

**VAXTEX COTFAB LIMITED**  
**(FORMERLY KNOWN AS VAXTEX COTFAB PRIVATE LIMITED)**  
**15<sup>TH</sup> ANNUAL REPORT**  
**2019-20**

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### ***Company Information***

<b><u>Board of Directors</u></b>	Mr. Mithleshkumar M Agrawal	Non-Executive Director
	Mr. Aakash Thakor	Non-Executive Director
	Mr. Dhavalbhai Patel	Independent Director
<b><u>Audit Committee</u></b>	Mr. Mithleshkumar M Agrawal	Chairman
	Mr. Aakash Thakor	Member
	Mr. Dhavalbhai Patel	Member
<b><u>Nomination and Remuneration Committee</u></b>	Mr. Mithleshkumar M Agrawal	Chairman
	Mr. Aakash Thakor	Member
	Mr. Dhavalbhai Patel	Member
<b><u>Stakeholders' Relationship Committee</u></b>	Mr. Aakash Thakor	Chairman
	Mr. Mithleshkumar M Agrawal	Member
	Mr. Dhavalbhai Patel	Member
<b><u>Key Managerial Personnel</u></b>	Mr. Jaimin Kailash Gupta	Chief Executive Officer
	Mr. Pratapsingh Zala	Chief Financial Officer
	Ms. Priyanka B. Joshi	Company Secretary
<b><u>Statutory Auditor</u></b>	M/s. S S R V & Associates, Chartered Accountants, Mumbai	
<b><u>Secretarial Auditor</u></b>	Gaurav Bachani & Associates, Company Secretaries, Ahmedabad	
<b><u>Share Transfer Agent</u></b>	Bigshare Services Private Limited, 1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis Makwana Road, Marol, Andheri (East), Mumbai, Maharashtra - 400 059	
<b><u>Registered Office</u></b>	Survey No. 230, Opp. Mariya Park, B/h. Ranipur Village, Saijpur - Gopal, Narol, Ahmedabad - 382 405	

## NOTICE OF THE 15<sup>th</sup> ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the 15<sup>th</sup> Annual General Meeting of the Shareholders of **VAXTEX COTFAB LIMITED** will be held on 31<sup>st</sup> December, 2020 at 1202, Addor Aspire, Nr. Jahanvee Restaurant, Panjrapole Road, Ahmedabad – 380 015 at 2:30 PM to transact the following business.

### ORDINARY BUSINESS:

1. To consider and adopt the standalone audited financial statement of the Company for the financial year ended on 31<sup>st</sup> March, 2020 and statement of Profit and Loss account together with the notes forming part thereof and Cash Flow Statement for the financial year ended on that date, and the reports of the Board of Directors (“The Board”) and Auditor thereon.
2. To appoint a director in place of Mr. Mithleshkumar Agrawal (DIN: 03468643) who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

3. Appointment of Mr. Aakash Thakor as a Non Executive Director of the Company

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

**“RESOLVED THAT**, in accordance with the provisions of Section 152 read with other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Aakash Thakor (DIN: 07960192), who was appointed as an additional director in accordance with the provisions of Section 161(1) of the Act and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company.”

**“RESOLVED FURTHER THAT**, the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.”

**Registered Office:**

Survey No. 230, Opp. Mariya Park,  
B/h. Ranipur Village, Saijpur - Gopal,  
Narol, Ahmedabad – 382 405

**Place: Ahmedabad**

**Date: 8<sup>th</sup> December, 2020**

Sd/-  
**Aakash Thakor**  
Director  
DIN: 07960192

**By the Order of the Board**  
**VaxtexCotfab Limited**

Sd/-  
**Mithleshkumar Gupta**  
Director  
DIN: 03468643

### Notes:

1. PURSUANT TO SECTION 105 OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER A SHAREHOLDER ENTITLED TO ATTEND AND VOTE AT THE FIFTEENTH ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIM/HER AND THE PROXY NEED NOT BE A SHAREHOLDER OF THE COMPANY. A person can act as a proxy on behalf of maximum of 50 shareholders and holding in aggregate not more than 10% of the total share capital of the Company. A shareholder holding more than 10% of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other shareholder. Proxies submitted on behalf of limited Companies, Societies, etc., must be supported by an appropriate resolution / authority, as applicable.
2. Every shareholder entitled to vote at a meeting of the company, or on any resolution to be moved thereat, shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the company, provided not less than three days' notice in writing of the intention to inspect is given to the company.
3. A proxy form is enclosed herewith. In case a shareholder wants to appoint a proxy, a duly completed and stamped proxy form must reach the Registered Office of the Company not later than 48 hours before the time of the aforesaid meeting.
4. Corporate shareholders/Institutional Investors intending to send their authorized representatives to attend the meeting are requested to send a duly certified copy of the Board Resolution authorizing the representatives to attend and vote at the Fifteenth Annual General Meeting.
5. Shareholders who have not registered their email addresses so far are requested to register their email address in respect of their electronic holding with the Depository through their concerned Depository Participants and shareholders are further requested to register their email addresses with the Share Transfer and Registrar Agent of Company i.e. Big Share Services Private Limited, 1<sup>st</sup> floor, Bharat Tin Works Building, Opp Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai – 400 059.
6. Shareholders/ Proxies attending the meeting are requested to bring the duly completed attendance slip (which has been enclosed herewith) to the Fifteenth Annual General Meeting.
7. All documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours.
8. As per SEBI Circular dated 12<sup>th</sup> May, 2020, Physical Copy of the Annual Report for the 15<sup>th</sup> AGM inter-alia is not required to be sent; therefore Annual Report is being sent only through electronic mode to those Members as on 20<sup>th</sup> November, 2020, whose email addresses are registered with the Company / Depositories. Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update the same by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at [info@vaxtexcotfab.com](mailto:info@vaxtexcotfab.com) or Bigshare Services Private Limited at [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com) Members may note that the Notice and Annual Report 2019-20 will also be available on the website of the Stock Exchange, i.e., NSE Limited at [www.nseindia.com](http://www.nseindia.com) .
9. Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rules 20 and 21 of Companies (Management and Administration (Rules), 2014 as amended from time to time and pursuant to Regulation 44 of SEBI (LODR), 2015 the Company is pleased to provide the shareholders of the company facility to exercise their right to vote by electronic means for the resolution set forth in this notice through remote E- voting services provided by National Securities Depository Limited (NSDL). The detail instructions for E -Voting are annexed to this Notice separately.
10. Shareholders are also informed that voting shall be by both the means i.e. polling paper and E -voting. Shareholders who could not vote through remote E-Voting can exercise their voting rights at the Fifteenth Annual General Meeting. The Company will make arrangements of polling papers in this regard at the Meeting's Venue. The shareholders attending the meeting who have not cast their vote by remote E-Voting shall be able to exercise their right to vote at the meeting.
11. However, the shareholders who have cast their vote by remote E-Voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again. In case the shareholders have cast their vote, through E - Voting and Polling Papers, then voting through E-voting shall prevail and voting done by Polling Papers shall be treated as invalid.

12. The Company has set 24<sup>th</sup> December, 2020 as the “Cut-off Date” for taking record of the shareholders of the Company who will be eligible for casting their vote on the resolution to be passed in the ensuing Fifteenth Annual General Meeting, for both E- Voting and Voting by Physical Mode through polling papers.
13. The Board of Directors of the Company has appointed Gaurav Bachani & Associates, Company Secretaries, Ahmedabad as the Scrutinizer, for conducting the E- Voting and Poll paper Voting process for the Fifteenth Annual General Meeting in a fair and transparent manner.
14. The Resolution will be taken as passed effectively on the date of announcement of the result by the Chairman of the Company, if the result of the E-voting & Paper Poll Votes indicates that the requisite majority of the Shareholders had assented to the Resolution.
15. The scrutinizer shall, immediately after the conclusion of voting at the Fifteenth Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make, within a period not exceeding 48 hours from the conclusion of Annual General Meeting, a consolidated scrutinizer’s report of the total votes cast in favor or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and declare the result of the voting forthwith. After declaration, the result of the E-voting and Paper Poll Votes will also be posted on the Company’s website [info@vaxtexcotfab.com](mailto:info@vaxtexcotfab.com) or Bigshare Services Private Limited at [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com) , Registrar and Share transfer Agents on the said date and also to NSE Limited, where the shares of the Company are listed.
16. Shareholders may note that the Notice of this meeting has been hosted under the Investor’s Tab of Company’s Website [info@vaxtexcotfab.com](mailto:info@vaxtexcotfab.com)
17. In case of joint-holding, the Voting Poll Paper Form must be completed and signed (as per the specimen signature registered with the Company) by the first named Shareholder and in his/her absence, by the next named Shareholder.
18. Unsigned or incomplete and improperly or incorrectly ticked Voting Poll Papers shall be rejected.
19. A person who acquires shares and becomes shareholder of the Company after the dispatch of the Notice and remains a Shareholder as on 24<sup>th</sup> December, 2020 (the “Cut-off” date) can exercise remote E-Voting by obtaining the Login Id and Password by sending an email to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) by mentioning their Folio No./ DP ID/ and Client ID No. However, if such shareholder is already registered with NSDL for remote E-Voting then the existing user ID and password can be used for casting their vote.
20. The SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members are therefore requested to submit their PAN to their depository participant(s).
21. The route map showing directions to reach the venue of the Fifteenth Annual General Meeting is annexed.
22. Details of Directors retiring by rotation / seeking appointment / re-appointment at this Meeting are provided in the “Annexure” to the Notice as per Regulation 36(3) of SEBI (LODR), 2015 and Secretarial Standard on General Meetings (“SS-2”) issued by Institute of Company Secretaries of India.
23. In terms of the provisions of Section 152 of the Act, Mr. Mithleshkumar Agrawal, Director of the Company, who retires by rotation at this Annual General Meeting. Nomination and Remuneration Committee and the Board of Directors of the Company re-commend his re-appointment.
24. Mr. Mithlesh Agrawal is interested in the Ordinary Resolutions set out at Item No. 2, of the Notice with regard to his re-appointment. Mr. Jaimin Gupta, CEO, is relative of Mr. Mithlesh Agrawal, may be deemed to be interested in the resolution set out at Item No. 2 of the Notice. The other relatives of Mr. Mithlesh Agrawal being shareholders of the Company may be deemed to be interested in the resolutions set out at Item No 2 of the Notice, to the extent of their shareholding interest, if any, in the Company.
25. Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out under Item No. 2 of the Notice
26. The Register of Members and Share Transfer Books will remain closed from 25<sup>th</sup> December, 2020 to 31<sup>st</sup> December, 2020 (both days inclusive) for the purpose of Annual General Meeting (AGM).
27. Members holding shares in the dematerialized mode are requested to intimate all changes with respect to their bank details, ECS mandate, nomination, power of attorney, change of address, change in name, etc, to their Depository Participant (DP). These changes will be automatically reflected in the Company’s records, which will help the Company to provide efficient and better service to the Members. Members holding shares in physical form are requested to intimate the changes to the Registrar & Share Transfer Agents of the Company (RTA) at its following address :

28. Big Share Services Private Limited, 1 st floor, Bharat Tin Works Building, Opp Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai – 400059.

29. General information on E- Voting:

- i. Date wise info: 28<sup>th</sup> December, 2020 (9.00 AM) till 30<sup>th</sup> December, 2020 (5.00 PM)
- ii. The Voting rights of the shareholders will be in proportion of their shares as on 28<sup>th</sup> December, 2020 to the paid up share capital of the Company.
- iii. The scrutinizer shall count the votes cast at the Meeting and thereafter unblock the votes cast through remote E-Voting in the presence of at least two witnesses not in the employment of the Company and make a consolidated scrutinizer's report of the votes cast in favour or against, in not later than three days of the conclusion of the meeting. And shall forthwith forward the same to the Chairman who shall countersign the same.
- iv. The Voting results of the Fifteenth Annual General Meeting so declared shall be immediately placed on the Company's website [info@vaxtextcotfab.com](mailto:info@vaxtextcotfab.com) and will also be available on the website of NSDL i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com)

**The Instructions for shareholders voting electronically are as under:**

1. Open the attached PDF file "**e-Voting.pdf**" giving your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password, which contains your "User ID" and "Password for e-voting". Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting
2. Launch internet browser by typing the URL <https://www.evoting.nsdl.com/>
3. Click on "Shareholder - Login".
4. Put User ID and password as initial password noted in step (1) above and Click Login. If you are already registered with NSDL for e-voting then you can use your existing user ID and password. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
5. Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof.
6. Home page of remote "e-Voting" opens. Click on e-Voting: Active Voting Cycles.
7. Select "EVEN" of Vaxtex Cotfab Limited. Members can cast their vote online from **28<sup>th</sup> December, 2020 (9:00 am) till 30<sup>th</sup> December, 2020 (5:00 pm)**.  
**Note: e-Voting shall not be allowed beyond said time.**
8. Now you are ready for "e-Voting" as "Cast Vote" page opens.
9. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm", when prompted.
10. Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail [info@nsjdassociates.com](mailto:info@nsjdassociates.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

## ANNEXURE TO NOTICE

### **EXPLANATORY STATEMENT UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013**

#### **Item No: 3**

Pursuant to provisions of Section 161 of the Companies Act, 2013 and pursuant to the Articles of Association of the Company, the Board of Directors in their meeting held on 12<sup>th</sup> November, 2020 has appointed Mr. Aakash Thakor as an Additional Director. Mr. Aakash Thakor is a Non Executive Director on the Board of the Company.

Mr. Aakash Thakor possesses appropriate skills, experience and knowledge in the field of Sales and Marketing. Brief resume of Mr. Aakash Thakor, nature of his expertise in specific functional areas and names of the Companies in which he holds directorships and memberships / chairperson of the Board / Committees and shareholding are provided in the annexure to the explanatory statement attached herewith.

Keeping in view of his experience and knowledge, the Board considers that his association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Aakash Thakor as a Director.

Save and except Mr. Aakash Thakor and his relatives to the extent their shareholding in the Company, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item No. 3.



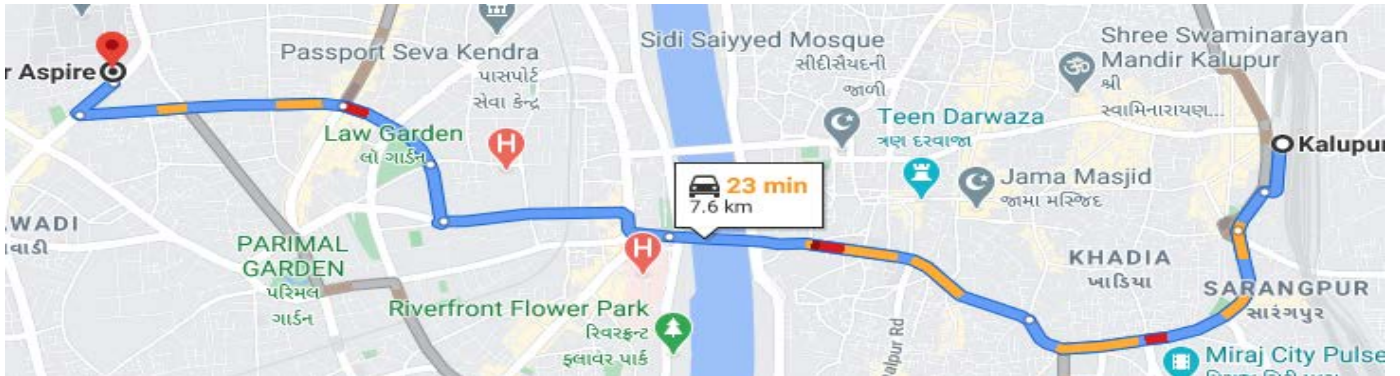
### Annexure to the Explanatory Statement

1. Relevant details as stipulated under Regulation 36(3) of SEBI (LODR), 2015 and Secretarial Standard on General Meetings ("SS-2") issued by Institute of Company Secretaries of India, in respect of directors seeking appointment / reappointment as director under Resolution No. 2 & 3, is as under:

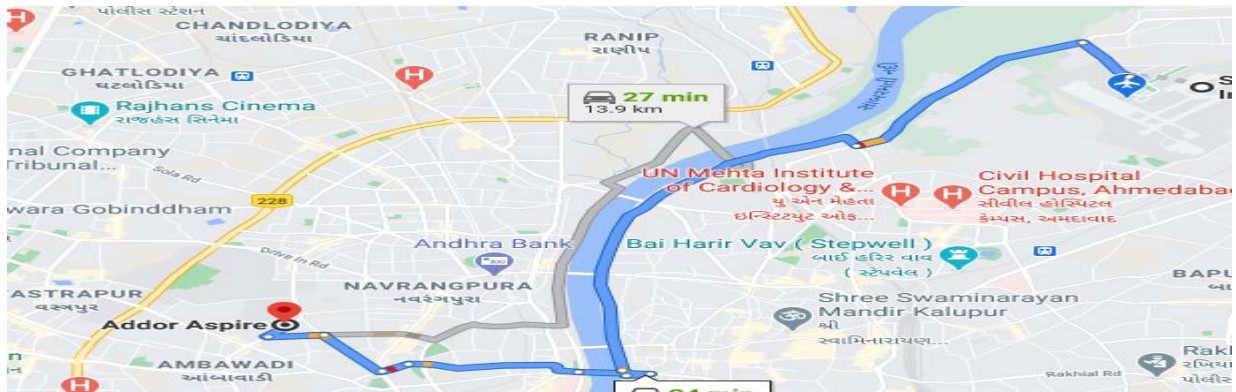
Name of the Director	Mr. Mithleshkumar Agrawal	Mr. Aakash Thakor
Date of Birth	25/01/1963	21/10/1992
Date of first Appointment on the Board	15/02/2018	12/11/2020
Qualifications	B.Com	B.Com
Experience/Brief Resume/ Nature of expertise in specific functional areas;	Finance	Sales and Marketing
Terms and Conditions of Appointment along with remuneration sought to be paid	N.A	N.A
Remuneration last drawn by such person, if any	N.A	N.A
No. of Shares held in the Company as on 31 <sup>st</sup> March, 2020	0	0
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company/ Disclosure of relationships between directors inter-se;	Jaimin Gupta	N.A
Number of Meetings of the Board attended during the year	5	0
Directorship / Designated Partner in other Companies / LLPs	1. Vax Fashion Private Limited 2. Qmin Pharma Private Limited 3. Miracle Stores Private Limited	0
Chairman/Member of the Committees of Board of other Companies/ Names of listed entities in which the person also holds the directorship and the membership of the Committees of the board	0	0

## Route Map to the venue of the 15<sup>th</sup> Annual General Meeting as per Secretarial Standard-2 Prominent Land Mark of the Venue

### A. From Kalupur Railway Station



### B. From Ahmedabad Airport



### C. From Ahmedabad Central Bus Station



## BOARD'S REPORT

To,  
The Members,

Your Directors present the 15<sup>th</sup> Annual Report on the Business and Operations of the Company along with the Audited Statement of Accounts for the Financial Year ended on 31<sup>st</sup> March, 2020.

### 1. FINANCIAL RESULT

The financial performance of the Company for the Financial Year ended on 31<sup>st</sup> March, 2020 and for the previous Financial Year ended on 31<sup>st</sup> March, 2019 is given below:

Particulars	(Rs. In Lakhs)	
	2019-20	2018-19
Revenue from Operations	2,775.80	2,197.27
Other Income	1.77	4.53
<b>Total Income</b>	<b>2,777.57</b>	<b>2,201.80</b>
<b>Total Expenses</b>	<b>2,758.84</b>	<b>2,114.07</b>
Profit Before Tax	18.73	87.73
Tax Expense: Current Tax	4.87	24.03
Deferred Tax	4.54	3.50
Total Tax expense	9	28
<b>Profit for the Period</b>	<b>9.32</b>	<b>60.20</b>
Earnings Per Share (EPS)		
Basic	0.15	14.96
Diluted	0.15	14.96

### 2. OPERATIONS

On Standalone basis, revenue from operations for Financial Year 2019-20 was Rs. 2775.80 Crores. The Profit before tax of the Company for the Financial Year 2019-20 stood at Rs. 18.73 Crores making Net Profit after Tax for the Financial Year 2019-20 of Rs. 9.32 Crores.

### 3. CHANGE IN NATURE OF BUSINESS, IF ANY

During the Financial Year 2019-20, Our Company got listed on SME Platform of NSE Limited. Further Directors in the Board Meeting held on 30<sup>th</sup> July, 2020 have started two different units in the name of:

- Vaxlife - for trading of garments and fabrics
- Vax Pharma - for manufacturing / trading of marks and PPE kits.

### 4. ANNUAL RETURN

The extract of the Annual Return pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 in Form No. MGT - 9 is enclosed herewith as **Annexure 1** and also it is available on the Company's website under Section Investors.

## **5. BOARD MEETINGS AND ATTENDANCE**

The Directors of the Company met at regular intervals at least once in a quarter with the gap between two meetings not exceeding 120 days to take a view of the Company's policies and strategies apart from the Board Matters.

During the year under the review, the Board of Directors met 5 (five) times viz 30<sup>th</sup> May, 2019, 28<sup>th</sup> August, 2019, 15<sup>th</sup> November, 2019, 2<sup>nd</sup> January, 2020, 16<sup>th</sup> March, 2020.

## **6. DIRECTORS RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134 (3)(c) and Section 134(5) of the Companies Act, 2013, to the best of their knowledge and belief the Board of Directors hereby submit that:

- a. In the preparation of the Annual Accounts, for the year ended on March 31, 2020 the applicable accounting standards have been followed and there are no material departure from the same,
- b. The directors had 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 financial year and of the profit of the company for the financial year ended on March 31, 2020.
- c. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities,
- d. The directors had prepared the Annual Accounts on a going concern basis,
- e. The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively and
- f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **7. COMMENT ON AUDITORS' REPORT**

There were no qualifications, reservations, adverse remarks or disclaimer made by the Auditors in their report on the financial statement of the Company for the financial year ended on March 31, 2020. Furthermore, there were no frauds reported by the Auditors of the Company pursuant to Companies Act, 2013 and the rules made thereunder. Maintenance of cost records as specified under Companies Act, 2013 is not applicable to the Company.

## **8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

The details of loans, investment, guarantees and securities covered under the provisions of section 186 of the Companies Act, 2013 are provided in the financial statement.

## **9. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

All transactions to be entered by the Company with related parties will be in the ordinary course of business and on an arm's length basis. However, the Company has not entered into any related party transaction, as provided in Section 188 of the Companies Act, 2013, with the related party. Hence, Disclosure as required under Section 188 of the Companies Act, 2013 is not applicable to the Company.

## **10. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has its Internal Financial Control systems commensurate with operations of the Company. The management regularly monitors the safeguarding of its assets, prevention and detection of frauds and errors, and the accuracy and completeness of the accounting records including timely preparation of reliable financial information.

The Head of Internal Audit together with External Audit consults and reviews the effectiveness and efficiency of these systems and procedures to ensure that all assets are protected against loss and that the financial and operational information is accurate and complete in all respects.

## **11. Reserves & Surplus**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Amount (in Rs.)</b>
1.	Reserves and Surplus at the beginning of the year	4,32,58,912
2.	Surplus in P & L utilised for Bonus	(49,25,000)
3.	Securities Premium utilised for Bonus	(3,53,25,000)
4.	Securities Premium issued	2,23,44,000
5.	Current Year's Profit	9,32,055
6.	Reserves and Surplus at the end of the year	2,62,84,967

## **12. DIVIDEND**

To conserve resources for future prospect and growth of the Company, your Directors regret to declare any dividend for the Financial Year 2019-20 (Previous year - Nil).

## **13. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATES AND THE DATE OF THE REPORT**

There are no material changes and commitments, affecting the financial position of the Company.

## **14. TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND**

Pursuant to Section 124 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years shall be transferred to the Investor Education and Protection Fund ("IEPF"). During the year under review, there was no unpaid or unclaimed dividend in the "Unpaid Dividend Account" lying for a period of seven years from the date of transfer of such unpaid dividend to the said account. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund.

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

The details of conservation of energy, technology absorption etc. as required to be given under section 134(3)(m) of the Companies Act 2013 read with the Companies (Accounts) Rules, 2014, is not given as the Company has not taken any major step to conserve the energy etc. Further, there was no foreign exchange earnings and outgo during the financial year 2019-20 (Previous Year – Nil).

## **16. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF THE RISK MANAGEMENT POLICY OF THE COMPANY**

The Company has in place, a mechanism to identify, assess, monitor and mitigate various risks towards the key business objectives of the Company. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis.

## **17. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The Directors and Key Managerial Personnel of the Company are summarized below:

<b>Sr. No.</b>	<b>Name</b>	<b>Designation</b>	<b>DIN</b>
1.	Mr. Mithlesh Kumar M Agrawal	Director	03468643
2.	Mr. Khushant Gupta <sup>1</sup>	Managing Director	07958719
3.	Mr. Dhaval Patel	Independent Director	07770039
4.	Ms. Poonam Panchal <sup>2</sup>	Independent Director	08158195
5.	Mr. Aakash Thakor <sup>3</sup>	Director	08158195
5.	Mr. Pratapsingh Zala	Chief Financial Officer	-
6.	Mr. Tej Hanj <sup>4</sup>	Company Secretary	-
7.	Ms. Priyanka Joshi <sup>5</sup>	Company Secretary	-
8.	Mr. Jaimin Gupta	Chief Executive Officer	-

<sup>1</sup>Mr. Khushant Gupta resigned from the Company w.e.f. 11<sup>th</sup> September, 2020.

<sup>2</sup>Ms. Poonam Panchal was appointed as ID and women Director on 2<sup>nd</sup> April, 2019 and has resigned from the Company w.e.f. 2<sup>nd</sup> November, 2020.

<sup>3</sup>Mr. Aakash Thakor was appointed as Additional Director w.e.f. 12<sup>th</sup> November, 2020

<sup>4</sup>Mr. Tej Hanj was appointed as CS on 4<sup>th</sup> June, 2019 and has resigned from the Company w.e.f. 15<sup>th</sup> May, 2020

<sup>5</sup>Ms. Priyanka Joshi was appointed as Company Secretary w.e.f. 7<sup>th</sup> August, 2020

As per Companies Act, 2013 the Independent Directors are not liable to retire by rotation.

## **18. DECLARATION BY INDEPENDENT DIRECTORS**

Mr. Dhaval Patel, Independent Director of the Company has confirmed to the Board that he meets the criteria of Independence as specified under Section 149 (6) of the Companies Act, 2013 and is qualified to be Independent Director. He also confirmed that he meets the requirements of Independent Director as mentioned under Regulation 16 (1) (b) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The confirmations were noted by the Board.

## **19. CORPORATE GOVERNANCE**

Since the Company has listed its specified securities on the SME Exchange therefore by virtue of Regulation 15 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the compliance with the corporate governance provisions as specified in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V are not applicable to the Company. Hence Corporate Governance does not form part of this Board's Report.

## **20. DEPOSITS**

As per Section 73 of the Companies Act, 2013 the Company has neither accepted nor renewed any deposits during the financial year. Hence the Company has not defaulted in repayment of deposits or payment of interest during the financial year.

## **21. FORMAL ANNUAL EVALUATION PROCESS BY BOARD**

Pursuant to the provisions of the Companies Act, 2013 and Rules made thereunder, the Board has carried the evaluation of its own performance, performance of Individual Directors, Board Committees, including the Chairman of the Board on the basis of attendance, contribution towards development of the Business and various other criteria as recommended by the Nomination and Remuneration Committee of the Company. The evaluation of the working of the Board, its committees, experience and expertise, performance of specific duties and obligations etc. were carried out. The Directors expressed their satisfaction with the evaluation process and outcome.

In a separate meeting of Independent Directors the performances of Executive and Non-Executive Directors were evaluated in terms of their contribution towards the growth and development of the Company. The achievements of the targeted goals and the achievements of the Expansion plans were too observed and evaluated, the outcome of which was satisfactory for all the Directors of the Company.

## **22. STATUTORY AUDITOR**

M/s. SSRV & Associates, Chartered Accountants, Mumbai, Chartered Accountants, (Firm's Registration No. 135901W), were appointed as the Statutory Auditors of the Company. The Auditor's report for the financial year ended March 31, 2020 has been issued with an unmodified opinion, by the Statutory Auditors.

## **23. SECRETARIAL AUDITOR**

The Board appointed Gaurav Bachani & Associates, Company Secretaries, Ahmedabad to conduct Secretarial Audit for the Financial Year 2019-20. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2020 is annexed herewith marked as Annexure-1 to this Report.

## **24. DISCLOSURES**

### **A. Composition of Audit Committee:**

Members of the Committee are as follows:

<b>Name</b>	<b>Status</b>
Mr. Mithleshkumar M Agrawal	Chairman
Mr. Khushant Gupta	Member
Mr. Dhavalbhai Patel	Member

During the year all the recommendations made by the Audit Committee were accepted by the Board.

**B. Composition of Nomination and Remuneration Committee:**

Members of the Committee are as follows:

<b>Name</b>	<b>Status</b>
Mr. Mithlesh Agrawal	Chairman
Ms. Poonam Panchal	Member
Mr. Dhavalbhai Patel	Member

**C. Composition of Stakeholders Relationship Committee:**

Members of the Committee are as follows:

<b>Name</b>	<b>Status</b>
Mr. Mithlesh Agrawal	Chairman
Ms. Poonam Panchal	Member
Mr. Dhavalbhai Patel	Member

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

The Company has always been committed to provide a safe and conducive work environment to its employees. Your Directors further state that during the year under review there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 as confirmed by the Internal Complaints Committee as constituted by the Company.

**26. MANAGEMENT DISCUSSION AND ANALYSIS**

Management Discussion and Analysis Report as required under Regulation 34 and Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 forms an



integral part of this Report, and provides the Company's current working and future outlook as per Annexure-2.

## **27. ACKNOWLEDGEMENTS**

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from the Bankers, Regulatory Bodies, Stakeholders including Financial Institutions, Suppliers, Customers and other business associates who have extended their valuable sustained support and encouragement during the year under review.

Your Directors take this opportunity to recognize and place on record their gratitude and appreciation for the commitment displayed by all executives, officers and staff at all levels of the Company. We look forward for the continued support of every stakeholder in the future.

### **Registered Office:**

Survey No. 230, Opp. Mariya Park,  
B/h. Ranipur Village, Saijpur - Gopal,  
Narol, Ahmedabad – 382 405

**Place: Ahmedabad**

**Date: 8<sup>th</sup> December, 2020**

Sd/-

**Aakash Thakor**

**Director**

**DIN: 07960192**

**By the Order of the Board  
VortexCotfab Limited**

Sd/-

**Mithleshkumar Gupta**

**Director**

**DIN: 03468643**



<b>1. Institutions</b>	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	102000	-	102000	1.69	1.69
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	216000	-	216000	3.59	3.59
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	1146000	-	1146000	19.04	19.04
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Hindu Undivided Family	-	-	-	-	126000	-	126000	2.09	2.09
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	6000	-	6000	0.09	0.09
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	-	-	-	-	1596000	-	1596000	26.50	26.50
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	1596000	-	1596000	26.50	26.50
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	<b>402500</b>	<b>402500</b>	<b>100.00</b>	<b>6023500</b>	-	<b>6023500</b>	<b>100</b>	<b>0.00</b>

## B. Shareholding of Promoter

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Miracle Stores Private Limited	197225	49.00	-	2169475	36.02	-	(12.98)
2	Qmin Pharma Private Limited	197225	49.00	-	2169475	36.02	-	(12.98)
3	Khushant Gupta	1000	0.25	-	11000	0.18	-	(0.07)
4	Mithleshkumar Agrawal	1000	0.25	-	11000	0.18	-	(0.07)
5	Sanjay Kumar Agrawal	1000	0.25	-	11000	0.18	-	(0.07)
6	Kresha Gupta	1025	0.25	-	11275	0.19	-	(0.06)
7	Bharti Gupta	4025	1.00	-	11275	0.19	-	(0.06)

## C. Change in Shareholding of Promoter:

Name	Shareholding of each promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
Miracle Stores Private Limited	At the beginning of the year	197225	49.00	197225	49.00
	Acquisition of Shares by Way of Bonus	1972250	49.00	2169475	49.00
	At the end of the year	2169475	36.02	2169475	36.02
Qmin Pharma Private Limited	At the beginning of the year	197225	49.00	197225	49.00
	Acquisition of Shares by Way of Bonus	1972250	49.00	2169475	49.00
	At the end of the year	2169475	36.02	2169475	36.02
Khushant Gupta	At the beginning of the year	1000	0.25	1000	0.25
	Acquisition of Shares by Way of Bonus	10000	0.25	11000	0.25
	At the end of the year	11000	0.18	11000	0.18
Mithleshkumar Agrawal	At the beginning of the year	1000	0.25	1000	0.25
	Acquisition of Shares by Way of Bonus	10000	0.25	11000	0.25
	At the end of the year	11000	0.18	11000	0.18
Sanjay Kumar Agrawal	At the beginning of the year	1000	0.25	1000	0.25
	Acquisition of Shares by Way of Bonus	10000	0.25	11000	0.25
	At the end of the year	11000	0.18	11000	0.18
Kresha Gupta	At the beginning of the year	1025	0.25	1025	0.25
	Acquisition of Shares by Way of Bonus	10250	0.25	10250	0.25
	At the end of the year	11275	0.19	11275	0.19
Bharti Gupta	At the beginning of the year	4025	1.00	4025	1.00
	Acquisition of Shares by Way of Bonus	40250	1.00	40250	1.00
	At the end of the year	44275	0.74	44275	0.74

**D. Shareholding Pattern of top ten Shareholders:**

Sr. No.	Name of Shareholder	Shareholding at the end of the year	
		No. of shares	% of total shares of the Company
1	Shivang R Vachheta	258000	4.28
2	Makwana Dixit Chandubhai	240000	3.98
3	Bhati Shani	234000	3.88
4	Pauminiben Dimpalkumar Shah	162000	2.69
5	Agrawal Nikunj	114000	1.89
6	Thakurji International Private Limited	96000	1.59
7	Champak A Shah (Huf)	48000	0.80
8	Mrugen Dilipbhai Shah Huf	42000	0.70
9	Champaklal Amratlal Shah	36000	0.60
10	Moksha Romit Shah	30000	0.50

**E. Changes in Shareholding Pattern of top ten Shareholders: NA****F. Shareholding of Directors and Key Managerial Personnel:**

Name	Shareholding of each promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
Khushant Gupta	At the beginning of the year	1000	0.25	1000	0.25
	Acquisition of Shares by Way of Bonus	10000	0.25	11000	0.25
	At the end of the year	11000	0.18	11000	0.18
Mithleshkumar Agrawal	At the beginning of the year	1000	0.25	1000	0.25
	Acquisition of Shares by Way of Bonus	10000	0.25	11000	0.25
	At the end of the year	11000	0.18	11000	0.18
Dhaval Patel	At the beginning of the year	0	0.00	0	0.00
	Acquisition of Shares by Way of Bonus	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
Poonam Panchal	At the beginning of the year	0	0.00	0	0.00
	Acquisition of Shares by Way of Bonus	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
Pratapsingh Zala	At the beginning of the year	0	0.00	0	0.00
	Acquisition of Shares by Way of Bonus	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
Tej Hanj	At the beginning of the year	0	0.00	0	0.00
	Acquisition of Shares by Way of Bonus	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
Jaimin Gupta	At the beginning of the year	0	0.00	0	0.00
	Acquisition of Shares by Way of Bonus	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00

**V. INDEBTEDNESS :**

Indebtedness of the Company including interest outstanding/accrued but not due for payment:  
**Rs.12,61,79,634/-**

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:-**

Company has not paid any kind of Remuneration, Salary, Perquisites, Compensation, Sitting Fee(s), and Commission etc. to any Director(s) or KMP.

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: NA**

**Registered Office:**

Survey No. 230, Opp. Mariya Park,  
B/h. Ranipur Village, Saijpur - Gopal,  
Narol, Ahmedabad – 382 405

**Place: Ahmedabad**

**Date: 8<sup>th</sup> December, 2020**

Sd/-

**Aakash Thakor**

**Director**

**DIN: 07960192**

**By the Order of the Board  
VaxtexCotfab Limited**

Sd/-

**Mithleshkumar Gupta**

**Director**

**DIN: 03468643**

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2020**

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

To,  
The Members of  
**Vaxtex Cotfab Limited**

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

Based on my verification of **Vaxtex Cotfab Limited's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on 31<sup>st</sup> March, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Vaxtex Cotfab Limited** ("the Company") for the Financial Year ended on 31<sup>st</sup> March, 2020, according to the provisions of:-

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the Audit Period).
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the Audit Period).
  - d. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
  - e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period).
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

I have also examined Secretarial Standards issued by The Institute of Company Secretaries of India;

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

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

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

**FOR, GAURAV BACHANI & ASSOCIATES,  
COMPANY SECRETARIES**

**SD/-  
GAURAV V. BACHANI  
PROPREITOR**

ACS: 61110

COP: 22830

FRN: S2020GJ718800

UDIN: A061110B001436132

**Date:8<sup>th</sup>December, 2020**

**Place: Ahmedabad**

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



To,  
The Members  
**Vaxtex Cotfab Limited**

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**FOR, GAURAV BACHANI & ASSOCIATES,  
COMPANY SECRETARIES**

**SD/-  
GAURAV V. BACHANI  
PROPREITOR**

ACS: 61110

COP: 22830

FRN: S2020GJ718800

UDIN: A061110B001436132

**Date:8<sup>th</sup>December, 2020**

**Place: Ahmedabad**

## Management Discussion and Analysis

### A. Industry structure and developments

The COVID 19 break down in the second half of March affected the numbers adversely and all markets have literally been stopped across the globe. It has led to lockdown and shrinkage in all economies world-wide very sharply. The above has put a lot of pressure on Textile industry in India which was already facing a lot of challenges due to delays in receiving the payments as well as facing huge liquidity crunch and uncertainty pertaining to future orders.

### B. Opportunities and Threats

#### Opportunities

Going ahead, there could be a positive side for textile business as festival season will start from mid 3<sup>rd</sup> Quarter till end of March, which majorly includes Diwali, Christmas and Holi. Further from November'20 to March'21 marriages will be in quantum so all these festivals and marriages will increase the demand in textile fabrics.

#### Threats

Currently the biggest threat is COVID 19 and its impact. It is expected that overall textile business will be severely affected which would result in various job losses across the value chain. First half of FY 21 was very tough and the second half is expected to give some relief to the business and the society in general and also it is expected that India will be able to control the COVID 19 Pandemic within next 2-3 months.

### C. Segment-wise or product-wise performance

In Financial Year 2019-20 Company was operational in only one segment. Therefore there is no requirement of Segment wise reporting.

### D. Outlook

Overall, Financial Year 2021-22 is expected to be a tough year for the textile industry and major focus shall be on cost cutting measures, improving productivity, reduction in wastage and efforts on taking quality to next level and deriving efficiency to make products further cost competitive.

Once COVID 19 Pandemic is controlled and as festival and marriage season starts, the Company expects to bounce back, with its new product range ensuring competitive products with different finishes along with growing focus on different range of products.

### E. Risks and concerns

Overall negative impact is expected across the industry due to current COVID 19 pandemic. A shift towards online business is expected to happen due to the fear & the restrictions to maintain the social distancing. Also, there could be short time recessionary pressure due to job losses and money crunch in the market and it will take a good 2 to 3 months before we could see demand coming back in the Textile industry.

## **F. Internal control systems and their adequacy**

The Company has adequate internal financial control systems that commensurate with the size and nature of its business. Management has overall responsibility for the Company's control systems to safeguard assets and to ensure reliability of financial records. The Company has due policies and procedures to ensure effective control of its business, including adherence to Company's policies, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of financial information.

Audit Committee reviews all financial statements and ensures adequacy of control systems. The Company has a well defined organization structure, authority levels and internal rules and guidelines for conducting business transactions.

## **G. Discussion on financial performance with respect to operational performance**

The financial performance of the Company for the Financial Year 2019-20 is described in the report of Board of Directors' of the Company.

## **H. Material developments in Human Resources / Industrial Relations front including number of people employed**

The cordial employer - employee relationship also continued during the year under the review. The Company has continued to give special attention to human resources.

### **Registered Office:**

Survey No. 230, Opp. Mariya Park,  
B/h. Ranipur Village, Saijpur - Gopal,  
Narol, Ahmedabad - 382 405

**Place: Ahmedabad**

**Date: 8<sup>th</sup> December, 2020**

Sd/-

**Aakash Thakor**  
**Director**

**DIN: 07960192**

**By the Order of the Board**  
**VortexCotfab Limited**

Sd/-

**Mithleshkumar Gupta**  
**Director**

**DIN: 03468643**

**Independent Auditor's Report  
To The Member of VAXTEX COTFAB LIMITED**

**Opinion**

We have audited the accompanying standalone financial statements of **Vaxtex Cotfab Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone AS 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 including the AS, of the financial position of the Company as at 31st March, 2020, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of Standalone Financial Statements in accordance with the standards of auditing specified under Section 143(10) of the Acts (SAs). Our responsibilities under those standards are future described in the auditor's responsibilities for the audit of the standalone financial statements section of our report. We are independent of the company in accordance with code of ethics issued by the institute of chartered Accountants of India (ICAI) together with independence requirements that are relevant to our audit of the standalone financial statements in the provisions of the Act and the rooms made thereunder, and we have fulfilled our other ethical responsibilities in accordance with this requirements and the ICAI's Code of Ethics. We Believe that the Audit Evidence we have obtain is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial Statements

**Key Audit Matters**

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

**Emphasis of matter**

We draw attention to the following matter in the notes to financial statement:

- a. In March 2018 the statement of balance sheet of the company which is included acquisition of fixed assets are bases on the financial statement provided by previous year auditor whose reports have been furnished to us, which have been relied upon by us.**

## **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained 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.

## **Management's Responsibility for the Standalone Financial Statements**

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

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

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

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

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

reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- ❖ Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ❖ Obtain an understanding of internal financial controls 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ❖ Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

FOR: - SSRV & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM NO. - 135901W

VISHNU KANT KABRA  
Partner  
M.No :403437  
PLACE: - MUMBAI

## Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone AS financial statements for the year ended 31st March 2020, we report that:

- i. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
  - a. The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
  - b. The title deeds of immovable properties are held in the name of the company.
- ii. the Management has conducted Physical Verification of Inventory at Reasonable interval during the year and no Material discrepancies between physical inventory and book records were notice on physical verification and the valuation of closing stock has been certified by the management and we have relied on the same.
- iii. The Company not having any holding company which is exempt under section 186 and therefore not required to maintain register under section 189 of the companies act 2013 Thus, paragraph 3(iii) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v. The Company has not accepted any deposits from the public. Thus, paragraph 3(v) of the Order is not applicable to the Company.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act. Thus, paragraph 3(vi) of the Order is not applicable to the Company.
- vii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including, income-tax, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. EXCEPT the demand made U/s 143(3) for Income Tax Assessment for the A'Y. 2011- 12 of Rs. 2, 73, 25,140/- for which order of CJT(A) received with a relief of Rs.2,73,25,140/-.

The demand made under section 154/227(1) for income tax assessment for the AY 2012-13 of Rs 1,27,67,108/- for which order of CIT (A) received with relief of Rs 1,27,67,108/- However the company has opted to file against the appeal.

According to the information and explanations given to us and on the basis of our examination of the records of the Company The demand made under section 201 of income tax act regarding TDS for the



AY 2017-18 of Rs 1, 50,544/- for which is showing in trances site and company has received notice.As explained to us, the Company needs to file credit notes worth Rs. 17, 24,138/ as per Goods and Service Tax.

- viii. The Company has made an initial public offer during the year. As explained in financial statements, the net proceeds in respect of shares issued in initial public offer were received on January, 2020. In our opinion and according to the information and explanations given to us, the Company has utilized the money raised by way of initial public issue offer during the year for the purposes for which they were raised and the details of utilised/unutilised amount are as under:

**Utilization of funds raised by Public Issue up to March 31, 2020:**

- A. The fund is utilized to part finance incremental working capital requirements of the Company;**  
**B. to meet General corporate purposes;**  
**C. to meet the expenses of the Issue**

- ix. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- x. According to the information given based on our examination of the records of the Company, the Company has paid/provided managerial remuneration to any director of the company.
- xi. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xii. According to the information and explanations given to us and based on our examination of the records of the Company, there is no transactions with the related parties are in compliance with sections 177 and 188 of the Act .Therefore, it is not applicable.
- xiii. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xv. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

FOR: - SSRV & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM NO. - 135901W

VISHNU KANT KABRA  
Partner  
M.No:403437  
PLACE: - MUMBAI

## **Annexure - B to the Auditors' Report**

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

We have audited the internal financial controls over financial reporting of **Vaxtex Coffab Limited** ("the Company") as of 31st March 2020 in conjunction with our audit of the standalone AS financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

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

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

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

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

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

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

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, 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: - SSRV & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM NO. - 135901W**

**VISHNU KANT KABRA  
Partner  
M.No:403437  
PLACE: - MUMBAI**

**Vaxtex Cotfab Limited**  
**U51109GJ2005PLC076930**  
**BALANCE SHEET AS AT 31st March, 2020**

Particulars	Note. No.	31st March, 2020 (Amount Rs.)	31st March, 2019 (Amount Rs.)
<b>EQUITY AND LIABILITIES</b>			
<b><u>Shareholder's Funds</u></b>			
Share Capital	2	60,235,000	4,025,000
Reserves and Surplus	3	26,284,967	43,258,912
<b><u>Non-Current Liabilities</u></b>			
Long-Term Borrowings	4	92,732,966	29,070,773
Deferred Tax liability	10	1,409,053	955,082
<b><u>Current Liabilities</u></b>			
Short Term Borrowings	5	33,446,668	3,805,947
Trade Payables	6	60,852,481	50,199,064
Other Current Liabilities	7	4,279,113	3,719,432
<b>Total</b>		<b>279,240,248</b>	<b>135,034,210</b>
<b>ASSETS</b>			
<b><u>Non-Current Assets</u></b>			
<b><u>Fixed Assets</u></b>			
Tangible Assets	8	23,736,757	18,031,626
Intangible Assets			
Non Current Investments	9	1,151,500	-
Long term loans and advances	11	86,860,148	44,504,187
<b><u>Current Assets</u></b>			
Current investments			
Inventories	12	41,019,440	6,215,430
Trade receivables	13	85,450,513	47,018,806
Cash and cash equivalents	14	1,930,910	5,301,725
Short-term loans and advances	15	39,055,907	13,962,436
Other Current Assets	16	35,074	-
<b>Total</b>		<b>279,240,249</b>	<b>135,034,210</b>

**NOTES TO ACCOUNTS**

1

Notes referred to above and notes attached there to form an integral part of Balance Sheet

This is the Balance Sheet referred to in our Report of even date.

**FOR S R V & Associates**

Firm Registration No. 135901W.

**For and on behalf of the Board**  
**Vaxtex Cotfab Limited**

**Vishnu Kant Kabra**  
Partner  
M. No.: 403437.

**Khushant Gupta**  
Director  
**DIN 07958719**

**Mithlesh Agrwal**  
Director  
**DIN 07770039**

**PLACE: MUMBAI**  
**UDIN :20403437AAAAPU6008**  
**DATE: 07/08/2020**

**Pratapsingh Zala**  
(CFO)

**Priyanka Joshi**  
(CS)

**Gupta Jaimin Kailash**  
(CEO)

**Vaxtex Cotfab Limited**

U51109GJ2005PLC076930

**PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED 31st March 2020.**

Particulars	Note. No.	31st March, 2020 (Amount Rs.)	31st March, 2019 (Amount Rs.)
<b>Revenue</b>			
Revenue from operations	17	277,580,035	219,726,590
Other Income	18	176,690	453,415
<b>I. Total Revenue</b>		<b>277,756,725</b>	<b>220,180,006</b>
<b>Expenses:</b>			
Purchases	19	212,059,792	144,035,148
Decrease/(Increase) in Stock	20		
Employee Benefit Expense	21	12,803,254	19,002,669
Direct Costs	22	33,514,693	43,547,681
Finance Costs	23	10,588,583	143,827
Depreciation and Amortisation Expenses	24	1,417,431	1,064,077
Other Administrative Expenses	25	5,499,964	3,613,682
<b>II. Total Expenses</b>		<b>275,883,716</b>	<b>211,407,083</b>
<b>III. Profit before tax</b>	(I - II)	<b>1,873,009</b>	<b>8,772,922</b>
<b>IV Tax expense:</b>			
Current tax		486,982	2,403,144
Deferred Tax (Asset)/Liability		453,971	349,559
Earlier Year Taxes		-	-
MAT Credit Entitlement		-	-
<b>V. Profit(Loss) for the period</b>	(III-IV)	<b>932,055</b>	<b>6,020,220</b>
<b>Earning per equity share:</b>			
Basic		0.15	14.96
Diluted		0.15	14.96

Notes referred to above and notes attached there to form an integral part of Profit &amp; Loss Statement

This is the Profit &amp; Loss Statement referred to in our Report of even date.

**FOR S S R V & Associates**

Firm Registration No. 135901W

**For and on behalf of the Board****Vaxtex Cotfab Limited****Vishnu Kant Kabra**

Partner

M. No.: 403437.

**PLACE: MUMBAI****UDIN :20403437AAAAPU6008****DATE: 07/08/2020****Khushant Gupta**

Director

DIN 07958719

**Mithlesh Agrwal**

Director

DIN 07770039

**Pratapsingh Zala**

(CFO)

**Gupta Jaimin Kailash  
(CEO)****Priyanka Joshi**

(CS)

**Vaxtex Cotfab Limited**

U51109GJ2005PLC076930

**CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 March, 2020**

Sl. No.	Particulars	31st March, 2020 (Amount Rs.)	31st March, 2019 (Amount Rs.)
<b>1</b>	<b>Cash flow from operating activities</b>		
	<b>Profit / (Loss) Before tax</b>	1,873,009	8,772,922
	Adjustments for :		
	Depreciation, amortisation and impairment - net of capitalisation	1,417,431	1,064,077
	Finance costs - net of capitalisation	10,588,583	143,827
	Interest/Dividend income	(176,690)	(453,415)
	Loss on Sale of Fixed Assets		
	<b>Operating profit before working capital changes</b>	13,702,332	9,527,410
	Adjustments for changes in :		
	(Increase)/Decrease in Trade receivables	(38,431,707)	(16,196,287)
	(Decrease)/Increase in Trade Payables	10,653,418	1,169,331
	(Increase)/Decrease in Short-term Loans & Advances	(25,093,471)	23,134,426
	(Increase)/Decrease in Inventories	(34,804,010)	6,681,035
	(Decrease)/Increase in Other Current Liabilities & Provisions	559,681	(4,742,169)
	(Increase) in other current Assets	(35,074)	-
	<b>Cash generated from operations</b>	(73,448,831)	19,573,746
	Provision for Income tax /Paid	(486,982)	(2,403,144)
	<b>[A]</b>	(73,935,813)	17,170,602
<b>2</b>	<b>Cash flow from investing activities</b>		
	Net (Purchases)/Sale of fixed assets	(7,122,559)	(2,117,533)
	Interest received	176,690	453,415
	Loans and advances given / repaid (Net)	(42,355,961)	(44,504,187)
	Investment (purchases/sales)	(1,151,500)	500,000
	<b>[B]</b>	(50,453,330)	(45,668,305)
<b>3</b>	<b>Cash flow from financing activities</b>		
	Increase/(Repayment) of Short term borrowings	29,640,718	3,380,948
	Interest Expense & Finance Costs	(10,588,583)	(143,827)
	Issue of share during the year	15,960,000	
	Security Premium Issue of share	22,344,000	
	(Decrease)/Increase in Short Term Borrowings	63,662,193	26,980,000
	Increase/(Repayment) of long term borrowings	121,018,328	30,217,122
	<b>[C]</b>	(3,370,816)	1,719,419
	Openings cash and cash equivalents	5,301,725	3,582,306
	<b>Closing cash and cash equivalents</b>	1,930,909	5,301,725

Notes referred to above and notes attached there to form an integral part of Profit & Loss Statement

This is the Profit & Loss Statement referred to in our Report of even date.

**FOR S S R V & Associates**

**Chartered Accountants**

**Firm Registration No. 135901W**

**For and on behalf of the Board**

**Vaxtex Cotfab Limited**

**Vishnu Kant Kabra**

Partner

M. No.: 403437

**PLACE: MUMBAI**

**UDIN :20403437AAAAPU6008**

**DATE: 07/08/2020**

**Khushant Gupta**

Director

**DIN 07958719**

**Mithlesh Agrwal**

Director

**DIN 07770039**

**Pratapsingh Zala**

(CFO)

**Priyanka Joshi**

(CS)

**Gupta Jaimin Kailash**  
**(CEO)**

**Vortex Cotfab Limited**

CIN NO.: U51109GJ2005PLC076930

Notes Forming Integral Part of the Financial statements for the year ended 31st March, 2020.

**Note : 2 Share Capital**

Sr. No	Particulars	31st March, 2020 (Amount Rs.)	31st March, 2019 (Amount Rs.)
i	<b>AUTHORISED CAPITAL</b> 62,50,000/- Equity Shares of Rs. 10/- each. (Previous year 4,10,000 Equity Shares)	62,500,000	4,100,000
		62,500,000	4,100,000
ii	<b>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</b> 60,23,500 Equity Shares of Rs. 10/- each (Previous year 4,02,500 Equity Shares)	60,235,000	4,025,000
iii			-
	<b>Total</b>	<b>60,235,000</b>	<b>4,025,000</b>

iv The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity share will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

v The company has issued bonus shares to their existing shareholder during the period of April 2019 to June 2019. Company has not issued any shares for consideration other than cash, nor the company has bought shares

Particulars	31st March, 2020 (Amount Rs.)		31st March, 2019 (Amount Rs.)	
	No. of shares	% holding in the class	No. of shares	% holding in the class
Miracle Stores Pvt Ltd	2,169,475	49.00%	402,500	49.00%
Qmin Pharma Pvt Ltd	2,169,475	49.00%	402,500	49.00%

vii Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

Equity Shares	Opening Balance	New Issue	Issue Bonus	Buy Back	Closing Balance
Year Ended 31st March 2019					
No of Shares	402,500		-	-	402,500
Amount (Rs.)	4,025,000		-	-	4,025,000
Period End March 2020					
No of Shares	402,500	1,596,000	4,025,000	-	6,023,500
Amount (Rs.)	4,025,000	15,960,000	40,250,000	-	60,235,000

Aggregate number of bonus shares issued during the period of five years immediately preceding

Financial Years	2016-17	2017-18	2018-19	2019-20
Fully paid up bonus shares (Rs 10/- each)	Nil	Nil	Nil	4,025,000

**Notes Forming Integral Part of the Financial statements for the year ended 31st March,2020.**

	Particulars	31st March, 2020 (Amount Rs.)	31st March, 2019 (Amount Rs.)
<b>Note : 3 Reserve &amp; Surplus</b>			
i	<b>Securities Premium</b>		
	Opening Balance	35,325,000	35,325,000
	less : Bonus shares issued	- 35,325,000	-
	Add: Securities Premium shares issued	22,344,000	
	Closing Balance	<b>22,344,000</b>	<b>35,325,000</b>
ii	<b>Surplus/Deficit in Profit &amp; Loss Account</b>		
	Balance brought forward from previous year	7,933,912	1,913,692
	Add: Profit / (Loss) for the period	932,055	6,020,220
	Add: fixed assets written off wrongly now brought to books		
	Less : Bonus shares issued	- 4,925,000	
		<b>3,940,967</b>	<b>7,933,912</b>
	<b>Total</b>	<b>26,284,967</b>	<b>43,258,912</b>
<b>Note : 4 Long Term Borrowings</b>			
i	<b>Secured Loans</b>		
	<b>Term Loan</b>		
	<b>From Banks</b>		
	1 Abhyuday Co-Op.Bank Ltd. WCT	24,071,739	25,000,000
	2 Abhyuday Co-Op.Bank Ltd. OD	49,787,954	-
ii	<b>Other Unsecured Loans</b>		
	Loans & Advances From other Parties	18,873,273	4,070,773
	<b>Total</b>	<b>92,732,966</b>	<b>29,070,773</b>
<b>Note : 5 Short Term Borrowings</b>			
i	<b>Bank Statement Reconciliation- Cr Balance</b>		
	Bhuj Merc. Co.Op.Bank Ltd. -	3,658	3,658
	Gujarat Mercantile co-op bank ltd	1,707,849	3,802,289
ii	Other Loans and Advances	31,735,161	-
	<b>Total</b>	<b>33,446,668</b>	<b>3,805,947</b>
Working Capital Borrowings from Bank is secured by hypothication of company's properties.			
<b>Note : 6 Trade Payables</b>			
	<b>Trade Payables</b>		
	Advances from Customers	4,008,163	100,000
	other Trade Payables	56,844,318	50,099,064
	<b>Total</b>	<b>60,852,481</b>	<b>50,199,064</b>



<b>Note : 7 Other Current Liabilities</b>			
i	Director Remuneration Payable	-	-
ii	Unpaid Professional Fees	10,000	10,000
iii	Provision for Audit Fees	15,140	135,500
iv	Provision for I.T.	3,405,568	2,918,586
v	Tds on rent	60,000	60,000
vi	Tds on subcontract job work	-	95,861
vii	TDS Payable	22,851	35,029
viii	TDS on commission	47,961	58,390
ix	ESIC & PF Payable	237,920	185,501
x	Tds on Garment Job Work	6,614	6,614
xi	Tds on salary	-	71,000
xii	Professional Tax	248,291	142,951
xix	Tds on Professional Fees	224,768	-
	<b>Total</b>	<b>4,279,113</b>	<b>3,719,432</b>
<b>Note : 9 Non Current Investments</b>			
	Abhyudaya Co-Op Bank Ltd. Share A/c.	750,000	-
	N S C Deposit	383,500	-
	Nsdl Deposit	18,000	-
	<b>Total</b>	<b>1,151,500</b>	<b>-</b>
<b>Note :10 Deferred Tax Asset</b>			
	<b>Deferred Tax Asset</b>		
i	Depreciation as per Company Act	1,417,431	1,159,877
	<b>A</b>	<b>1,417,431</b>	<b>1,159,877</b>
	<b>Deferred Tax Liabilities</b>		
i	Depreciation as per Income Tax	3,163,473	2,291,135
	<b>B</b>	<b>3,163,473</b>	<b>2,291,135</b>
	<b>NET DEFERRED TAX (A -B)</b>	<b>(1,746,042)</b>	<b>(1,131,258)</b>
	Provision For Deferred Tax Assets / (Liability)	(453,971)	(349,559)
	Opening Deferred Tax Asset	- 955,082	- 605,523
	Excess Provision in last year		
	<b>Closing Deferred Tax Asset</b>	<b>(1,409,053)</b>	<b>-955,082</b>
<b>Note : 11 Long Term Loans and Advances</b>			
	<b>Loan Term Loans and Advances</b>		
	Advance Against Machinery	3,070,030	3,070,030
	Others Long Term Loans and Advances	83,790,118	41,434,157
	<b>Total</b>	<b>86,860,148</b>	<b>44,504,187</b>
<b>Note : 12 Inventories</b>			
i	Work-in-Progress, Raw Material and Finished Goods	41,019,440	6,215,430
	<b>Total</b>	<b>41,019,440</b>	<b>6,215,430</b>
<b>Note : 13 Trade Receivables</b>			
	<b>a) Unsecured, Considered Good :</b>		
	Outstanding for a period Less then six months	83,817,910	45,386,203
ii	Others Trade Receivables	1,632,603	1,632,603
	<b>Total</b>	<b>85,450,513</b>	<b>47,018,806</b>
<b>Note : 14 Cash &amp; Cash Equivalent</b>			
i	<b>Cash-on-Hand</b>		
	Cash Balance	58,937	1,929,593
ii	<b>Balance with Scheduled Banks</b>		
	ICICI Bank Current	17,121	-
	Abhyuday Co-Op. Bank Ltd. Current	-	2,509,988
	ICICI Bank Ltd.	1,854,852	862,144
	<b>Total [ A + B ]</b>	<b>1,930,910</b>	<b>5,301,725</b>
<b>Note :15 Short Terms Loans and Advances</b>			
	<b>Unsecured, Considered Good :</b>		
i	Advances to Suppliers	25,390,890	3,270,452
ii	GST	8,009,240	4,336,185
iii	TDS Receivable	5,655,777	6,355,799
	<b>Total</b>	<b>39,055,907</b>	<b>13,962,436</b>
<b>Note :16 Other Current Assets</b>			
i	Prepaid Insurance	35,074	-
	<b>Total</b>	<b>35,074</b>	<b>-</b>

**Vaxtex Cotfab Limited**

CIN NO.: U51109GJ2005PLC076930

Notes Forming Integral Part of the Financial statements for the period ended 30th June, 2019.

**Note : 17 Revenue from Operations**

	Particulars	31st March, 2020 (Amount Rs.)	31st March, 2019 (Amount Rs.)
	Sale of Products	277,580,035	219,726,590
	<b>Total</b>	<b>277,580,035</b>	<b>219,726,590</b>

**Note : 18 Other Income**

	Interest Recd.A/C.	166,140	453,415
	Commission Income	8,000	
	Income Tax Refund	2,550	
	<b>Total</b>	<b>176,690</b>	<b>453,415</b>

**Note : 19 Cost of material consumed**

	<u>PURCHASES</u>		
	Opening Stock	6,215,430	12,896,465
	Add: Purchase	246,863,802	137,354,113
	Less: Closing Stock	- 41,019,440	- 6,215,430
	<b>Total</b>	<b>212,059,792</b>	<b>144,035,148</b>

**Note : 20 Decrease/(Increase) in Finished Goods and Work in Process**

	Inventory at the beginning of the year	-	-
	Inventory at the end of the year	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>

**Note : 21 Employee Benefit Expenses**

	Salary, Bonus & Wages	12,516,980	17,202,734
	Remuneration to Directors	-	1,391,500
	Staff Welfare Expenses	143,909	244,805
	Other contribution	142,365	163,630
	<b>Total</b>	<b>12,803,254</b>	<b>19,002,669</b>

**Note : 22 Direct Expenses**

	Factory Rent	1,896,000	292,910
	Electricity bill expenses	15,016,719	17,156,902
	Freight Expenses	121,024	
	Labour contract work	15,415,493	23,678,057
	Transportation charges	1,065,457	2,419,812
	<b>Total</b>	<b>33,514,693</b>	<b>43,547,681</b>

**Note :23 Finance Cost**

	Interest on Cash Credit & Other Facilities	9,660,903	-
	Bank Charges	927,679	143,827
	<b>Total</b>	<b>10,588,583</b>	<b>143,827</b>

**Note : 24 Depreciation & Amortised Cost**

	Depreciation	1,417,431	1,064,077
	<b>Total</b>	<b>1,417,431</b>	<b>1,064,077</b>

**Note : 25 Other Administrative Expenses**

	Auditor's Remuneration		
	As Auditor fee	67,260	100,000
	Donetion	11,000	-
	Insurance Exp.	80,115	-
	Roc Expences	764,550	-
	Commission & Brokerage	-	1,217,123
	Business Promotion	246,570	72,000
	Building Repairs Expenses	-	13,700
	Conveyance Expenses	19,500	18,000
	Courier Expenses	38,960	65,877
	Factory Expenses	333,398	208,618
	Gst Paid	100	4,000
	Interest Paid On income tax	-	4,500
	Insurance Expenses	-	75,251
	Kasar Vatav	-	54,310
	Local Cartting Expenses	-	7,942
	Legal & Professional Charges	2,735,581	87,000
	Misc Labour Charges	292,105	239,511
	Mobile And Internet Expenses	7,066	12,732
	Municipality Property Tax	-	395,500
	Office Expenses	57,979	16,584
	Petrol & Conveyance Expenses	74,945	96,552
	Tea And Coffee Expenses	148,264	142,570
	Travelling Expenses	432,570	24,401
	Godown Rent	190,000	757,511
	<b>Total</b>	<b>5,499,964</b>	<b>3,613,682</b>

**M/S. VAXTEX COTFAB LIMITED**

**CIN NO.: U51109GJ2005PLC076930**

*Notes Forming Integral Part of the Balance Sheet as at 31st March, 2020.*

*Note : 8 Fixed Asset*

**I. Fixed Assets**

Sr. No	Particulars	Use ful Life	Gross Block				Depreciaton				Net Block	
			As at 01.04.2019	Addition during the year	Deduction during the year	As at 31.03.2020	As at 01.04.2019	For the period ended	Deduction	As at 31.03.2020	As at 31.03.2020	As at 01.03.2019
A)	<b>Tangible Assets</b>											
	Machinery	6.33%	19,637,424	5,051,315	-	24,688,739	2,176,814	1,269,049	-	3,445,863	21,242,876	17,460,610
	computer	31.67%	16,780	-	-	16,780	7,404	2,970	-	10,374	6,406	9,376
	Plant & machinery	6.33%	576,554	2,071,244	-	2,647,798	39,521	143,855	-	183,376	2,464,422	537,033
	Drinking Water Cooler	6.33%	26,000	-	-	26,000	1,393	1,558	-	2,951	23,049	24,607
	<b>TOTAL (A)</b>		<b>20,256,758</b>	<b>7,122,559</b>	<b>-</b>	<b>27,379,317</b>	<b>2,225,132</b>	<b>1,417,431</b>	<b>-</b>	<b>3,642,563</b>	<b>23,736,757</b>	<b>18,031,626</b>
	Previous Year		18,139,225	6,044,226	3,926,693	20,256,758	1,161,055	1,159,877	95,800	2,225,132	18,031,626	

# VAXTEX COTFAB LIMITED

## ATTENDANCE SLIP

Regd. Folio No./DP Id No.*/Client Id No.*	
No. of Shares held	
Name and Address of the First Shareholder (IN BLOCK LETTERS)	
Name of the Joint holder (if any)	

\*Applicable for investor holding shares in electronic form.

I/we hereby record my/our presence at the 15<sup>th</sup> Annual General Meeting of the Members of Vaxtex Cotfab Limited will be held on Thursday, 31<sup>st</sup> December, 2020 at 2:30 P.M. at 1202, Addor Aspire, Nr. Jahanvee Restaurant, Panjrapole Road, Ahmedabad – 380 015

\_\_\_\_\_

**Member's/Proxy's Name in Block Letters**

\_\_\_\_\_

**Member's/Proxy's Signature**

**Notes:**

1. A Member/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the Meeting and handover at the entrance duly signed.
2. Only shareholders of the Company and/or their Proxy will be allowed to attend the Meeting.

# VAXTEX COTFAB LIMITED

## PROXY FORM

(Form No. MGT-11 - Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

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

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

1. Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him
2. Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him
3. Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 15<sup>th</sup> Annual General Meeting of the Members of Vaxtex Cotfab Limited will be held on Thursday, 31<sup>st</sup> December, 2020 at 2:30 P.M. at 1202, Addor Aspire, Nr. Jahanvee Restaurant, Panjrapole Road, Ahmedabad - 380 015 any adjournment thereof in respect of such resolutions as are indicated below:

### Ordinary Businesses:

1. To consider and adopt the standalone audited financial statement of the Company for the financial year ended on 31<sup>st</sup> March, 2020 and statement of Profit and Loss account together with the notes forming part thereof and Cash Flow Statement for the financial year ended on that date, and the reports of the Board of Directors ("The Board") and Auditor thereon
2. To appoint a director in place of Mr. Mithleshkumar Agrawal (DIN: 03468643) who retires by rotation and being eligible, offers himself for re-appointment

### Special Businesses:

3. Appointment of Mr. Aakash Thakor as a Non Executive Director of the Company

Signed this.....day of.....2020

\_\_\_\_\_  
Signature of shareholder

\_\_\_\_\_  
Signature of Proxy holder(s)

Affix  
Revenue  
Stamp  
(Rs. 1)

**Note:** This form of proxy in order to be effective should be duly completed, signed, stamped and be deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the 15<sup>th</sup> Annual General Meeting.

# VAXTEX COTFAB LIMITED

**Form No. MGT- 12**  
**Polling Paper**

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

15<sup>th</sup> Annual General Meeting

Date: December 31, 2020; Time: 02:30 P.M.

<b>NAME OF THE COMPANY:</b>	Vaxtex Cotfab Limited
<b>ADDRESS OF VENUE:</b>	1202, Addor Aspire, Nr. Jahanvee Restaurant, Panjrapole Road, Ahmedabad – 380 015
<b>CIN:</b>	L51109GJ2005PLC076930

## BALLOT PAPER

Sr. No	Particulars	Details
1.	Name of the first named Shareholder (In Block Letters)	
2.	Postal address	
3.	Registered Folio No. / *Client ID No. (*applicable to investors holding shares in dematerialized form)	
4.	Class of Share	<b>Equity Share of Rs. 10/- Each</b>

I hereby exercise my vote in respect of Resolutions enumerated below by recording my assent or dissent to the said resolutions in the following manner:

Sr. No.	Item No.	No. of Shares held by me	I assent to the resolution	I dissent from the resolution
	<b>ORDINARY BUSINESS</b>			
1.	To consider and adopt the standalone audited financial statement of the Company for the financial year ended on 31 <sup>st</sup> March, 2020 and statement of Profit and Loss account together with the notes forming part thereof and Cash Flow Statement for the financial year ended on that date, and the reports of the Board of Directors ("The Board") and Auditor thereon			
2.	To appoint a director in place of Mr. Mithleshkumar Agrawal (DIN: 03468643) who retires by rotation and being eligible, offers himself for re-appointment			
	<b>SPECIAL BUSINESS</b>			
3.	Appointment of Mr. Aakash Thakor as a Non Executive Director of the Company			

Place:

Date:

(Signature of the Shareholder/Proxy Holder)

Note:

- Signature of Shareholder / Proxy holder should be as per specimen registered / recorded with the Company / Depository.
- Any cutting / overwriting in this ballot paper should be signed by the shareholder / proxy holder.
- Shareholder / Proxy holder may exercise their votes either by putting a "√" or indicating number of shares in appropriate column against the resolution indicated in the box.
- Number of shares held will be reckoned as on the cut-off date i.e. 24<sup>th</sup> December, 2020.