

## 2 SIGNIFICANT ACCOUNTING POLICIES

### a Basis of Preparation

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, as applicable. The financial statements have been prepared under the historical cost convention on accrual basis, except for certain financial instruments which are measured at fair value.

### b Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates made are recognized in the period in which the results are materialized.

### c Property, Plant and Equipment

All Property, plant & equipment are stated at cost of acquisition less accumulated depreciation and impairment losses, if any. Cost comprises of the purchase price and any other attributable cost of bringing the assets to its working condition for its intended use..

### d Earning Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for

### e Depreciation and amortization

Depreciation on property, plant & equipment has been provided using the straight-line method in the manner and at the rates prescribed by Schedule II of the Act. Depreciation on addition/deletion of Property, plant & equipment made during the year is provided on pro-rata basis from / up to the date of each addition / deletion

### f Impairment of assets

At each balance sheet date, the management reviews the carrying amounts of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Reversal of impairment loss is recognised as income in the statement of profit and loss.



# SPUNWEB NONWOVEN PRIVATE LIMITED

(CIN: U17291GJ2015PTC084107)

## Notes forming part of the Financial Statements

### g Investment

Long-term investments and current maturities of long-term investments are stated at cost, less provision for other than temporary diminution in value. Current investments, except for current maturities of long-term investments, comprising investments in mutual funds, government securities and bonds are stated at the lower of cost and fair value.

### h Inventories

Raw materials are carried at the lower of cost and net realisable value. Cost is determined on a weighted average basis. Purchased goods-in-transit are carried at cost. Work-in-progress is carried at the lower of cost and net realisable value. Stores and spare parts are carried at lower of cost and net realisable value. Finished goods produced or purchased by the Company are carried at lower of cost and net realisable value. Cost includes direct material and labour cost and a proportion of manufacturing overheads.

### i Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

### j Export Incentive

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

### k Operating Cycle:

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and noncurrent.

### l Revenue recognition

Revenue from sales is recognised when the significant risks and rewards of ownership of the goods are transferred to the customers. Sales are net of sales returns and trade discounts. Installation and commissioning income is recognised when the service is rendered. Interest income is recognised on a time proportion basis. Dividend income is accounted when the right to receive the same is established.





# SPUNWEB NONWOVEN PRIVATE LIMITED

(CIN: U17291GJ2015PTC084107)

## Notes forming part of the Financial Statements

### m Employee Benefits

#### Post-employment benefit plans

Contributions to defined contribution retirement benefit schemes are recognised as expense when employees have rendered services entitling them to such benefits.

For defined benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in full in the statement of profit and loss for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, or amortised on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

#### Other employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service. These benefits include compensated absences such as paid annual leave, overseas social security contributions and performance incentives.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

#### Others

The company has obtained a valuation report for Gratuity Benefits from Kapadia Global Actuaries, as required under AS 15. Based on this report, the company has recognized INR 16.66 lakhs as Gratuity Expense for the current financial year. The discount rate used for the valuation of employee benefits is 7.20% per annum, with a salary growth rate assumed at 7.00% per annum.

### n Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds

However, during the financial year 2023-24, the company did not incur any borrowing costs for building qualifying assets

### o Segment Reporting

The Company operates in a single primary business segment. Hence, there are no reportable segment as per AS 17 Segment Reporting

### p Foreign currency transactions

Income and expense in foreign currencies are converted at exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities other than net investments in non-integral foreign operations are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses are recognised in the statement of profit and loss. Exchange difference arising on a monetary item that, in substance, forms part of an enterprise's net investments in a non-integral foreign operation are accumulated in a foreign currency translation reserve.

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximate of the actual rate at the date of transaction.

Monetary items denominated in foreign currencies at the year-end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year-end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contracts.

Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss statement except in case of long-term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying costs of such assets





# SPUNWEB NONWOVEN PRIVATE LIMITED

(CIN: U17291GJ2015PTC084107)

## Notes forming part of the Financial Statements

### q Taxation

Current income tax expense comprises taxes on income from operations in India and in foreign jurisdictions. Income taxpayable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax after the tax holiday period. Accordingly, MAT is recognised as an asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with it will fructify.

Deferred tax expense or benefit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and is likely to reverse in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction for relevant tax paying units and where the Company is able to and intends to settle the asset and liability on a net basis.

The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

### r Cash flows

The cash flow statement is prepared using the "Indirect method" set out in Accounting Standard 3 "Cash Flow Statements" and presents the cash flows by operating, investing and financing activities of the Company. Cash and cash equivalents presented in the cash flow statement consist of cash on hand and unencumbered, highly liquid bank balances

### s Provisions, Contingent liabilities and Contingent assets

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

As per our report of even date

**For Kaushal Dave & Associates**

Chartered Accountants

Firm's Registration No. 143936W



**Kaushal V. Dave**

Partner

Membership No. 174550

UDIN: 24174550BKAHRA2589

Place: Rajkot

Date: 5 September 2024



**Jay D. Kagathara**

Director

0733556

**For and on behalf of the Board of  
SPUNWEB NONWOVEN PRIVATE LIMITED**

**Kishan D. Kagathara**

Director

09730384

Place:

Date: 31 August 2024



**SPUNWEB NONWOVEN PRIVATE LIMITED**  
(CIN: U17291GJ2015PTC084107)  
Notes forming part of the Financial Statements

**3 Share Capital**

(Rs in lakhs)

Particulars	31 March 2024	31 March 2023
<b>Authorised Share Capital</b>		
Equity Shares, of Rs. 10 each, 14000000 (Previous Year -14000000) Equity Shares	1,400.00	1,400.00
<b>Issued, Subscribed and Fully Paid up Share Capital</b>		
Equity Shares, of Rs. 10 each, 9999100 (Previous Year -9999100) Equity Shares paid up	999.91	999.91
<b>Total</b>	<b>999.91</b>	<b>999.91</b>

**(i) Reconciliation of number of shares**

Particulars	31 March 2024		31 March 2023	
	No. of shares	(Rs in lakhs)	No. of shares	(Rs in lakhs)
Opening Balance	9,999,100	999.91	9,999,100	999.91
Issued during the year	-	-	-	-
Deletion	-	-	-	-
<b>Closing balance</b>	<b>9,999,100</b>	<b>999.91</b>	<b>9,999,100</b>	<b>999.91</b>

**(ii) Rights, preferences and restrictions attached to shares**

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

**(iii) Details of Shares held by shareholders holding more than 5% of the aggregate shares in the company**

Equity Shares Name of Shareholder	31 March 2024		31 March 2023	
	No. of shares	In %	No. of shares	In %
Dilipbhai H Kagathara	1,413,822	14.14%	1,413,822	14.14%
Dineshbhai H Kagathara	-	0.00%	1,916,096	19.16%
Jay Dilipbhai Kagathara	2,284,816	22.85%	956,642	9.57%
Kishan Dilipbhai Kagathara	2,760,676	27.61%	-	0.00%

**(iv) Shares held by Promoters at the end of the year 31 March 2024**

Name of Promoter	Class of Shares	No. of Shares	% of total shares	% Change during the year
Jay Dilipbhai Kagathara	Equity Shares	2,284,816	22.85%	13.28%
Kishan Dilipbhai Kagathara	Equity Shares	2,760,676	27.61%	26.77%

**Shares held by Promoters at the end of the year 31 March 2023**

Name of Promoter	Class of Shares	No. of Shares	% of total shares	% Change during the year
Jay Dilipbhai Kagathara	Equity Shares	956,642	9.57%	1.10%
Kishan Dilipbhai Kagathara	Equity Shares	85,400	0.84%	0.00%



**SPUNWEB NONWOVEN PRIVATE LIMITED**  
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Notes forming part of the Financial Statements

**4 Reserves and Surplus**

(Rs in lakhs)

Particulars	31 March 2024	31 March 2023
<b>Statement of Profit and loss</b>		
Balance at the beginning of the year	1,049.55	931.70
Add: Profit/(loss) during the year	597.01	117.85
<b>Balance at the end of the year</b>	<b>1,646.56</b>	<b>1,049.55</b>
<b>Total</b>	<b>1,646.56</b>	<b>1,049.55</b>

**5 Long term borrowings**

(Rs in lakhs)

Particulars	31 March 2024	31 March 2023
Secured Term loans from banks	2,335.53	2,310.99
Unsecured Term loans from other parties	439.07	1,047.19
Unsecured Loans and advances from related parties	85.76	473.87
<b>Total</b>	<b>2,860.36</b>	<b>3,832.05</b>

**Particulars of Long term Borrowings**

Name of Lender/Type of Loan	Nature of Security	Rate of Interest	Monthly Installments	No of Installment
HDFC Bank Ltd (Car Loan - Endeavor)	Vehical Financed	TT Bill Rate+ Spr	67557	22
HDFC Bank Ltd (Solar TI A/C No.	Plant & Machinery,Factory Land &	TT Bill Rate+ Spr	436473	69
HDFC Bank Ltd (Solar TI-II A/C No.	Plant & Machinery,Factory Land &	TT Bill Rate+ Spr	336030	58
HDFC Bank Ltd (TI-II A/C No. 85607086)	Plant & Machinery,Factory Land &	TT Bill Rate+ Spr	1037583	8
HDFC Bank Ltd (Gecl-I A/C No. 85715139)	Plant & Machinery,Factory Land &	TT Bill Rate+ Spr	793717	5
HDFC Bank Ltd (TI-III A/C No. 85903430)	Plant & Machinery,Factory Land &	TT Bill Rate+ Spr	3621792	64
HDFC Bank Ltd (Gecl-II A/C	Plant & Machinery,Factory Land &	TT Bill Rate+ Spr	440326	37
HDFC Bank Ltd (Car Loan A/C No.	Vehical Financed	TT Bill Rate+ Spr	22394	56
HDFC Bank Ltd (Car Loan A/C No.	Vehical Financed	TT Bill Rate+ Spr	22394	56
HDFC Bank Ltd (F Shed TI A/C No.	Plant & Machinery,Factory Land &	TT Bill Rate+ Spr	252022	58
Unsecured Loan from Related Parties	Unsecured Loan	Not Applicable	0	0
unsecured Loans from Others	Unsecured Loan	Not Applicable	0	0

Loans from Related Parties are unsecured Loan

**6 Other Long term liabilities**

(Rs in lakhs)

Particulars	31 March 2024	31 March 2023
Others		
-Provision for Gratuity	16.66	-
<b>Total</b>	<b>16.66</b>	<b>-</b>

**7 Short term borrowings**

(Rs in lakhs)

Particulars	31 March 2024	31 March 2023
Current maturities of long-term debt	434.62	486.96
Secured Loans repayable on demand from banks	1,535.78	1,087.07
Unsecured Loans and advances from related parties	6.59	7.19
<b>Total</b>	<b>1,976.99</b>	<b>1,581.22</b>





**SPUNWEB NONWOVEN PRIVATE LIMITED**  
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Notes forming part of the Financial Statements

**Particulars of Short term Borrowings**

Name of Lender/Type of Loan	Rate of Interest	Nature of Security
Cash Credit from HDFC Bank	9.90%	Inventory & Receivables

**8 Trade payables**

(Rs in lakhs)

Particulars	31 March 2024	31 March 2023
Due to Micro and Small Enterprises	187.84	211.03
Due to others	2,669.44	1,493.30
<b>Total</b>	<b>2,857.28</b>	<b>1,704.33</b>

**8.1 Trade Payable ageing schedule as at 31 March 2024**

(Rs in lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	187.84				187.84
Others	2,669.45				2,669.45
Disputed dues- MSME					-
Disputed dues- Others					-
<b>Sub total</b>					<b>2,857.29</b>
MSME - Undue					
Others - Undue					
<b>Total</b>					<b>2,857.29</b>

**8.2 Trade Payable ageing schedule as at 31 March 2023**

(Rs in lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	211.03				211.03
Others	1,493.30				1,493.30
Disputed dues- MSME					-
Disputed dues- Others					-
<b>Sub total</b>					<b>1,704.33</b>
MSME - Undue					
Others - Undue					
<b>Total</b>					<b>1,704.33</b>



## Notes forming part of the Financial Statements

## (Rs in lakhs)

Particulars	31 March 2024		31 March 2023	
	Principal	Interest	Principal	Interest
Amount Due to Supplier	-	-	-	-
Principal amount paid beyond appointed date	-	-	-	-
Interest due and payable for the year	-	-	-	-
Interest accrued and remaining unpaid	-	-	-	-
Interest paid other than under Section 16 of MSMED Act to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-	-	-
Interest paid under Section 16 of MSMED Act to suppliers registered under the MSMED Act beyond the appointed day during the year.	-	-	-	-
Further interest remaining due and payable for earlier years.	-	-	-	-

## (Rs in lakhs)

Particulars	31 March 2024	31 March 2023
Statutory dues	219.05	47.92
Salaries and wages payable	6.55	9.86
Advances from customers	38.00	43.75
Other payables		
-Audit Fees Payable	0.70	0.70
-Electricity Expenses Payable	35.52	36.88
-Factory Expenses Payable	-	0.74
<b>Total</b>	<b>299.82</b>	<b>139.85</b>





# SPUNWEB NONWOVEN PRIVATE LIMITED

(CIN: U17291GJ2015PTC084107)

## Notes forming part of the Financial Statements

### 10 Property, Plant and Equipment

Name of Assets	Gross Block			Depreciation and Amortization			Net Block	
	As on 01-Apr-23	Addition	Deduction	As on 31-Mar-24	As on 01-Apr-23	Deduction for the year	As on 31-Mar-24	As on 31-Mar-23
(i) Property, Plant and Equipment								
Plant & Machinery	5,242.68	94.75	4.40	5,333.03	1,649.07	656.43	3,027.53	3,593.61
Land	12.11	-	-	12.11	-	-	12.11	12.11
Building	1,226.10	55.09	1.32	1,279.87	162.99	106.02	1,010.86	1,063.11
Vehicles	96.94	22.64	-	119.58	61.09	19.14	39.35	35.85
Computer & Pheri	95.17	16.81	1.17	110.81	45.79	19.31	65.09	49.38
Furniture & Fixtures	425.05	251.01	0.28	675.78	149.17	68.70	457.91	275.88
<b>Total</b>	<b>7,098.05</b>	<b>440.30</b>	<b>7.17</b>	<b>7,531.17</b>	<b>2,068.10</b>	<b>869.60</b>	<b>4,593.47</b>	<b>5,029.94</b>
<b>Previous Year</b>	<b>6,438.92</b>	<b>659.13</b>	<b>-</b>	<b>7,098.05</b>	<b>1,417.76</b>	<b>650.34</b>	<b>5,021.15</b>	<b>5,029.94</b>

(ii) Intangible Assets								
Trademark	-	7.13	-	7.13	-	1.26	5.87	-
<b>Total</b>	<b>-</b>	<b>7.13</b>	<b>-</b>	<b>7.13</b>	<b>-</b>	<b>1.26</b>	<b>5.87</b>	<b>-</b>
<b>Previous Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Capital Work-in-Progress Ageing Schedule

Capital Work-in-Progress	Amount in CWIP for a period of				31 March 2023	
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Less than 1 year	More than 3 Years
Projects in progress	-	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Disclosure for Project Overdue or exceeded its budgeted cost

Capital Work-in-Progress	To be Completed				31 March 2023	
	Project Status	Less than 1 year	1-2 Years	2-3 Years	Less than 1 year	More than 3 Years

### Intangible assets under development ageing Schedule

Intangible assets under development	Amount in CWIP for a period of				31 March 2023	
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Less than 1 year	More than 3 Years
Projects in progress	-	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Title deeds of Immovable Property not held in name of the Company

Relevant line item in the Balance Sheet	Description of item of Property	Gross Carrying Value 31 March 2024	Gross Carrying Value 31 March 2024	Title deeds held in the name of	Title Holder	Property held since which date	Reason for not held in the Company name

The title deed of all the immovable properties is held in the name of companies.



**SPUNWEB NONWOVEN PRIVATE LIMITED**

(CIN: U17291GJ2015PTC084107)

**Notes forming part of the Financial Statements****11 Non current investments**

(Rs in lakhs)

Particulars	31 March 2024	31 March 2023
Other non-current investments		
-HDFC Bank Ltd (Fd A/C No. 50300561421685)	37.29	35.30
-HDFC Bank Ltd (Fd A/C No. 50300569445027)	37.26	35.22
-HDFC Bank Ltd (Fd A/C No. 50300578203952)	37.21	35.10
-HDFC Bank Ltd (Fd A/C No. 50300587392639)	34.79	32.81
-HDFC Bank Ltd (Fd A/C No. 50300604703022)	43.92	48.30
-Pixel Integrated Solutions - Deposit	0.01	0.01
-Sbi (Fd A/C No. 35719801950)	-	17.85
-Sbi (Fd A/C No. 40392547413)	-	36.79
<b>Total</b>	<b>190.48</b>	<b>241.38</b>

**11.1 Details of Investments**

(Rs in lakhs)

Name of Entity	No of Shares	31 March 2024	No of Shares	31 March 2023

**12 Deferred tax assets net**

(Rs in lakhs)

Particulars	31 March 2024	31 March 2023
Deferred Tax Assets A/C	47.18	5.74
<b>Total</b>	<b>47.18</b>	<b>5.74</b>

**12.1 Significant Components of Deferred Tax**

(Rs in lakhs)

Particulars	31 March 2024	31 March 2023
<b>Deferred Tax Asset</b>		
Difference between book depreciation and tax depreciation	5.74	34.47
<b>Gross Deferred Tax Asset (A)</b>	<b>5.74</b>	<b>34.47</b>
<b>Deferred Tax Liability</b>		
Difference between book depreciation and tax depreciation	(41.44)	28.73
<b>Gross Deferred Tax Liability (B)</b>	<b>(41.44)</b>	<b>28.73</b>
<b>Net Deferred Tax Asset (A)-(B)</b>	<b>47.18</b>	<b>5.74</b>

**12.2 Significant components of Deferred Tax charged during the year**

(Rs in lakhs)

Particulars	31 March 2024	31 March 2023
Difference between book depreciation and tax depreciation	(41.44)	28.73
<b>Total</b>	<b>(41.44)</b>	<b>28.73</b>

**13 Long term loans and advances**

(Rs in lakhs)

Particulars	31 March 2024	31 March 2023
Loans and advances to related parties	189.91	-
Balances with Government Authorities	-	0.09
<b>Total</b>	<b>189.91</b>	<b>0.09</b>





**SPUNWEB NONWOVEN PRIVATE LIMITED**

(CIN: U17291GJ2015PTC084107)

Notes forming part of the Financial Statements

**14 Inventories**

(Rs in lakhs)

Particulars	31 March 2024	31 March 2023
Raw materials	1,318.82	543.05
Finished goods	1,069.84	442.27
<b>Total</b>	<b>2,388.66</b>	<b>985.33</b>

**15 Trade receivables**

(Rs in lakhs)

Particulars	31 March 2024	31 March 2023
Secured considered good	2,796.87	-
Unsecured considered good	31.77	2,192.98
<b>Total</b>	<b>2,828.64</b>	<b>2,192.98</b>

**15.1 Trade Receivables ageing schedule as at 31 March 2024**

(Rs in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables-considered good	2,782.24	21.95	14.30	7.45	2.70	2,828.63
Undisputed Trade Receivables-considered doubtful	-					-
Disputed Trade Receivables considered good						-
Disputed Trade Receivables considered doubtful						-
Sub total						2,828.63
Undue - considered good						
<b>Total</b>						<b>2,828.63</b>

**15.2 Trade Receivables ageing schedule as at 31 March 2023**

(Rs in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables-considered good	2,130.49	7.46	35.58	2.07	17.37	2,192.97
Undisputed Trade Receivables-considered doubtful						-
Disputed Trade Receivables considered good						-
Disputed Trade Receivables considered doubtful						-
Sub total						2,192.97
Undue - considered good						
<b>Total</b>						<b>2,192.97</b>



**SPUNWEB NONWOVEN PRIVATE LIMITED**

(CIN: U17291GJ2015PTC084107)

Notes forming part of the Financial Statements

**16 Cash and cash equivalents**

(Rs in lakhs)

Particulars	31 March 2024	31 March 2023
Cash on hand	17.09	9.69
<b>Total</b>	<b>17.09</b>	<b>9.69</b>

**17 Short term loans and advances**

(Rs in lakhs)

Particulars	31 March 2024	31 March 2023
Loans and advances to related parties	-	8.22
Loans and advances to employees	1.70	1.55
Advances to suppliers	14.28	20.16
Balances with Government Authorities	173.21	355.76
<b>Total</b>	<b>189.19</b>	<b>385.69</b>

**18 Other current assets**

(Rs in lakhs)

Particulars	31 March 2024	31 March 2023
Others		
-Advance from suppliers	17.90	-
-Interest Receivable From Pgvcl	-	0.57
-Matang Kantilal Kanani (Deposit)	2.24	2.24
-Preliminary & Pre-Operative Expenses	1.85	3.70
-Prepaid Advertisement Expenses	3.06	5.73
-Prepaid Bank Guarantee Charges	3.54	1.73
-Prepaid Computer & Printer Expense	0.09	0.21
-Prepaid Factory License Fees	0.13	0.29
-Prepaid Insurance Expenses - Bldg,P&M & Stock	8.49	9.35
-Prepaid Insurance Expenses - Vehicle	0.55	0.30
-Prepaid Internet Expenses	0.07	0.02
-Prepaid Membership Fees	0.02	7.79
-Prepaid Worker Insurance	-	0.28
-Subsidy Receivable - Sgst Scheme	164.77	421.60
-Worker Insurance Claim Receivable	-	2.26
Forex Cc - 7134	4.38	-
<b>Total</b>	<b>207.09</b>	<b>456.07</b>

**19 Revenue from operations**

(Rs in lakhs)

Particulars	31 March 2024	31 March 2023
Sale of products	14,802.50	11,474.18
<b>Total</b>	<b>14,802.50</b>	<b>11,474.18</b>





**SPUNWEB NONWOVEN PRIVATE LIMITED**

(CIN: U17291GJ2015PTC084107)

Notes forming part of the Financial Statements

**20 Other Income**

(Rs in lakhs)

Particulars	31 March 2024	31 March 2023
Others		
-Canteen Service Income	0.13	-
-Discount Income	60.43	10.81
-Discount Income - locl	-	31.04
-Discount Income - Ongc	2.71	75.79
-Export Clearing Charges (S)	1.49	-
-Free Sample Income	-	0.67
-Import Clearing Expenses (S)	3.72	-
-Interest Income - Pgvcl	-	0.63
-Interest On Fixed Deposit	10.03	12.70
-Kasar A/C	1.60	3.28
-Other Income	30.50	-
-Rate Difference - Import	57.97	22.04
-Rate Difference A/C - Export	1.57	-
-Rate Difference A/C - Purchase	2.70	0.83
-Sgst Subsidy Income	453.27	136.00
<b>Total</b>	<b>626.12</b>	<b>293.79</b>

**21 Cost of Material Consumed**

(Rs in lakhs)

Particulars	31 March 2024	31 March 2023
Raw Material Consumed		
Opening stock	543.05	684.87
Purchases	12,407.86	8,733.53
Less: Closing stock	1,318.82	543.05
<b>Total</b>	<b>11,632.09</b>	<b>8,875.35</b>
<b>Total</b>	<b>11,632.09</b>	<b>8,875.35</b>

**22 Employee benefit expenses**

(Rs in lakhs)

Particulars	31 March 2024	31 March 2023
Salaries and wages	431.14	425.12
Gratuity Expenses	16.66	-
<b>Total</b>	<b>447.80</b>	<b>425.12</b>

**23 Finance costs**

(Rs in lakhs)

Particulars	31 March 2024	31 March 2023
Interest expense	421.22	435.19
Bank Charges	15.82	9.10
Bank Charges - Credit Card	0.07	0.23
Bank Guarantee Charges	2.47	1.82
Bank Loan Processing Charges	15.31	1.41
<b>Total</b>	<b>454.89</b>	<b>447.75</b>



**SPUNWEB NONWOVEN PRIVATE LIMITED**

(CIN: U17291GJ2015PTC084107)

Notes forming part of the Financial Statements

**24 Depreciation and amortization expenses**

(Rs in lakhs)

Particulars	31 March 2024	31 March 2023
Depreciation on property, plant and equipment	870.85	650.34
<b>Total</b>	<b>870.85</b>	<b>650.34</b>

**25 Other expenses**

(Rs in lakhs)

Particulars	31 March 2024	31 March 2023
Auditors' Remuneration	0.91	0.91
Advertisement	3.47	6.15
Bad debts	16.74	-
Commission	3.32	7.19
Freight Inward	93.38	33.72
Freight outward	122.92	86.51
Indirect expenses	4.94	-
Insurance	21.95	15.64
Power and fuel	1,017.24	694.07
Repairs to buildings	1.92	-
Repairs to machinery	43.77	44.73
Rates and taxes	1.96	-
Other Business Administrative Expenses	9.80	7.39
Other Expenses		
-Canteen Expenses	12.93	-
-Computer & Printer Expenses	1.82	2.89
-Courier Expense	8.97	5.54
-Exhibition Expenses	16.63	139.06
-Export Clearing Expenses	12.83	2.71
-Factory Expenses	31.59	27.71
-Factory License Fees	0.17	0.17
-Government Tax Expenses	-	0.13
-Gpcb Fees	-	0.16
-Guest Hospitality Expenses	0.97	2.60
-Import Clearing Expenses	132.39	49.11
-Import Duty Expenses	213.77	177.31
-Income Tax Expenses	-	32.51
-Internet Expenses	0.75	0.85
-Membership Fees Expenses	8.30	2.38
-Mobile Expenses	1.93	1.15
-Office Expenses	0.76	5.26
-Pf Expenses A/C	10.78	10.31
-Preliminary & Pre-Operative Expenses W/Off	1.85	1.85
-Rate Difference A/C	38.13	13.08
-Roc Fees Expenses	-	0.04
-Sales Promotion Expenses	0.42	7.04
-Security Expenses	6.21	7.32
-Stationery & Printing Expenses	9.70	7.48
-Travelling Expenses	34.51	22.59
-Vehicle Expenses	9.11	19.20
Loss On Sale Of Car	0.14	-
<b>Total</b>	<b>1,896.98</b>	<b>1,434.76</b>





**SPUNWEB NONWOVEN PRIVATE LIMITED**

(CIN: U17291GJ2015PTC084107)

Notes forming part of the Financial Statements

**26 Tax Expenses**

(Rs in lakhs)

Particulars	31 March 2024	31 March 2023
Current Tax	198.00	-
Deferred Tax	(41.44)	28.73
<b>Total</b>	<b>156.56</b>	<b>28.73</b>



**SPUNWEB NONWOVEN PRIVATE LIMITED**

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**Notes forming part of the Financial Statements****27 Earning per share**

Particulars	31 March 2024	31 March 2023
Profit attributable to equity shareholders (Rs in lakhs)	597.01	117.85
Weighted average number of Equity Shares	9,999,100	9,999,100
Earnings per share basic (Rs)	5.97	1.18
Earnings per share diluted (Rs)	5.97	1.18
Face value per equity share (Rs)	10	10

**28 Auditors' Remuneration**

(Rs in lakhs)

Particulars	31 March 2024	31 March 2023
<b>Payments to auditor as</b>		
- Auditor	0.75	0.75
<b>Total</b>	<b>0.75</b>	<b>0.75</b>

**29 Contingent Liabilities and Commitments**

(Rs in lakhs)

Particulars	31 March 2024	31 March 2023
Claims against the Company not acknowledged as debt		
- Income tax demands		
- Indirect tax demands		
<b>Total</b>	<b>-</b>	<b>-</b>

**30 Earnings in Foreign Currencies****31 Value of Import on CIF basis****32 Value of imported and indigenous raw materials, spare parts and components consumed****33 Related Party Disclosure****(i) List of Related Parties****Relationship**

Dineshbhai Hansrajbhai Kagathara	Share Holder
Jaybhai Dilipbhai Kagathara	Director
Keyurbhai Dineshbhai Kagathara	Share Holder
Dilipbhai Hansrajbhai Kagathara	Share Holder
Charulataben Jagdishbhai Bhut	Director
Rimpalben Arvindbhai Kadachhi	Share Holder
Kishanbhai Dilipbhai Kagathara	Director
Spunweb Nonwoven	Directors having direct Control in Partnership
Dilipbhai Hansrajbhai Kagathara (HUF)	Share Holder having direct control in HUF





**SPUNWEB NONWOVEN PRIVATE LIMITED**

(CIN: U17291GJ2015PTC084107)

**Notes forming part of the Financial Statements****(ii) Related Party Transactions**

(Rs in lakhs)

Particulars	Relationship	31 March 2024	31 March 2023
Unsecured Loan Accepted			
- Dineshbhai Hansrajbhai kagathara	Share Holder	15.48	-
- Jaybhai Dilipbhai Kagathara	Director	843.15	-
- Keyurbhai Dineshbhai Kagathara	Share Holder	3.05	-
- Dilipbhai Hansrajbhai Kagathara	Share Holder	436.00	-
- Dilipbhai Hansrajbhai Kagathara (HUF)	Share Holder having direct control in	6.00	-
- Kishanbhai Dilipbhai Kagathara	Director	1,050.43	-
- Spunweb Nonwoven	Directors having direct Control in Pa	125.72	-
Repayment of Unsecured Loan			
- Dineshbhai Hansrajbhai kagathara	Share Holder	15.95	-
- Jaybhai Dilipbhai Kagathara	Director	578.60	-
- Keyurbhai Dineshbhai Kagathara	Share Holder	17.95	-
- Dilipbhai Hansrajbhai Kagathara	Share Holder	439.60	-
- Rimpalben Arvindbhai Kadachhi	Share Holder	1.50	-
- Kishanbhai Dilipbhai Kagathara	Director	1,014.30	-
- Spunweb Nonwoven	Directors having direct Control in Pa	125.72	-
Directors Remuneration			
- Dineshbhai Hansrajbhai kagathara	Share Holder	2.50	-
- Jaybhai Dilipbhai Kagathara	Director	17.59	-
- Keyurbhai Dineshbhai Kagathara	Share Holder	1.77	-
- Dilipbhai Hansrajbhai Kagathara	Share Holder	18.61	-
- Charulataben Jagdishbhai Bhut	Director	9.09	-
- Kishanbhai Dilipbhai Kagathara	Director	13.50	-
Sales of Goods			
- Spunweb Nonwoven	Directors having direct Control in Pa	2,129.48	-
Purchase of Godos			
- Spunweb Nonwoven	Directors having direct Control in Pa	191.82	-

**(iii) Related Party Balances**

(Rs in lakhs)

Particulars	Relationship	31 March 2024	31 March 2023
Unsecured Loan			
- Jaybhai Dilipbhai Kagathara	Director	306.09	36.55
- Keyurbhai Dineshbhai Kagathara	Share Holder	-	14.90
- Dilipbhai Hansrajbhai Kagathara	Share Holder	-	3.85
- Dilipbhai Hansrajbhai Kagathara (HUF)	Share Holder having direct control in	15.50	9.50
- Rimpalben Arvindbhai Kadachhi	Share Holder	-	1.50
- Kishanbhai Dilipbhai Kagathara	Director	50.12	14.08
Trade payable			
- Spunweb Nonwoven	Directors having direct Control in Pa	-	462.87
Trade Receivable			
- Spunweb Nonwoven	Directors having direct Control in Pa	189.91	-

**Reconciliation between Current Assets as per Quarterly statement filed with Bank and Current Asset as per Book**

(Rs in lakhs)

Particulars	August,2023	September,2023	October,2023	November,2023
Current Assets as per Quarterly Return filed with Bank	-	-	-	-
Current Assets as per Books of Account	-	-	-	-

**34 Details of Benami Property held**

No proceedings are initiated or penidng against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and the rule made thereunder.



## SPUNWEB NONWOVEN PRIVATE LIMITED

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### Notes forming part of the Financial Statements

The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami Property

#### 35 Wilful Defaulter

Date of declaration as wilful defaulter

Not Applicable

The company has not declared wilful defaulter by the bank of financial institution or government or any government authority

#### 36 Relationship with Struck off Companies

b) The company has no transactions during the year with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

#### 37 Registration of Charge

There is no registration of Charge during financial year 2024, however charge has been modified on 11th January 2024

There were no registration of charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period

#### Particulars for delay in Registration of Charge

#### 38 Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Company (restriction on number of Layers) Rules, 2017.





**SPUNWEB NONWOVEN PRIVATE LIMITED**

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**Notes forming part of the Financial Statements****39 Ratio Analysis**

Particulars	Numerator/Denominator	31 March 2024	31 March 2023	Change in %
(a) Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	1.10	1.18	-6.78%
(b) Debt-Equity Ratio	$\frac{\text{Total Debts}}{\text{Shareholder's Equity}}$	1.83	2.64	-30.80%
(c) Debt Service Coverage Ratio	$\frac{\text{Earning available for Debt Service}}{\text{Debt Service}}$	-	-	
(d) Return on Equity Ratio	$\frac{\text{Profit after Tax}}{\text{Average Shareholder's Equity}}$	25.43%	5.92%	329.48%
(e) Inventory turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Inventories}}$	8.77	12.07	-27.33%
(f) Trade receivables turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Trade Receivable}}$	5.90	6.77	-12.91%
(g) Trade payables turnover ratio	$\frac{\text{Total Purchases}}{\text{Average Trade Payable}}$	5.44	6.90	-21.19%
(h) Net capital turnover ratio	$\frac{\text{Total Turnover}}{\text{Closing Working Capital}}$	29.81	18.99	57.01%
(i) Net profit ratio	$\frac{\text{Net Profit}}{\text{Total Turnover}}$	4.03%	1.03%	292.69%
(j) Return on Capital employed	$\frac{\text{Earning before interest and taxes}}{\text{Capital Employed}}$	16.15%	7.96%	102.76%
(k) Return on investment	$\frac{\text{Return on Investment}}{\text{Total Investment}}$	0.00%	0.00%	

**Note:**

i. Earning available for Debt Service = Net Profit before taxes + Non-cash operating expenses + Interest + other exceptional item

ii. Debt service = Interest & Lease Payments + Principal Repayments

iii. Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability

**Reasons for Variances**

Debts Equity Ratio: In the current financial year, the company's turnover increased by approximately 30%, leading to improved profitability and a positive impact on this ratio.

Return of Equity : As turnover of the company has increased by 30% as compared to previous year & PAT of company increased by 4 Times as compared to previous year. Hence return on equity for current financial year has been increased by ~ 329 %

Inventory Turnover Ratio: The inventory turnover ratio has decreased from 12.07 in the previous year to 8.77 in the current year. This decline is primarily due to the company building up inventory in response to anticipated demand, leading to a temporary negative impact on the ratio. While this may reflect a short-term adjustment in inventory management, it is expected to normalize as demand materializes.

Net working Capital Ratio: The net capital turnover ratio has decreased from 15.90 in the previous year to 10.51 in the current year, primarily due to management building additional inventory in anticipation of upcoming demand, which has negatively impacted the ratio.

Net Profit Ratio: In the current financial year, the company's turnover increased by approximately 30%, leading to improved profitability (PAT).

Return on Capital Employed: In the current financial year, the company's profitability has increased sharply, while capital (Equity capital + Borrowed funds) has remained stable (CY: 7462.53, PY: 7483.82). As a result, the return on capital has improved significantly.



## SPUNWEB NONWOVEN PRIVATE LIMITED

(CIN: U17291GJ2015PTC084107)

### Notes forming part of the Financial Statements

#### 40 Disclosure where company has given loan or invested to other person or entity to lend or invest in another person or entity

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person/s or entity/ies including foreign entity/ies ("Intermediaries"), with the understanding, whether recoded in writing or otherwise, that the Intermediaries shall lend or invest in party ("Ultimate Beneficiaries") identified by or on behalf of the Company.

#### 41 Disclosure where company has received fund from other person or entity to lend or invest in other person or entity

The Company has not received any fund from any party(s) ("Funding Party/ies"), with the understanding, whether recoded in writing or otherwise, that the Company shall, whether directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiary") or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiary.

#### 42 Undisclosed Income

The company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

#### 43 CSR Expenditure

##### Reason for shortfall

Not Applicable

##### Nature of CSR activities

Not Applicable

##### Details of related party transactions

Not Applicable

#### 44 Other Statutory Disclosures as per the Companies Act, 2013

#### 45 Subsequent Events

#### 46 Regrouping

47 Previous year's figures have been regrouped/ rearranged/ reclassified wherever necessary to conform to this year's presentation.

48 The company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year

As per our report of even date

**For Kaushal Dave & Associates**

Chartered Accountants

Firm's Registration No. 143936W

*Kaushal Dave*

**Kaushal V.Dave**

Partner

Membership No. 174550



UDIN: 24174550BKAHRA2589

Place: Rajkot

Date: 5 September 2024

**For and on behalf of the Board of  
SPUNWEB NONWOVEN PRIVATE LIMITED**

Jay D.Kagathara

Director

0733556

Kishan D.Kagathara

Director

09730384

Place:

Date: 31 August 2024