



Filatex Fashions Ltd.

To,

Date: 08.09.2023

BSE Limited
P.J.Towers, Dalal Street
Mumbai - 400001

Dear Sir/Madam,

Sub: Annual Report for the Financial Year 2022-23

Ref: Scrip Code 532022

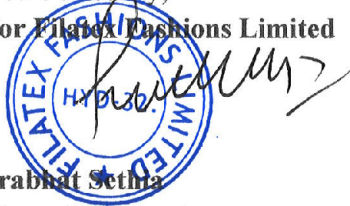
With reference to the subject cited, pursuant to Regulation 34 of SEBI (LODR) Regulations 2015, we are herewith enclosing the 29th Annual Report of the Company for the Financial Year 2022-23 scheduled to be held on Saturday, 30th Day of September, 2023 at 04:00 p.m. through video conferencing/OAVM.

This is for the information and records of the Exchange, please.

Thanking you.

Yours sincerely,

For Filatex Fashions Limited



Prabhakar Sethia
Managing Director
DIN: 00699415

Encl: as above

FILATEX FASHION LIMITED

29th Annual Report

2022-23

CORPORATE INFORMATION

BOARD OF DIRECTORS

Sl. No	Name of the Director	Designation	DIN
1.	Mr. Prabhat Sethia	Managing Director	DIN: 00699415
2.	Mrs. Sangeeta Sethia	Non-Executive & Non- Independent Director	DIN: 02600900
3.	Mr. Nageshwara Rao Chitirala	Non-Executive & Independent Director	DIN: 02197018
4.	Mr. Arun Sharma	Non-Executive & Independent Director	DIN: 09180139
5.	Mr. Swapnil Prakash Raka	Non-Executive & Independent Director	DIN: 01815313
6.	Mr. Vallam Setty Raghuram	Non-Executive Director	DIN: 08037371

COMPANY SECRETARY & COMPLIANCE OFFICER

Mrs. Chanchal Sethia

REGISTERED OFFICE - D.No 1-80-40-SP-58-65, Shilpa Homes Layout, Gachibowli, Seri Lingampally, K.V.Rangareddy, Hyderabad, Telangana - 500032.
Ph. No: 040-66748931 / 2332874
Fax: 040-66748930 / 23328747

STATUTORY AUDITORS - M/s. Pundarikashyam and Associates
Chartered Accountants
1-8-435/436, 2nd Floor, Durga Towers,
Beside Rasoolpura Metro Station,
Begumpet, Hyderabad - 500016.

SECRETARIAL AUDITORS - M/s. Manoj Parakh & Associates
Practicing Company Secretaries
Flat No. FF5, D.No. 48-7-32, Destiny Towers,
Rama Talkies Road, Srinagar,
Visakhapatnam-530016.

BANKERS - Karur Vysya Bank.
Kotak Mahindra Bank.

AUDIT COMMITTEE

Mr. Swapnil Prakash Raka	- Chairman
Mr. Arun Sharma	- Member
Mr. Nageshwara Rao Chitirala	- Member

NOMINATION & REMUNERATION COMMITTEE

Mr. Nageshwara Rao Chitirala	- Chairman
Mr. Arun Sharma	- Member
Mr. Swapnil Prakash Raka	- Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Arun Sharma	- Chairman
Mr. Nageshwara Rao Chitirala	- Member
Mr. Swapnil Prakash Raka	- Member

INDEPENDENT DIRECTORS

Mr. Arun Sharma
Mr. Nageshwara Rao Chitirala
Mr. Swapnil Prakash Raka

REGISTRAR & SHARE TRANSFER AGENTS

M/s. Link Intime (India) Pvt Ltd.,
C-101, 247 Park, LBS Marg,
Vikhroli (W), Mumbai – 400083

LISTED AT STOCK EXCHANGE

: BSE Limited

DEMAT ISIN NUMBER IN NSDL & CDSL

: INE185E01013

WEBSITE

: www.filatexfashions.co.in

INVESTOR E-MAIL ID

: unisox@yahoo.com

CORPORATE IDENTITY NUMBER

:L51491TG1994PLC017158

NOTICE

Notice is hereby given that the 29th Annual General Meeting of the members of Filatex Fashions Limited will be held on Saturday, the 30th day of September, 2023 at 4.00 P.M. through Video Conferencing/ Other Audio Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Balance Sheet as at March 31st, 2023, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditors and Directors thereon.
2. To appoint a director in place of Mrs. Sangeeta Sethia (DIN: 02600900) who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

3. REVISION OF REMUNERATION PAYABLE TO MR. PRABHAT SETHIA AS MANAGING DIRECTOR OF THE COMPANY:

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

“RESOLVED THAT pursuant to the provisions of Section 178 and 197 read with Schedule V and other applicable provisions, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time and Regulation 17 of SEBI (LODR) Regulations, 2015, the recommendation of the Nomination and Remuneration Committee and approval of Board of Directors, the consent of the members of the Company be and is hereby accorded for revision and increase in remuneration payable to Mr. Prabhat Sethia as Managing Director of the Company w.e.f. 01.01.2023 to Rs. 5,00,000 per month besides providing the Mercedes Benz Car along with Driver the expenses of which shall also be reimbursed or payable to Mr. Prabhat Sethia as Managing Director during his present tenure.”

“RESOLVED FURTHER THAT, in case of inadequacy of profits in any of the financial years, Mr. Prabhat Sethia be paid and allowed same remuneration, perquisites and allowances as minimum remuneration for a period not exceeding three years.”

“RESOLVED FURTHER THAT any of the directors, be and is hereby authorized file necessary e-forms with the Registrar of Companies, Telangana and the board is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto.”

4. RE-APPOINTMENT OF AND REMUNARATION PAYABLE TO MR. PRABHAT SETHIA AS MANAGING DIRECTOR OF THE COMPANY (Brief Profile: Annexure A to this Notice)

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

“RESOLVED THAT pursuant to the provisions of Sections 178,196,197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force),and Regulation17 of the SEBI(LODR) Regulation 2015, Recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors approval of the members be and is hereby accorded for the re-appointment of Mr. Prabhat Sethia (DIN: 00699415) as Managing Director of the Company, for a period of 3 (Three) years with effect from September 08, 2023 on the terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (herein referred as Board) to review or revise the terms and conditions as mentioned in the annexure/Explanatory statement.” -

“RESOLVED FURTHER THAT Mr. Prabhat Sethia, Managing Director, be allowed and paid during his aforesaid tenure, a remuneration of Rs. 5,00,000 per month besides providing the Mercedes Benz Car along with Driver expenses of which will also be reimbursed or payable to Mr. Prabhat Sethia as Managing Director during his aforesaid tenure.”

“RESOLVED FURTHER THAT in case of inadequacy of profits in any of the financial years,Mr. Prabhat Sethia be paid and allowed same remuneration, perquisites and allowances as minimum remuneration for a period not exceeding three years.”

“RESOLVED FURTHER THAT the Board, be and is hereby authorized file necessary e-forms with the Registrar of Companies, Telangana and to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto to give effect to this resolution.”

5. APPOINTMENT OF MR. SWAPNIL PRAKASH RAKA (DIN: 01815313) AS AN INDEPENDENT DIRECTOR OF THE COMPANY (Brief Profile: Annexure A to this Notice).

To consider and, if thought fit, to pass with or without modifications, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Provisions of SEBI (LODR) Regulations, 2015, Mr. Swapnil Prakash Raka (DIN: 01815313), who was appointed as additional Director of the Company in the Independent category in the board meeting held on 08.09.2023 and holds office up to the date of the ensuing annual general meeting or the last date on which the annual general meeting should have been held, whichever is earlier and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013, and the rules made thereunder, be and is hereby appointed as an Independent Director of the Company for a term of five consecutive years with effect from 08.09.2023 to 07.09.2028 who shall not be liable to retire by rotation.”

“RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. CHANGE IN DESIGNATION OF MR. VALLAM SETTY RAGHURAM TO NON – EXECUTIVE DIRECTOR

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

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 and any other applicable provisions of the Companies Act, 2013 (“the Act”), read with 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), the provisions of the Articles of Association of the Company and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the Members be and is hereby accorded to redesignate Mr. Vallam Setty Raghuram as Non-Executive Director of the Company w.e.f 08.09.2023 and shall be liable to retire by rotation.”

“RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Place: Hyderabad

Date:08.09.2023

**For and on behalf of the Board
Filatex Fashions Limited**

**Prabhat Sethia
Managing Director
DIN: 00699415**

EXPLANATORY STATEMENT

PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No.3: Revision and increase of remuneration payable to Mr. Prabhat Sethia as Managing Director of the Company

Item No.4: Re-appointment of and remuneration payable to Mr. Prabhat Sethia as Managing Director of the Company

Pursuant to the recommendations of the Nomination and Remuneration Committee, evaluation of performance carried on by the Company earlier and having considered the contribution Mr. Prabhat Sethia in terms of leadership, strategy formulation and execution, financial planning, maintaining relations both with the board and external entities, improving the turnovers and profitability of the Company, the Board in its meeting held on 14.11.2022 revised and increased the remuneration payable to him as Managing Director with effect from 01.01.2023 to Rs. 500,000 per month during his present tenure and during the period of reappointment of 3years. w.e.f 08-09-2023. He will also be entitled for chauffeur driven car i.e., Mercedes Benz car with driver at the cost of the company.

INFORMATION IN ACCORDANCE WITH SCHEDULE V OF COMPANIES ACT, 2013

I. GENERAL INFORMATION

- Nature of Industry:** Textile Industry
- Date or expected date of commencement of commercial:** The Company started its commercial operations in the year 1994.
- In case of new companies, expected date of commencement of business activities as per project approved by financial institutions appearing in the prospects:** Not Applicable
- Financial performance based on given indications:**

Particulars	2020-21 (Rs. in Lakhs.)	2021-22 (Rs. in Lakhs.)	2022-23 (Rs. in Lakhs.)
Turnover	1731.82	11531.72	16410.83
Net Profit after Tax	11.54	290.61	1191.47

- Foreign investments or collaborations, if any:** Nil

II. INFORMATION ABOUT THE APPOINTEE

- Background Details:** Mr. Prabhat Sethia is a Commerce Graduate and hails from a renowned business family from Kolkata. He has successfully guided the company's growth strategy and enriched the technical aspects of the Business and has more than 34 years of rich experience in the field of spinning industry. He is providing guidance and mentoring the management of the company to execute and implement future growth strategy. He was first appointed on the Board with effect from 08/03/1994.
- Past Remuneration:** The remuneration drawn by Mr. Prabhat Sethia (DIN: 00699415) Managing Director was Rs 75,000/- per month earlier and Rs. 5,00,000/- per month w.e.f 01.01.2023.
- Recognition or awards:** None

4. Job Profile and his suitability:

The Industry in which Filatex Fashions Limited operates demands from the top management a great amount of experience in the field of Textiles, Manufacturing, Spinning and related activities

Mr. Prabhat Sethia was appointed as the Managing Director on 03.03.1994. He has been entrusted with the overall responsibility of the management of the Company and its affairs. He holds a Commerce degree. He has over 34 years of working experience in Spinning Industry.

5. Remuneration proposed:

As set out in the resolutions for the item No. 3 & 4, the remuneration to Mr. Prabhat Sethia, as Managing Director has the approval of the Nomination and Remuneration Committee and Board of Directors.

Increase of Remuneration payable to the Managing Director w.e.f. 01.01.2023 to Rs. 5,00,000/- per month and during the tenure of re- appointment w.e.f., 08.09.2023 of Rs. 5,00,000/- per month for a period of 3 years.

The Managing Director will also be entitled to be provided Mercedes Benz Car with Driver (perquisites) and allowances from 01.01.2023 to 31.08.2023 which was approved earlier and also during the tenure of re- appointment for a period of 3 years w.e.f. 01.09.2023.

6. Comparative remuneration profile with respect to industry, size of the company profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):

Taking into consideration of the size of the Company, the profile of Mr. Prabhat Sethia and the responsibilities shouldered on him, the aforesaid remuneration package is comparable to the remuneration package paid to managerial positions in other companies.

7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:

Besides the remuneration proposed, he is holding 11,92,015 Equity Shares of the Company. (1.23 % of paid up equity capital of the Company)

III. OTHER INFORMATION:

- 1.Steps taken or proposed to be taken for improvement:** Necessary efforts are being made including securing new clients, diversification of business etc., to increase the production and efficiency which in turn will add to the growth of the business as well as the profitability.
- 2.Expected increase in productivity and profit in measurable terms:** The Company is committed to build the business operations within budget and considering that the business operates on a going concern basis, it is believed that financial position of the company will increase considerably in the coming years

Item No. 5: Appointment of Mr. Swapnil Prakash Raka (Din: 01815313) as an Independent Director of the Company:

Mr. Swapnil Prakash Raka was appointed as an Additional Director of the Company on 08.09.2023 in terms of Section 161 (1) of the Companies Act, 2013 and provisions of SEBI (LODR) Regulations, 2015 in the category of 'Non-Executive Independent', who shall hold office up to the date of the next annual general meeting or the last date on which the annual general meeting should have been held, whichever is earlier and is eligible for appointment to the office of a Director at General Meeting in terms of Section 160 of the Companies Act, 2013.

Accordingly, in order to ensure compliance with the provisions of SEBI (LODR) Regulations, 2015 and Sections 149 and 152 of the Companies Act, 2013 read with Rules made there under and Schedule IV of the Act, it is proposed that approval of the shareholders be accorded for the appointment of Mr. Swapnil Prakash Raka as 'Non-executive Independent Director' for a term up to 5 consecutive years commencing from the date of his appointment as an Additional Director i.e. w.e.f 08.09.2023 to 07.09.2028.

Accordingly, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors recommend the passing of the above resolution as a Special Resolution set out in the item no. 5 of the notice for appointment of Mr. Swapnil Prakash Raka as an independent director.

Save and except Mr. Swapnil Prakash Raka, Independent Director, being the appointee, none of the other Directors/Key Managerial Personnel and their relatives is in any way interested or concerned financially or otherwise, in the Resolution set out in the notice.

**Item No. 6: Change in Designation of Mr. Vallam Setty Raghuram to
Non – Executive Director of the Company**

Mr. Vallam Setty Raghuram was appointed as an Independent Director of the Company. Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors in its meeting held on 08.09.2023 has approved to redesignate Mr. Vallam Setty Raghuram as Non-Executive Director of the Company.

Accordingly, the Board of Directors recommends the passing of the above resolution as a Special Resolution set out in the item no.6 of the notice. Save and except Mr. Vallam Setty Raghuram, himself, none of the other Directors/Key Managerial Personnel and their relatives is in any way interested or concerned financially or otherwise, in the Resolution set out in the notice.

Place: Hyderabad

Date:08.09.2023

**For and on behalf of the Board
Filatex Fashions Limited**

**Prabhat Sethia
Managing Director
DIN: 00699415**

ANNEXURE-A: ITEM. 2, 4 & 5 OF THE NOTICE.

Details of Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting [Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Secretarial Standard 2 on General Meetings]

Name of the Director	Mr. Swapnil Prakash Raka	Mr. Prabhat Sethia	Mrs. Sangeeta Sethia
Designation	Independent Director	Managing Director	Non-Executive Director
DIN	01815313	00699415	02600900
Date of Birth	28/12/1974	13/09/1961	31/12/1964
Age	49 Years	62 Years	59 Years
Date of First Appointment on the Board	08/09/2023	08/03/1994	31/03/2015
Qualification and Experience	He is a B.Com graduate from Pune University and have rich experience of 20 years in Infrastructure Sector	As mentioned under Item No 3 of the Explanatory Statement	She is B.Com graduate and has more than 26 years of rich experience in the field of Spinning industry. She is providing guidance and mentoring the management of the company to execute and implement future growth strategy.
Expertise in specific functional area	Infrastructure Sector	As mentioned under Item No. 3 of the Explanatory Statement	Manufacturing and Management
Relationships between Directors inter se	Not related	Spouse of Mrs. Sangeeta Sethia, Director	Spouse of Mr. Prabhat Sethia, Managing Director
Name of the Listed entities in which the person also holds the directorship and the membership of the committees of the Board along with the Listed entities from which the person has resigned in the past three years*	Nil	Nil	Nil

Name of the Listed entities in which the person also holds the directorship and the membership of the committees of the Board along with the Listed entities from which the person has resigned in the past three years*	Nil	Nil	Nil
Number of shares held in the Company	Nil	11,92,015 Equity Shares	Nil
Skills and capabilities required for the role and the manner in which the Director meet the requirements (Independent Directors)	Mr. Swapn Prakash Rakais an expert in Infrastructure Sector and his leadership skill will help the company to strengthening .	NA	NA

**For and on behalf of the Board
Filatex Fashions Limited**

**Place: Hyderabad
Date: 08.09.2023**

**Prabhat Sethia
Managing Director
DIN: 00699415**

Notes:

1. In view of the continuing Covid-19 pandemic and consequential restrictions imposed on the movements of people, the Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 02/2021 dated January 13, 2021 read with Circular No. 20/2020 dated May 05, 2020 in conjunction with Circular No. 14/2020 dated April 08, 2020 and Circular No. 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 08, 2021 and 11/2022 dated December 28, 2022 (collectively referred to as “MCA Circulars”) and SEBI Circular No. SEBI/ HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/ 11 dated January 15, 2021, Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the MCA Circulars granted certain relaxations and thus permitted the holding of Annual General Meeting (“AGM”) of the companies through VC/OAVM viz. without the physical presence of the Members at a common venue. Hence in compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA / SEBI Circulars, as applicable, the AGM of the Company is being held through VC / OAVM (e-AGM).
2. The Deemed Venue of the 29th AGM of the Company shall be its Registered Office.
3. Since the AGM will be held through VC/OAVM (e-AGM), the Route Map for venue of AGM is not annexed to the Notice.
4. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum of the AGM under Section 103 of the Act.
5. In compliance with the MCA Circulars and SEBI Circular dated January 15, 2021 as aforesaid, Notice of the AGM is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories/R&T Agent. Members may note that the Notice will also be available on the Company's website www.filatexfashions.co.in, website of the Stock Exchange i.e., BSE Limited at www.bseindia.com The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM i.e. www.evotingindia.com.
6. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
7. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
8. To avoid fraudulent transaction(s), the identity / signature of the Members holding shares in electronic /demat form is verified with the specimen signatures furnished by NSDL/ CDSL and members holding shares in physical form is verified as per the records of the R&T Agent of the Company. Members are requested to keep the same updated.
9. Members holding shares in the electronic form are requested to inform any changes in address/ bank mandate directly to their respective Depository Participants.
10. The Securities and Exchange Board of India issued a circular for submission of Aadhar number by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit Aadhar Card details to the Depository Participants with whom they have demat accounts.
11. Members are requested to send their queries at least 5 days before the date of meeting so that information can be made available at the meeting.
12. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/ her shall vest in the event of his/ her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13, and to their respective depository participant, if held in electronic form.
13. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, which extended vide SEBI circular dated January 15, 2021, Notice of the AGM is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories.
14. For any communication, the shareholders may also send requests to the Company's investor email id: csfilatexfashions@gmail.com.

15. In compliance with applicable provisions of the Companies Act, 2013 read with aforesaid MCA circulars the AGM of the Company being conducted through Video Conferencing (VC) herein after called as “e-AGM”.
16. Company has appointed CDSL to provide Video Conferencing facility for the Annual General Meeting and the attendant enablers for conducting of the e-AGM.
17. Pursuant to the provisions of the circulars of AMC on the VC/OVAM(e-AGM):
 - a. Members can attend the meeting through log in credentials provided to them to connect to Video conference. Physical attendance of the Members at the Meeting venue is not required.
 - b. Appointment of proxy to attend and cast vote on behalf of the member is not available
 - c. Body Corporates are entitled to appoint authorised representatives to attend the e-AGM through VC/ OAVM and participate thereat and cast their votes through e-voting.
18. The Members can join the e-AGM 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
19. Up to 10000 members will be able to join on a FIFO basis to the e-AGM.
20. No restrictions on account of FIFO entry into e-AGM in respect of large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.
21. The company has appointed Mr. Manoj Parakh, Practicing Company Secretary, as scrutinizer of the company to scrutinize the voting process.

THE INTRUCTIONS FOR THE SHAREHOLDERS FOR REMOTE E-VOTING AND E- VOTING DURING AGM AND JOINING MEETING THROUGH VC/ OAVM ARE AS UNDER

22. The voting period begins on 27.09.2023 at 9:00 A.M. and ends on 29.09.2023 at 5:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., on 23.09.2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
23. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
24. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements) Regulations, 2015; listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

In case of Individual shareholders holding shares in demat mode:

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

Pursuant to above said SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<p>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & New System Myeasi Tab.</p> <p>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with NSDL Depository	<p>1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period</p> <p>2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page.. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period</p>

Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

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

Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for Remote e-Voting for Physical shareholders and shareholders other than individual holding in Demat form.
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on “Shareholders” module
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

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

(vi) After entering these details appropriately, click on “SUBMIT” tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN for the relevant <FILATEX FASHIONS LIMITED> on which you choose to vote.

(x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

(xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) Additional Facility for Non-Individual Shareholders and Custodians –For Remote Voting only

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cDSLindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; csfilatexfashions@gmail.com (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- The company has appointed Mr. Manoj Parakh, Practicing Company Secretary, as scrutinizer of the company to scrutinize the voting process. The Scrutinizer report shall be uploaded on the website of the Company and on the website of the Stock Exchange within 24 hours from the conclusion of the Meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES

1. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
2. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

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

Place: Hyderabad

Date:08.09.2023

**For and on behalf of the Board
Filatex Fashions Limited**

**Prabhat Sethia
Managing Director
DIN: 00699415**

BOARD'S REPORT

To the Members,

The Directors have pleasure in presenting the 29th Boards' Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2023

1. FINANCIAL SUMMARY/HIGHLIGHTS:

The performance during the period ended 31st March, 2023 has been as under:

Particulars	Rs in Lakhs	
	2022-23	2021-22
Revenue from operations	16,410.83	11,531.72
Other income	364.22	34.46
Profit/loss before Depreciation, Finance Costs,	16,775.05	11,566.18
Exceptional items and Tax Expense	-	-
Less: Depreciation/ Amortisation/ Impairment	45.96	46.97
Profit /loss before Finance Costs, Exceptional items and Tax Expense		
Less: Finance Costs	133.70	57.48
Profit /loss before Exceptional items and Tax Expense	1,675.84	402.62
Add/(less): Exceptional items	-	-
Profit /loss before Tax Expense	1,675.84	402.62
Less: Tax Expense (Current & Deferred)	485.36	121.49
Profit /loss for the year (1)	1,191.47	290.61
Total Comprehensive Income/loss (2)	-	-
Total (1+2)	1,191.47	290.61
Balance of profit /loss for earlier years	-	-
Less: Transfer to Reserves	-	-
Less: Dividend paid on Equity Shares	-	-

2. REVIEW OF OPERATIONS:

The total revenue of the Company for the financial year 2022-23 was Rs. 16,775.05 Lakhs as against Rs. 11,566.18 Lakhs for the previous financial year. The Company recorded a net profit of Rs. 1,191.47 Lakhs for the financial year 2022-23 as against the net profit after tax of Rs. 290.61 Lakhs for the previous year.

3. DIVIDEND

No Dividend is recommended for the financial year 2022-23.

4. BUSINESS UPDATE AND STATE OF COMPANY'S AFFAIRS:

The information on Company's affairs and related aspects is provided under Management Discussion and Analysis report, which has been prepared, inter-alia, in compliance with Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015 and forms part of this Report.

5. RESERVES:

Pursuant to provisions of Section 134 (3) (j) of the Companies Act, 2013, the company has not proposed to transfer any amount to general reserves account of the company during the year under review.

The Closing balance of reserves, including retained earnings, of the Company as at March 31st 2023 is Rs.2,268.37 Lakhs.

6. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

During the period under review and upto the date of Board's Report there was no change in the nature of Business.

7. MATERIAL CHANGES AND COMMITMENTS:

There were no material changes and commitments affecting financial position of the Company between 31st March 2023 and the date of Board's Report. (i.e., 08.09.2023)

8. REVISION OF FINANCIAL STATEMENTS:

There was no revision of the financial statements for the year under review.

9. AUTHORISED AND PAID-UP CAPITAL OF THE COMPANY:

As on date of the Report, the Authorized Share Capital of your Company stands at Rs. 850,00,00,000/- (Rupees Eight Hundred and Fifty Crores only) divided into 170,00,00,000 (One Hundred and Seventy Crores) equity shares of the face value of Rs. 5/- (Rupees Five Only) each.

The Paid- Up Capital of your Company stands at Rs. 48,40,72,725/- (Rupees Forty Eight Crores Forty Lakhs Seventy Two Thousand Seven Hundred Twenty Five only) divided into 9,68,14,545 (Nine Crore Sixty Eight Lakhs Fourteen Thousand Five Hundred and Forty Five) equity shares of the face value of Rs. 5/- (Rupees Five Only) each.

10. INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

In terms of the provisions of the Companies Act, the Company is obliged to transfer dividends which remain unpaid or unclaimed for a period of seven years from the declaration to the credit of the Investor education and Protection Fund established by the Central Government. Accordingly, the Members are hereby informed that the Company is not require to transfer any amount to Investor Education and Protection Fund (IEPF) since no dividend was declared in the financial year 2015-16.

The details of Dividend of earlier years remain unclaimed by the shareholders as on 31.03.2023 are as given below:

Amt in Rs.					
During Financial Year	Date of Declaration of Dividend	of	Last date of claiming dividend	Unclaimed amount as on 31.03.2023	Due date for transfer to Investor Education and Protection Fund (IEPF)
2014-15	-	-	-	-	Nil
2015-16	-	-	-	-	Nil
2015-16	-	-	-	-	Nil
2017-18	-	-	-	-	Nil
2018-19	21-10-2019	-	-	-	23-11-2026
2019-20	-	-	-	-	Nil
2020-21	30-09-2021	-	-	-	04-11-2028
2021-22	-	-	-	-	Nil
2022-23	-	-	-	-	-

Pursuant to provisions of Section 124 of Companies Act, 2013, the unclaimed dividend before the last date above mentioned for the respective years, will be transferred to Investor Education and Protection Fund (IEPF) established by **Government of India pursuant to Section 125 of the Companies Act, 2013.**

The shareholders whose dividend is not yet claimed are requested to write to the Company/ RTA at the earliest for payment of the same.

11. TRANSFER OF SHARES AND UNPAID/UNCLAIMED AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Pursuant to provisions of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, no dividend was declared for the financial year 2015-16 and therefore no amount has been transferred to IEPF during the year under report.

12. DETAILS OF THE NODAL OFFICER

The Company has designated Chanchal Sethia, Company Secretary as a Nodal Officer for the purpose of IEPF.

13. DIRECTORS OR KMP APPOINTED OR RESIGNED

a) Appointments:

S. No	Name of the Director/KMP/ Officer	Designation	Date of Appointment
1	Mr. Ravinder Kumar Joshi	Non-Executive Director	12.01.2022
2	Mrs. Rani Sharma	Independent Director	12.01.2022
3	Mr. Tushar Paul	Independent Director	07.02.2023
4	Mr. Ramaswamy Reddy Pedinekaluva	Independent Director	07.02.2023
5	Ms. Chetna	Independent Director	01.04.2023
6	Mr. Arun Sharma	Independent Director	05.05.2023
7	Mr. Nageshwara Rao Chitirala	Independent Director	05.05.2023
8	Mr. Swapnil Prakash Raka	Independent Director	08.09.2023

Further, Mr, Vallam Setty Raghuram was re-designated as Non – Executive Director of the Company w.e.f 08.09.2023.

a) Resignations:

S. No	Name of the Director/KMP/ Officer	Designation	Date of Resignation
1	Mr. Ravinder Kumar Joshi	Non-Executive Director	30.09.2023
2	Mrs. Rani Sharma	Independent Director	30.09.2023
3	Mr. Tushar Paul	Independent Director	05.05.2023
4	Mr. Ramaswamy Reddy Pedinekaluva	Independent Director	05.05.2023
5	Mr. Sanjay Ishwarlal Bora	Independent Director	07.02.2023
6	Mr. Mutyala Krishna Rao	Independent Director	07.02.2023
7	Mr. Om Prakash Sharma	Non-Executive Director	02.03.2023
8	Ms. Chetna	Independent Director	08.09.2023

The Board places on record their appreciation for the invaluable contribution made by the above director and officer(s) during their tenure.

a) Information u/r 36(3) of SEBI (LODR), Regulations, 2015:

As required under regulation 36 (3) of the SEBI (LODR), Regulations, 2015, brief particulars of the Directors seeking appointment/re-appointment are given as Annexure A to the notice of the AGM forming part of this Annual Report.

14. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Company has received declarations from all the Independent directors of the Company to the effect that they are meeting the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013 and under regulation 16(1)(b) read with regulation 25 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

The Independent Directors have also confirmed that they have complied Company's Code of Conduct. In terms of Regulations 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

During the year, Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board of Directors and Committee(s).

15. BOARD MEETINGS:

The Board of Directors duly met Seven (7) times on 30.05.2022, 08.08.2022, 03.09.2022, 20.10.2022, 14.11.2022, 07.02.2023 and 02.03.2023 and in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

16. BOARD EVALUATION:

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

In a separate meeting of independent directors was conducted on 07.02.2023 to evaluate the performance of non-independent directors, the board as a whole and the Chairman of the Company, taking into account the views of executive directors and nonexecutive directors.

The Board reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

17. STATEMENT SHOWING THE NAMES OF THE TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN AND THE NAME OF EVERY EMPLOYEE AS PER RULE 5(2) & (3) OF THE COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014:

A table containing the particulars in accordance with the provisions of Section 197(12) of the Act, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure-1** to this Report.

A statement showing the names of the top ten employees in terms of remuneration drawn and the name of every employee is annexed to this Annual report as **Annexure 2**

During the year, NONE of the employees (excluding Executive Directors) is drawing a remuneration of Rs.1,02,00,000/- and above per annum or Rs.8,50,000/- and above in aggregate per month, the limits specified under the Section 197(12) of the Companies Act,2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

18. RATIO OF REMUNERATION TO EACH DIRECTOR:

Under section 197(12) of the Companies Act, 2013, and Rule 5(1) (2) & (3) of the Companies (Appointment & Remuneration) Rules, 2014, the ratio of remuneration to median employees is as mentioned in **Annexure- 1**

19. DIRECTOR'S RESPONSIBILITY STATEMENT:

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

(a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

- (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 the financial year and of the profit and loss of the company for that period;
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the annual accounts on a going concern basis; and
- (e) The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

20. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

Your Company has well established procedures for internal control across its various locations, commensurate with its size and operations. The organization is adequately staffed with qualified and experienced personnel for implementing and monitoring the internal control environment. The internal audit function is adequately resourced commensurate with the operations of the Company and reports to the Audit Committee of the Board.

21. NO FRAUDS REPORTED BY STATUTORY AUDITORS:

During the Financial Year 2022-23, the Auditors have not reported any matter under section 143(12) of the Companies Act, 2013, therefore no detail is required to be disclosed under section 134(3) (ca) of the Companies Act, 2013.

22. CEO/ CFO CERTIFICATION:

The Managing Director and Chief Financial Officer Certification on the financial statements under Regulation 17 (8) of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 for the year 2022-2023 is given as **Annexure-3** in this Annual Report.

23. NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR.

During the year under review no Company has become or ceased to become its subsidiary, joint venture or associate Company.

24. DETAILS RELATING TO DEPOSITS:

The Company has not accepted any public deposits during the Financial Year ended March 31, 2023 and as such, no amount of principal or interest on public deposits was outstanding as on the date of the balance sheet.

25. DETAILS OF DEPOSITS NOT IN COMPLIANCE WITH THE REQUIREMENTS OF THE ACT:

Since the Company has not accepted any deposits during the Financial Year ended March 31, 2023, there has been no non-compliance with the requirements of the Act.

Pursuant to the Ministry of Corporate Affairs (MCA) notification dated 22nd January 2019 amending the Companies (Acceptance of Deposits) Rules, 2014, the Company is required to file with the Registrar of Companies (ROC) requisite returns in Form DPT-3 for outstanding receipt of money/loan by the Company, which is not considered as deposits.

The Company complied with this requirement within the prescribed timelines.

26. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has not given loans, Guarantees or made any investments during the year under review.

27. RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. During the financial year 2022-23, there were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

The Form AOC-2 pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is annexed herewith as **Annexure-4** to this report.

28. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

The required information as per Sec.134 (3) (m) of the Companies Act 2013 is provided hereunder:

A. Conservation of Energy: Your Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy efficient computers and purchase of energy efficient equipment.

B. Technology Absorption: All the Factors mentioned in Rule 8 (3)(b) Technology absorption are not applicable to the Company.

C. Foreign Exchange Earnings and Out Go:

Foreign Exchange Earnings: NIL

Foreign Exchange Outgo: NIL

29. COMMITTEES:

(I). AUDIT COMMITTEE: The Audit Committee of the Company is constituted in line with the provisions of Regulation 18(1) of SEBI (LODR) Regulations with the Stock Exchange(s) read with Section 177 of the Companies Act, 2013 are included in the Corporate Governance report, which forms part of this report.

(II). NOMINATION AND REMUNERATION COMMITTEE: The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19(1) of SEBI (LODR) Regulations with the Stock Exchange(s) read with Section 178 of the Companies Act, 2013 are included in the Corporate Governance report, which forms part of this report.

(III). STAKEHOLDERS RELATIONSHIP COMMITTEE: The Stakeholders Relationship Committee of the Company is constituted in line with the provisions of Regulation 20 of SEBI (LODR) Regulations with the Stock Exchange(s) read with Section 178 of the Companies Act, 2013 are included in the Corporate Governance report, which forms part of this report.

30. COMPOSITION OF CSR COMMITTEE AND CONTENTS OF CSR POLICY:

The provisions of corporate social responsibility u/s 135 of the Companies Act, 2013 have become applicable to the Company for the first time w.e.f. the financial year 2023-24 since the Company has earned more than Rs. 5 cr of net profit as defined therein. The Company has formulated the CSR policy and has specified the activities to be undertaken by the Company to ensure that the Company spends in the FY2023-24 the required amount of profits thereof. The Company has also constituted Corporate Social Responsibility Committee of the Company in line with the provisions of Section 135 of the Companies Act, 2013 and are included in the Corporate Governance report, which forms part of this report.

31. IIGIL MECHANISM/ WHISTLE BLOWER POLICY:

The Board of Directors has formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations. The Company promotes ethical behaviour and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil Mechanism and Whistle-blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. Employees may report their genuine concerns to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

Vigil Mechanism Policy has been established by the Company for directors and employees to report genuine concerns pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013. The same has been placed on the website of the Company www.filatexfashions.co.in

32. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

33. STATUTORY AUDITORS AND STATUTORY AUDITORS REPORT:

M/s. Pundarikashyam & Associates., Chartered Accountants was appointed as the statutory auditors of the Company for five years from the conclusion of 28th Annual General Meeting held on 30.09.2022 till the conclusion of the 33rd Annual General Meeting to be held in the year 2026-27. The Auditors' Report for fiscal 2023 does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed with the financial statements in this Annual Report. The Company has received audit report with unmodified opinion for audited financial results of the Company for the Financial Year ended March 31, 2023 from the statutory auditors of the Company.

The Auditors have confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and hold valid certificate issued by the Peer Review Board of the ICAI.

34. SECRETARIAL AUDIT REPORT:

In terms of section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, based upon the recommendations of the Audit Committee, the Board of Directors had appointed M/s Manoj Parakh & Associates, Practicing Company Secretaries (CP No. 8957) as the Secretarial Auditor of the Company, for conducting the Secretarial Audit for financial year ended March 31, 2023. The Secretarial Audit was carried out by M/s. Manoj Parakh & Associates, Company Secretaries (CP No. 8957) for the financial year ended March 31, 2023. The Report given by the Secretarial Auditor is annexed herewith as **Annexure-5** and forms integral part of this Report.

35. ANNUAL SECRETARIAL COMPLIANCE REPORT:

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019 read with Regulation 24(A) of the Listing Regulations, directed listed entities to conduct Annual Secretarial compliance audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder. Further, Secretarial Compliance Report dated May 30, 2023, was given by M/s. Manoj Parakh & Associates, Practicing Company Secretary which was submitted to Stock Exchange(s) within 60 days of the end of the financial year.

36. INTERNAL AUDITORS:

Pursuant to provisions of Section 138 read with Rule 13 of the Companies (Accounts) Rules, 2014 and Section 179 read with Rule 8(4) of the Companies (Meetings of Board and its Powers) Rules, 2014; During the year under review the Internal Audit of the functions and activities of the Company was undertaken by the Internal Auditor of the Company by M/s Kandula & Associates., the Internal Auditor of the Company. The Board has re-appointed by M/S. Kandula & Associates, Chartered Accountants, Hyderabad as Internal Auditors for the Financial Year 2023-24.

37. SECRETARIAL STANDARDS

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

38. DECLARATION BY THE COMPANY

The Company has issued a certificate to its Directors, confirming that it has not made any default under Section 164(2) of the Act, as on March 31, 2023.

39. ANNUAL RETURN:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an annual return is uploaded on website of the Company www.filatexfashions.co.in

40. DISCLOSURE ABOUT COST AUDIT:

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act, are not applicable for the business activities carried out by the Company.

42. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management discussion and analysis report for the year under review as stipulated under Regulation 34 (e) read with schedule V, Part B of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 with the stock exchange in India is annexed herewith as **Annexure-6** to this report. In terms of Regulations 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

During the year, Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, for the purpose of attending meetings of the Board of Directors and Committee(s).

42. FAMILIARISATION PROGRAMMES:

The Company familiarises its Independent Directors on their appointment as such on the Board with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, etc. through familiarisation programme. The Company also conducts orientation programme upon induction of new Directors, as well as other initiatives to update the Directors on a continuing basis. The familiarisation programme for Independent Directors is disclosed on the Company's website www.filatexfashions.co.in.

43. INSURANCE:

The properties and assets of your Company are adequately insured.

44. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

The Company has implemented all of its major stipulations as applicable to the Company. As stipulated under Regulation 34 read with schedule V of SEBI (LODR) Regulations, 2015, a report on Corporate Governance duly audited is appended as **Annexure-7** for information of the Members. A requisite certificate from the Secretarial Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the Report on Corporate Governance.

45. NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

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

The assessment and appointment of Members to the Board is based on a combination of criterion that includes ethics, personal and professional stature, domain expertise, gender diversity and specific qualification required for the position. The potential Board Member is also assessed on the basis of independence criteria defined in Section 149(6) of the Companies Act, 2013 and Regulation 27 of SEBI (LODR) Regulations, 2015. In accordance with Section 178(3) of the Companies Act, 2013 and Regulation 19(4) of SEBI (LODR) Regulations, 2015, on the recommendations of the Nomination and Remuneration Committee, the Board adopted a remuneration policy for Directors, Key Management Personnel (KMPs) and Senior Management. The Policy is attached as part of Corporate Governance Report. We affirm that the remuneration paid to the Directors is as per the terms laid down in the Nomination and Remuneration Policy of the Company.

47. CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015 and the applicable Securities laws. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading, is available on our website (www.filatexfashions.co.in).

48. INDUSTRY BASED DISCLOSURES AS MANDATED BY THE RESPECTIVE LAWS GOVERNING THE COMPANY:

The Company is not a NBFC, Housing Companies etc., and hence Industry based disclosures is not required.

49. FAILURE TO IMPLEMENT CORPORATE ACTIONS:

During the year under review, no corporate actions were done by the Company which were failed to be implemented.

50. DETAILS OF APPLICATION MADE OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016:

During the year under review, there were no applications made or proceedings pending in the name of the Company under Insolvency and Bankruptcy Code, 2016.

51. DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS:

During the year under review, there has been no one time settlement of loans taken from banks and financial institutions.

52. POLICIES:

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All the policies are available on our website. www.filatexfashions.co.in

53. EVENT BASED DISCLOSURES

During the year under review, the Company has taken up any of the following activities:

- a. Issue of sweat equity share: NA
- b. Issue of shares with differential rights: NA
- c. Issue of shares (including sweat equity shares) to employees of the Company: NA.
- d. Disclosure on purchase by Company or giving of loans by it for purchase of its shares: NA
- e. Buy back shares: NA
- f. Disclosure about revision: NA
- g. Preferential Allotment of Shares: The Company has passed the Special resolution to issue convertible equity warrants on preferential basis. However, the Company withdrew the In-principal Application and the same was intimated to the BSE Limited.
- h. Issue of equity shares with differential rights as to dividend, voting: NA

54. Shifting of Registered Office:

The Company has shifted its Registered Office from 8-2-682131A#201, MayFair Garden Apartments, Road No .12. Banjara Hills, Hyderabad-300034, Telangana to 3" Floor, KMC Corporate Office, Door No. 1-80 /40/SP/58-65, Shilpa Homes Layout, Gachibowli, Hyderabad — 500032, Telangana w.e.f. 05.08.2023.

55. ACKNOWLEDGEMENTS:

Your directors place on record their appreciation for the overwhelming co-operation and assistance received from the investors, customers, business associates, bankers, vendors, as well as regulatory and governmental authorities. Your directors also thank the employees at all levels, who through their dedication, co-operation, support and smart work have enabled the company to achieve a moderate growth and is determined to poise a rapid and remarkable growth in the year to come.

Place: Hyderabad

Date:08.09.2023

**For and on behalf of the Board
Filatex Fashions Limited**

**Prabhat Sethia
Managing Director
DIN: 00699415**

ANNEXURE – 1(a)

A table containing the particulars in accordance with the provisions of Section 197 (12) of the Act, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of remuneration to each director to the median remuneration of the employees of the company for the financial year.

Director	Total Remuneration	Ratio to median remuneration
Prabhat Sethia	Rs. 24,00,000	10:1

2. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year

Name	Designation	Remuneration (Amount in Rs.)		Increase/ (Decrease) %
		FY 2022 -23	FY 2021 -22	
Prabhat Sethia	Managing Director	Rs 24,00,000	Rs 9,00,000	166%
Chanchal Sethia	Company Secretary	Rs 2,40,000	Rs 2,40,000	Nil

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

Particulars	Remuneration p.m.		Increase/(Decrease)%
	FY 2022 -23	FY 2021 -22	
Median Remuneration of all the employees per annum*	20,000	18,000	11.11%

**Employees who have served for whole of the respective financial years have been considered.*

- 4.

Particulars	Number
The number of employees on the rolls of the company as on March 31, 2023	90

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

Particulars	Increase/(Decrease) %
Average percentage increase in the remuneration of all Employees* (Other than Key Managerial Personnel)	11.11
Average Percentage increase in the Remuneration of Key Managerial Personnel	131.58

**Employees who have served for whole of the respective financial years have been considered.*

6. Affirmation that the remuneration is as per the remuneration policy of the company.

The Company is in compliance with its remuneration policy.

Annexure – 2

B. Information as per Rule 5(2) of Chapter XIII of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Top 10 employees of the Company based on Remuneration drawn for FY 2022-23:

The list will be arranged on request.

ANNEXURE 3

MD AND CFO Certification in respect of Financial Statements and Cash Flow Statement

(Pursuant to Regulation 17 (8) of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 For the Financial Year ended March 31, 2023

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

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

**For and on behalf of the Board
Filatex Fashions Limited**

Sd/-

Sd/-

**Date: 19.05.2023
Place: Hyderabad**

**Prabhat Sethia
Managing Director
(DIN: 00699415)**

**Ankit Sanghai
Chief Financial Officer (CFO)**

ANNEXURE - 4**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014) Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: **Not Applicable as all the**

2. **Related Party Transactions have been entered into at an arm's length basis.**

2. Details of material contracts or arrangement or transactions at arms length basis:

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions:	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any: Approved by Audit Committee and Board Meeting in last Financial Year:
1	Prabhat Sethia	Remuneration	Not Defined	As approved by the Board of Directors	14.02.2022
		Advance			
		Advance against property paid			
2	Chanchal Setia	Remuneration	Not Defined	As approved by the Board of Directors	14.02.2022
3	Sangeeta Sethia	Rent	Not Defined	As approved by the Board of Directors	14.02.2022
		Advance			

**For and on behalf of the Board
Filatex Fashions Limited**

Sd/-

**Prabhat Sethia
Managing Director
(DIN: 02600900)**

Sd/-

**Sangeeta Sethia
Director (DIN: 00699415)**

**Date: 08.09.2023
Place: Hyderabad**

Annexure-5

**FORM MR-3
SECRETARIAL AUDIT REPORT**

**{Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014}**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

To
**The Members of
Filatex Fashions Limited
Hyderabad.**

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

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year commencing from 01st April, 2022 and ended on 31st March, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Filatex Fashions Limited** ("The Company") for the financial year ended on 31st March, 2023 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) is furnished hereunder:
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Amended Regulations 2018;
 - iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **The Shareholders of the Company in their EGM held on 28.06.2022 has approved the issue of convertible warrants on preferential basis. The Company applied for In-principle approval from BSE Limited for the same. However, the application was withdrawn by the Company.**
 - iv. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable.**
 - v. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable.**
 - vi. The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; **Not Applicable**

- vii. Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable.**
 - viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable.**
 - ix. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
2. We have relied on the representation made by the Company and its officers for systems and mechanisms formed by the Company for compliances under other applicable Acts, Laws and Regulations which are listed below and it was noted that the Company has complied with the said Laws to the extent applicable.
- a) Shops and Establishment Act, 1948
 - b) Employees' Compensation Act, 1923;
 - c) Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
 - d) Employees' State Insurance Act, 1948;
 - e) Minimum Wages Act, 1948;
 - f) Payment of Bonus Act, 1965;
 - g) Payment of Gratuity Act, 1972;
 - h) Payment of Wages Act, 1936;
 - i) Maternity Benefit Act, 1961;
 - j) Industrial Disputes Act, 1947;
 - k) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
 - l) The Child Labor (Prohibition and Regulation) Act, 1986;
 - m) The Equal Remuneration Act, 1976;
 - n) The Code on Wages, 2019;
 - o) The Occupational Safety, Health and Working Conditions Code, 2020**;
 - p) The Industrial Relations Code, 2020;
 - q) The Code on Social Security, 2020;
 - r) Indian Stamp Act, 1899;

We have also examined compliance with the applicable provisions / clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The compliance by the Company of applicable financial Laws like Direct and Indirect tax laws have not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

3. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above including the following:
- a) During the year the Company has conducted 7 meetings of the Board of Directors, 6 meetings of the Audit committee, 1 meeting of Nomination and Remuneration Committee, 1 meeting of Stakeholder Relationship Committee and 1 meeting of Independent Directors. We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company secretaries of India.
 - b) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we report that
 - (i) the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of:

✓ External Commercial Borrowings were not attracted to the Company under the financial year under report;

- ✓ Foreign Direct Investment (FDI) was not attracted to the company under the financial year under report;
- ✓ Overseas Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary abroad was not attracted to the company under the financial year under report.

(ii) As per the information and explanations provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.

We further report that: -

- The Company has Company Secretary namely Mrs. Chanchal Sethia and CFO namely Mr. Ankit Sanghai;
- The Website of the company contains several policies as specified by SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and the provisions of the Companies Act 2013.
- 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 that took place during the period under review as mentioned below were carried out in compliance with the provisions of the Act.
 - a) During the period under review, Mr. Tushar Kanti Paul and Mr. Ramaswamy Pedinekaluva were appointed as Independent Directors and Mr. Sanjay Ishwarlal Bora, Mr. Mutyala Krishna Rao were resigned as Independent Directors. Further, Mr. Om Prakash Sharma was resigned as Non-Executive Director.
- 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.
- As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.
- We further report that based on the review of the compliance/ certificates of the Company Secretary which were taken on record by the Board of Directors, 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.
- We further report that during the audit period there was no event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc. except the following:
 - A) The Company has appointed M/s. Pundarikashyam and Associates., Chartered Accountants, Hyderabad as Statutory Auditors of the Company for the period of 5 years upto Annual General Meeting to be held in the Year 2027 by passing an Ordinary Resolution at the Annual General Meeting of the Shareholders of the Company held on September 30, 2022 to fill the casual vacancy due to resignation of M/s. M M Reddy & Co., w.e.f 09.08.2022.

**For Manoj Parakh & Associates
Practicing Company Secretary**

**Place: Hyderabad
Date: 08.09.2023**

**Manoj Parakh
Proprietor
M.NO. F8572; C. P. No: 8957
UDI NO.F008572E000966540
Peer review no. 3439/2023**

ANNEXURE A

To
The Members of
M/s.Filatex Fashion Ltd

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have relied on the reports given by the concerned professionals in verifying the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of 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 future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Manoj Parakh & Associates
Practicing Company Secretary

Place: Visakhapatnam
Date: 08.09.2023

Manoj Parakh
Proprietor
M.NO. F8572; C. P. No: 8957
UDIN NO. .F008572E000966540
Peer review no.3439/2023

Annexure–6

MANAGEMENT DISCUSSION & ANALYSIS

Overview

We always want to look ahead and push ourselves to reinvent and reinnovate. We took this opportunity to be introspective and realised our core strengths. We do not see these restrictions as a hurdle but an opportunity to explore new markets and new fields. We believe that with over 29 years of combined management experience in the socks markets in India enable us to be competent in this field and its activities in Manufacturing.

Industry Structure and Developments

The Company follows all the rules and regulations of the respective exchange for depository / SEBI.

Opportunities and Threats

The Company being a player in the socks market, the performance of the Company largely depends on the National and Global Markets. Your Company continues to achieve cost effectiveness through the application of technology. We have been fashioning our own responses to these challenges and we believe that we can turn them into opportunities, which can unlock growth for us in the future.

Opportunities

1. Growing new & innovative products regularly.
2. Latest technology to enable best practices and process.

Segment

The Company carries on 100% socks manufacturing and allied products.

Internal Control & Adequacy

The company has adequate internal technology upgarding to ensure that all machines are upgraded from time to time.

Risk Management System

The company manages our business risk through strict compliance and internal control system.

Outlook

Company is focusing on service-based activities. We believe that with over 29 years of combined management experience in the manufacturing markets and corporate space in India enable the company to be competent in this field The company has decided to venture into different business through investments in subsidiaries company.

Details of significant changes

Particulars	F.Y 2022 -23	F.Y 2021 -22	%of changes
Debtors Turnover	1.30	1.47	-12%
Inventory Turnover	24.94	41.43	-40%
Interest Coverage Ratio	12.57	10.14	-24%
Current Ratio	2.67	2.77	-4%
Debt Equity Ratio	1.82	0.63	189%
Operating Profit Margin (%)	10.29	3.49	195%
Net Profit Margin(%)	0.07	0.03	188%

Human Resource

Company has adequately trained and well experienced personnel. Our employees are highly motivated and work in line of the organizational goal.

Cautionary Statement

The statements made in this report describe the Company's objectives and projections that may be forward looking statements within the meaning of applicable laws and regulations. The actual results might differ materially from those expressed or implied depending on the economic conditions, government policies and other incidental factors, which are beyond the control of the Company.

Annexure -7
CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate Governance is a set of principles, processes and systems to be followed by the Directors, Management and Employees of the Company for enhancement of shareholder value while keeping in view the interest of other stakeholders as well.

Company believes that good corporate governance is the foundation for being a truly sustainable Company.

Set procedures, guidelines and practices have been evolved to ensure timely disclosures of information regarding the financials, performance, significant events and governance etc. of the Company. The Company has adopted a code of conduct for its Board, Key Managerial Personnel (KMPs) and Senior Management Employees which has been communicated to them and they have affirmed the compliances of the same through their annual disclosures to the Company.

The Company lays emphasis on transparency across the entire spectrum of its business as well as in discharging its Corporate Social Responsibility activities in a meaningful manner. The Company, as a conscientious corporate citizen, is fully committed to the principles of integrity, transparency and compliance with applicable regulations while dealing with the Government, Customers, Suppliers, Employees and other Stakeholders. Directors fully endorse and support the Corporate Governance practices in accordance with the provisions of Listing Regulations of SEBI.

DATE OF REPORT

The information provided in the Report on Corporate Governance for the purpose of unanimity is as on 31st March, 2023. The Report is updated as on the date of the report wherever applicable.

BOARD DIVERSITY:

The Company recognizes and embraces the importance of a diverse Board in its success. We believe that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. The Board Diversity Policy is available on our website.

2. BOARD OF DIRECTORS

A. COMPOSITION OF THE BOARD

The Company is managed and controlled through a professional body of Board of Directors which comprises of an optimum combination of Executive and Independent Directors headed by the Chairman & Independent Non-Executive Director. As on date of this report, the Board of Directors of the Company has 6 members (including three independent Directors) with vast experience and knowledge. None of the Directors on the Board is a member of more than 10 committees or Chairman of more than 5 companies across all the Companies in which he/she is a Director.

The Board has been enriched with the advices and skills of the Independent Directors. The composition of the Board of Directors and details of number of Directorships/committee chairmanships/memberships attendance particulars is as under:

Dates on which Board meetings were held: 30.05.2022, 08.08.2022, 03.09.2022, 20.10.2022, 14.11.2022, 07.02.2023 and 02.03.2023.

Name of the Director	Category	Attendance at the AGM held on 30.09.2022	Attendance in Board Meetings		No. of Directorships in other companies	No. of committee positions held in other public companies	
			Held	Attended		Chairman	Director
Mr. Prabhat Sethia	Promoter and Managing Director	Yes	7	7	1	0	0
Mrs. Sangeeta Sethia	Promoter & Non - Executive Director	Yes	7	7	1	0	0
%Mr. Vallam Setty Raghuram	Non - Executive Director	Yes	7	7	0	0	0
#Mr. Tushar Kanti Paul	Non – Executive Independent Director	NA	2	2	0	0	0
#Mr. Ramaswamy Reddy Pedinekaulva	Non - Executive Independent Director	NA	2	2	0	0	0
*Mr. Ravinder Kumar Joshi	Non – Executive & Non - Independent Director	NA	3	3	0	0	0
*Mrs. Rani Sharma	Non – Executive Independent Director	NA	3	3	0	0	0
**Mr. Sanjay Ishwarlal Bora	Non – Executive Independent Director	Yes	6	6	0	0	0
**Mr. Mutyala Krishna Rao	Non – Executive Independent Director	Yes	6	6	0	0	0
***Mr. Om Prakash Sharma	Non - Executive & Non - Independent Director	Yes	7	7	2	1	2
##Mr. Arun Sharma	Non – Executive Independent Director	NA	--	--	--	--	--
##Mr. Nageshwara Rao Chitirala	Non – Executive Independent Director	NA	--	--	--	--	--
###Mr. Swapnil Raka	Non - Executive Independent Director	NA	--	--	--	--	--
@ Ms. Saloni Mehra	Non - Executive Independent Director	NA	--	--	--	--	--

* Resigned w.e.f. 30.09.2022.

** Resigned w.e.f. 07.02.2023.

***Resigned w.e.f. 02.03.2023.

%change in designation to NED w.e.f. 08.09.2023.

Appointed w.e.f. 07.02.2023.

##Appointed on 05.05.2023

###Appointed on 07.09.2023

@Appointed w.e.f 01.04.2023 and resigned w.e.f 08.09.2023

The Name of other listed entities where directors of the company are directors and the category of directorship

Name of the Director	Other Listed Entities in which concern Director is Director	Category of Directorship
Mr. Prabhat Sethia	Nil	--
Mrs. Sangeeta Sethia	Nil	--
%Mr. Vallam Setty Raghuram	Nil	--
#Mr. Tushar Kanti Paul	Nil	--
#Mr. Ramaswamy Reddy Pedinekaulva	Nil	--
*Mr. Ravinder Kumar Joshi	Nil	--
*Mrs. Rani Sharma`	Nil	--
**Mr. Sanjay Ishwarlal Bora	Nil	--
**Mr. Mutyala Krishna Rao	Nil	--
***Mr. Om Prakash Sharma	Nil	--
##Mr. Arun Sharma	Nil	--
##Mr. Nageshwara Rao Chitirala	Nil	--
###Mr. Swapnil Raka	Nil	--
@ Ms. Saloni Mehra	Nil	--

* Resigned w.e.f. 30.09.2022.

** Resigned w.e.f. 07.02.2023.

***Resigned w.e.f. 02.03.2023.

%change in designation to NED w.e.f. 08.09.2023.

Appointed w.e.f. 07.02.2023.

##Appointed on 05.05.2023

###Appointed on 07.09.2023

@Appointed w.e.f 01.04.2023 and resigned w.e.f 08.09.2023

B. A CHART OR A MATRIX SETTING OUT THE SKILLS/EXPERTISE/COMPETENCE OF THE BOARD OF DIRECTORS:

Sl. No	Skills / Expertise / Competence of the Board of Directors are required in the context of business of the Company	Names of the Directors who have such skills / expertise / competence
1	Trading	Arun Sharma
2.	Technology	Sangeet Sethia
3	Marketing	Nageshwara Rao Chiritala
4	Regulatory	Prabhat Sethia
5	Finance & Accounting	Prabhat Sethia
6	Research & Development	Swapnil Prakash Raka , Vallam Setty Raghuram
7	Legal and General Management	Prabhat Sethia

C. DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE

Mr. Prabhat Sethia, and Mrs. Sangeeta Sethia, Directors of the Company are related to each other by virtue of their relationship as Husband and Wife respectively. Other Directors do not have any inter se relation with each other.

D. NUMBER OF SHARES AND HELD BY NON-EXECUTIVE DIRECTORS:

None of the Non-executive Directors hold equity shares of the Company.

E. INDEPENDENT DIRECTORS

The Company has complied with the definition of Independence as per Regulation 16(1) (b) of the SEBI (LODR), Regulations, 2015 and according to the Provisions of Section 149(6) of the Companies Act, 2013.

The Company has also obtained declarations from all the Independent Directors pursuant to Section 149(7) of the Companies Act, 2013. It is also confirmed that in the opinion of the Board, the Independent Directors fulfil the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

During the year under review, Independent Directors have resigned from the Board of Directors of the Company and other Independent Directors have been appointed in place of them.

F. INDEPENDENT DIRECTORS' MEETING: As per Clause 7 of the Schedule IV of the Companies Act (Code for Independent Directors), a separate meeting of the Independent Directors of the Company (without the attendance of Non-Independent Directors) was held on 07.02.2023, and discussed the following:

1. Evaluation of the performance of Non-Independent Directors and the Board of Directors as whole;
2. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors of the Company eligible to attend were present at the meeting.

As required under Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company regularly familiarizes Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc.

G. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:

Independent Directors are familiarized about the Company's operations and businesses. Interaction with the Business heads and key executives of the Company is also facilitated. Detailed presentations on important policies of the Company is also made to the directors. Direct meetings with the Chairman is further facilitated to familiarize the incumbent Director about the Company/its businesses and the group practices.

The details of familiarisation programme held in FY 2022-23 are disclosed on the Company's website i.e., <https://www.filatexfashions.co.in/>.

H. DECLARATION BY BOARD

The Board has confirmed that in its opinion, the Independent Directors fulfil the conditions specified in these regulations and are independent of the management

I. RESIGNATION OF INDEPENDENT DIRECTOR:

Sl.No.	Name of Independent Director	Date of Resignation	Reason for resignation
1	Mrs. Rani Sharma	30.09.2022	End of tenure
2	Mr. Sanjay Ishwarlal Bora	07.02.2023	Due to commitments and personal pre-occupations
3	Mr. Mutyala Krishna Rao	07.02.2023	Due to commitments and personal pre - occupations

The directors (Mr Sanjay Ishwarlal Bora and Mr. Mulyala Rao) who resigned before the end of the tenure Has confirmed that there are no other material reason other that mention above

j. COMMITTEES OF THE BOARD:

The Company has Four Board-level Committees - Audit Committee, Stakeholder Relationship Committee, Nomination & Remuneration Committee,

All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of service for Committee members are taken by the Board of Directors. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance are provided in this report below:

1. AUDIT COMMITTEE: Terms of reference of Audit committee covers all the matters prescribed under Regulation 18 of the Listing Regulations and Section 177 of the Act, 2013.

A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:

The terms of reference of the Audit Committee encompasses the requirements of Section 177 of Companies Act, 2013 and as per Regulation 18 of SEBI (LODR) Regulations, 2015 and, inter alia, includes:

- i. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

iv. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

- a. Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
- b. Changes, if any, in accounting policies and practices and reasons for the same;
- c. Major accounting entries involving estimates based on the exercise of judgment by management;
- d. Significant adjustments made in the financial statements arising out of audit findings;
- e. Compliance with listing and other legal requirements relating to financial statements;
- f. Disclosure of any related party transactions;
- g. Modified opinion(s) in the draft audit report;
- v. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- vi. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
- vii. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- viii. Approval or any subsequent modification of transactions of the listed entity with related parties;
- ix. Scrutiny of inter-corporate loans and investments;
- x. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- xi. Evaluation of internal financial controls and risk management systems;
- xii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xiii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xiv. Discussion with internal auditors of any significant findings and follow up there on;
- xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- xvi. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- xvii. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xviii. To review the functioning of the whistle blower mechanism;
- xix. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- xx. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

xxi. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

xxii. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

xxiii. Carrying out any other function as may be referred to the Committee by the Board.

xxiv. Authority to review / investigate into any matter covered by Section 177 of the Companies Act, 2013 and matters specified in Part C of Schedule II of the Listing Regulations.

B. THE AUDIT COMMITTEE SHALL MANDATORILY REVIEW THE FOLLOWING INFORMATION:

i. Management discussion and analysis of financial condition and results of operations;

ii. Management letters / letters of internal control weaknesses issued by the statutory auditors;

iii. Internal audit reports relating to internal control weaknesses; and

iv. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

v. Statement of deviations:

· Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

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

C. COMPOSITION, MEETINGS & ATTENDANCE:

There were Six (6) Audit Committee Meetings held during the year on 30.05.2022, 08.08.2022, 03.09.2022, 20.10.2022, 14.11.2022 and 07.02.2023

Name	Designation	Category	Number of meetings during the year 202 2-23	
			Held	present
***Mr. Vallam Setty Raghuram	Member	Independent and Non - Executive	6	6
@Mr. Swapnil Prakash Raka	Chairman	Independent and Non - Executive	--	--
#Mr. Tushar Paul	Member	Independent and Non - Executive	--	--
#Mr. Ramaswamy Reddy	Member	Independent and Non - Executive	--	--
**Mr. Om Prakash Sharma	Member	Non-Executive - Non Independent Director	6	6
*Mr. Sanjay Ishwarlal Bora	Member	Independent and Non - Executive	6	6

#appointed w.e.f.07.02.2023

*resigned w.e.f.07.02.2023

**resigned w.e.f.02.03.2023

***resigned as chairman and appointed as member w.e.f.07.09.2023

@appointed as Chairman w.e.f.07.09.2023

A.Previous Annual General Meeting of the Company was held on 30th September 2022 and Mr. Vallam Setty Raghuram, Chairman of the Audit Committee for that period, attended previous AGM.

2. NOMINATION AND REMUNERATION COMMITTEE: (Nomination and Remuneration Committee constituted in terms of Section 178 of Companies Act, 2013 read with Regulation 19 of SEBI (LODR) Regulations, 2015)

The terms of reference of the Nomination and Remuneration committee constituted in terms of Section 178 of Companies Act, 2013 and as per Regulation 19 of SEBI (LODR) Regulations, 2015 are as under:

A. BRIEF DESCRIPTION OF TERMS OF REFERENCE

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- ii. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
- iii. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- iv. Devising a policy on diversity of board of directors;
- v. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- vi. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

A.COMPOSITION OF THE NOMINATION AND REMUNERATION COMMITTEE, MEETINGS & ATTENDANCE DURING THE YEAR:

There was one Nomination and Remuneration Committee Meeting held during the financial year on 07.02.2023.

Name	Designation	Category	Number of meetings during the year 2022-23	
			Held	present
*Mr. Sanjay Ishwarlal Bora	Chairman	Independent, Non-Executive	1	1
**Mr. Om Prakash Sharma	Member	Non-Executive - Non Independent Director	1	1
*Mr. Mutyala Krishna Rao	Member	Non-Executive - Non Independent Director	1	1
#Mr. Ramaswamy Reddy	Chairman	Independent, Non-Executive	--	--
#Mr. Tushar Paul	Member	Independent, Non-Executive	--	--
@Mr. Vallam Setty Raghuram	Member	Independent, Non-Executive	--	--

#appointed w.e.f.07.02.2023

*resigned w.e.f.07.02.2023

**resigned w.e.f.02.03.2023

@appointed w.e.f.02.03.2023

A.PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:

The performance evaluation criteria for Independent Directors are already mentioned under the head “Board Evaluation” in Directors' Report.

B.POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE:

1. Scope:

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent Directors of the Company.

2. Terms and References:

2.1 “Director” means a director appointed to the Board of a Company.

2.2 “Nomination and Remuneration Committee means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2.3 “Independent Director” means a Director referred to in sub-Section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. Policy:

3.1 Qualifications and criteria

3.1.1 The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.

3.1.2 In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:

- General understanding of the Company's business dynamics, global business and social perspective;
- Educational and professional background
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

3.1.3 The proposed appointee shall also fulfil the following requirements:

- shall possess a Director Identification Number;
- shall not be disqualified under the companies Act, 2013;
- shall Endeavour to attend all Board Meeting and Wherever he is appointed as a Committee Member, the Committee Meeting;
- shall abide by the code of Conduct established by the Company for Directors and senior Management personnel;
- shall disclose his concern or interest in any Company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as any prescribed, from time to time, under the Companies Act, 2013, Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other relevant laws.

3.1.4 The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

3.2 Criteria of Independence

3.2.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.

3.2.2 The criteria of independence shall be in accordance with the guidelines as laid down in Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. An independent Director in relation to a Company, means a director other than a managing Director or a whole-time Director or a nominee Director

- i. Who, in the opinion of the board of directors, is a person of integrity and possesses relevant expertise and experience;
- ii. Who is or was not a promoter of the listed entity or its holding, subsidiary or associate company or member of the promoter group of the listed entity;
- iii. Who is not related to promoters or directors in the listed entity, its holding, subsidiary or associate company;
- iv. Who, apart from receiving director's remuneration, has or had no material pecuniary relationship with the listed entity, its holding, subsidiary or associate company, or their promoters, or directors, during the three immediately preceding financial years or during the current financial year;
- v. None of whose relatives—
 - a. Is holding securities of or interest in the listed entity, its holding, subsidiary or associate company during the three immediately preceding financial years or during the current financial year of face value in excess of fifty lakh rupees or two percent of the paid-up capital of the listed entity, its holding, subsidiary or associate company, respectively, or such higher sum as may be specified;
 - b. Is indebted to the listed entity, its holding, subsidiary or associate company or their promoters or directors, in excess of such amount as may be specified during the three immediately preceding financial years or during the current financial year;

c. Has given a guarantee or provided any security in connection with the indebtedness of any third person to the listed entity, its holding, subsidiary or associate company or their promoters or directors, for such amount as may be specified during the three immediately preceding financial years or during the current financial year; or
d. Has any other pecuniary transaction or relationship with the listed entity, its holding, subsidiary or associate company amounting to two percent or more of its gross turnover or total income: Provided that the pecuniary relationship or transaction with the listed entity, its holding, subsidiary or associate company or their promoters, or directors in relation to points (A) to (D) above shall not exceed two percent of its gross turnover or total income or fifty lakh rupees or such higher amount as may be specified from time to time, whichever is lower.

vi. who, neither himself /herself, nor whose relative(s) —

a. Holds or has held the position of a key managerial personnel or is or has been an employee of the listed entity or its holding, subsidiary or associate company or any company belonging to the promoter group of the listed entity, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed:

Provided that in case of a relative, who is an employee other than key managerial personnel, the restriction under this clause shall not apply for his / her employment.

b. Is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of —

(i) A firm of auditors or company secretaries in practice or cost auditors of the listed entity or its holding, subsidiary or associate company; or

(ii) Any legal or a consulting firm that has or had any transaction with the listed entity, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;

c. Holds together with his relatives two per cent or more of the total voting power of the listed entity; or

d. Is a chief executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts or corpus from the listed entity, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the listed entity;

e. Is a material supplier, service provider or customer or a lessor or lessee of the listed entity;

vii. Who is not less than 21 years of age.

viii. Who is not a non-independent director of another company on the board of which any non-independent director of the listed entity is an independent director:

3.2.3 The independent Director shall abide by the “code for independent Directors “as specified in Schedule IV to the companies Act, 2013.

3.3 Other Directorships/ Committee Memberships

3.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance Accordingly, members should voluntarily limit their Directorships in other listed public limited companies in such a way that it does not interfere with their role as Director of the Company. The NR Committee shall take into account the nature of, and the time involved in a Director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

3.3.2 A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be public limited companies.

3.3.3 A Director shall not serve as an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed Company.

3.3.4 A Director shall not be a member in more than 10 committee or act as chairman of more than 5 committee across all companies in which he holds Directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder's relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under Section 8 of the companies Act, 2013 shall be excluded.

E.MECHANISM FOR EVALUATION OF THE BOARD

Evaluation of all Board members is performed on an annual basis. The evaluation is performed by the Board and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

In line with Securities and Exchange Board of India Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/004, dated January 5, 2017 and the Companies Amendment Act, 2017 the Company adopted the recommended criteria by Securities and Exchange Board of India.

The Directors were given following Forms for evaluation:

- (i) Evaluation of Board;
- (ii) Evaluation of Committees of the Board;
- (iii) Evaluation of Independent Directors;
- (iv) Evaluation of Chairperson; and
- (v) Evaluation of Managing Director and Whole-time Director

The Directors were requested to give following ratings for each criteria:

1. Could do more to meet expectations;
2. Meets expectations; and
3. Exceeds expectations.

The Directors have sent the duly filled forms to the Board. Based on the evaluation done by the Directors, the report on Evaluation was submitted to the Board. And based on the report, the Board of Directors has informed that the performance of Directors is satisfactory.

E REMUNERATION OF DIRECTORS

A. PECUNIARY RELATIONSHIP OR TRANSACTIONS OF THE NON-EXECUTIVE DIRECTORS VIS-À-VIS THE LISTED Company:

None of the Non-Executive Directors except Ms.Sangeeta sethia w/o Mr. Prabhat sethia Reddy had any pecuniary relationship or transaction with the Company other than the Directors sitting fees and commission.

B. CRITERIA FOR MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS:

Policy: 1. Remuneration to Executive Director and key managerial personnel

1.1 The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Director of the Company within the overall limit approved by the shareholders.

1.2 The Board on the recommendation of the NR committee shall also review and approve the remuneration payable to the key managerial personnel of the Company.

1.3 The remuneration structure to the Executive Director and key managerial personnel shall include the following components:

- (i) Basic pay (ii) Perquisites and Allowances (iii) Stock Options (iv) Commission (Applicable in case of Executive Directors) (v) Retrial benefits

1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the NR committee and Annual performance Bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.

C. REMUNERATION PAID TO DIRECTORS DURING FY 2022-23 AND OTHER DISCLOSURES

Name of the Director	Salary (Rs)	Sitting Fee (Rs)	Commission (Rs)	No. of Equity Shares held	Service Contracts	Stock Option Details	Performance Based Incentive	Fixed Component
Mr. Prabhat Sethia	24.00	-	-	11,92,015	-	-	-	-
Mrs. Sangeeta Sethia	-	-	-	-	-	-	-	-
%Mr. Vallam Setty Raghuram	-	-	-	-	-	-	-	-
#Mr. Tushar Kanti Paul	-	-	-	-	-	-	-	-
#Mr. Ramaswamy Reddy Pedinekaulva	-	-	-	-	-	-	-	-
*Mr. Ravinder Kumar Joshi	-	-	-	-	-	-	-	-
*Mrs. Rani Sharma	-	-	-	-	-	-	-	-
**Mr. Sanjay Ishwarlal Bora	-	-	-	-	-	-	-	-
**Mr. Mutyala Krishna Rao	-	-	-	-	-	-	-	-
***Mr. Om Prakash Sharma	-	-	-	-	-	-	-	-

* Resigned w.e.f. 30.09.2022.

** Resigned w.e.f. 07.02.2023.

***Resigned w.e.f. 02.03.2023.

%change in designation to NED w.e.f. 08.09.2023.

Appointed w.e.f. 07.02.2023.

Except for the remuneration details mentioned above, there are no other pecuniary relationship or transactions of the non-executive director's vis-à-vis the listed entity in terms of salary, benefits, bonuses, stock options, pension, fixed component and performance linked incentives

2. Remuneration to Non – Executive Directors

2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non – Executive Directors of the Company within the overall limits approved by the shareholders.

2.2 Non – Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

3. Remuneration to other employees

3.1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities should and individual performance

3. STAKEHOLDERS RELATIONSHIP COMMITTEE:

(Stakeholders Relationship Committee constituted in terms of Section 178(5) of Companies Act, 2013 read with Regulation 20 of SEBI (LODR) Regulations, 2015)

A. BRIEF DESCRIPTION OF TERMS OF REFERENCE: The Committee's role includes:

- i. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- ii. Review of measures taken for effective exercise of voting rights by shareholders;
- iii. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- iv. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;
- v. Such other matter as may be specified by the Board from time to time.
- vi. Authority to review / investigate into any matter covered by Section 178 of the Companies Act, 2013 and matters specified in Part D of Schedule II of the Listing Regulations.

B. COMPOSITION OF THE COMMITTEE, MEETINGS AND ATTENDANCE DURING THE YEAR:

One (1) Meeting of Stakeholders Relationship Committee held during the year on 07th February 2023.

Name	Designation	Category	Number of meetings during the year 2022-2023	
			Held	Present
#Mr. Tushar Paul	Chairman	Independent, Non - Executive	-	-
#Mr. Ramaswamy Reddy	Member	Independent, Non - Executive	-	-
***Mr. Vallam Setty Raghuram	Member	Independent, Non - Executive	-	-
**Mr. Om Prakash Sharma	Chairman	Non Independent, Non-Executive	1	1
*Mr. Sanjay Ishwarlal Bora	Member	Independent, Non - Executive	1	1
*Mr. Mutyala Krishna Rao	Member	Independent, Non - Executive	1	1

#appointed w.e.f.02.03.2023

*resigned w.e.f.07.02.2023

**resigned w.e.f.02.03.2023

***appointed as member w.e.f. 07.02.2023

C. DETAILS OF COMPLAINTS/REQUESTS RECEIVED, RESOLVED AND PENDING DURING THE YEAR 2022-23:

Opening balance	Received during the year	Resolved during the year	Closing balance
00	00	00	00

D. NAME AND DESIGNATION OF COMPLIANCE OFFICER:

Mrs. Chanchal Sethia, Company Secretary is the Compliance Officer of the company.

3. GENERAL BODY MEETINGS

A.LOCATION, DATE AND TIME OF LAST THREE AGMS AND SPECIAL RESOLUTIONS THERE AT AS UNDER:

Financial Year	Date	Time	Venue	Special Resolution Passed
2019 -20	30.12.2020	10.30 a.m.	Registered office	No
2020 -21	30.09.2021	10.00 a.m.	Registered office	No
2021 -22	30.09.2022	10.00 a.m.	Registered office	No

B. PASSING OF RESOLUTIONS BY POSTAL BALLOT

There were no resolutions passed by the Company through Postal Ballot during the Financial Year 2022-23.

4.DISCLOSURES

A. MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS:

During the year under review, the Company had not entered in to any materially significant transaction with any related party. During the year, the Company had not entered into any other contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions that may have potential conflict with the interests of the Company at large. All the related party transactions during the year are in the ordinary course of business and on arm's length basis.

The policy on related party transactions is available on the Company's website www.flatexfashions.co.in

B.DETAILS OF NON-COMPLIANCE BY THE LISTED ENTITY, PENALTIES, STRICTURES IMPOSED ON THE LISTED ENTITY BY STOCK EXCHANGE(S) OR THE BOARD OR ANY STATUTORY AUTHORITY, ON ANY MATTER RELATED TO CAPITAL MARKETS, DURING THE LAST THREE YEARS

There were no instances of non-compliance or imposing penalty, no structures were issued against the company by Stock Exchanges or SEBI or any other statutory/regulatory authority for any matter related to capital markets, during last three years.

Sl. No.	Non-Compliance	Penalties	Status
1.	Delay in filing of Related Party Transactions for the half year ended 31.03.2022 under Reg. 23(9) of SEBI LODR Regulations	Rs. 2,06,500/ -	Penalty paid to BSE and shares of the promoters unfrozen for earlier non compliances
2.	Delay in filing Limited Review Report for the quarter ended 30.06.2022 under Reg. 33 of SEBI LODR Regulations	Rs. 2,12,400/ -	Penalty paid to BSE and shares of the promoters unfrozen.
3.	Non Filing of Compliance Certificate for the Half year ended 31.03.2022	--	The Company has not filed Compliance Certificate under Reg. 7(3) of SEBI LODR for the Half year ended 31.03.2022
4.	Various Regulations for the quarters ranging from December 2013 to December 2021 (Reg -27(2), Reg-31, Reg-33, Reg-34, Reg-6(1), Reg-29(2), Reg-17(2A), Reg -23(9))	Rs. 87,12,325 (Consolidated amount)	Out of Rs. 87,12,325 Penalty amount, Rs. 46,91,000 has been waived off by BSE.

C. WHISTLE BLOWER POLICY:

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined in Regulation 22 of SEBI (LODR) Regulations 2015 and in terms of Section 177 of the Companies Act, 2013.

With a view to adopt the highest ethical standards in the course of business, the Company has a whistle blower policy in place for reporting the instances of conduct which are not in conformity with the policy. Directors, employees, vendors or any person having dealings with the Company may report non-compliance to the Chairman of the Audit Committee, who reviews the report. Confidentiality is maintained of such reporting and it is ensured that the whistle blowers are not subjected to any discrimination. No person has been denied access to the Chairman of the Audit Committee.

D.COMPLIANCE WITH THE MANDATORY REQUIREMENTS AND ADOPTION OF THE NON-MANDATORY REQUIREMENTS OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Company has complied with the mandatory requirements of SEBI (LODR) Regulations, 2015 and is in the process of implementation of non– mandatory requirements.

E.WEB LINK WHERE POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES IS DISCLOSED;

www.filatexfashions.co.in

WEB LINK WHERE POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS:

www.filatexfashions.co.in

F.DISCLOSURE OF COMMODITY PRICE RISKS AND COMMODITY HEDGING ACTIVITIES

The Company is not materially exposed to commodity price risks nor does the company do any commodity hedging.

G.DETAILED OF UTILIZATION OF FUNDS RAISED THOROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT.

During the year under review, the Company has passed the Special resolution to issue convertible equity warrants on preferential basis. However, the Company withdrew the Inprincipal Application and the same was intimated to the BSE Limited.

H. CERTIFICATE FROM PRACTICING COMPANY SECRETARY

The Company has obtained certificate from Practicing Company Secretary that none of the Directors on the Board of the Company are debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such authority. And the Certificate to this effect, duly signed by the Practicing Company Secretary is annexed to this Report.

I. RECOMMENDATIONS OF COMMITTEES

The Board has accepted and acted upon all the recommendations by the Audit & Nomination and Remuneration Committees.

J.TOTAL FEES FOR ALL SERVICES PAID BY THE COMPANY, ON A CONSOLIDATED BASIS, TO THE STATUTORY AUDITOR.

The fees paid by the Company to its statutory Auditors is Rs.5,00,000/-

K.DISCLOSURE IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

The following is the summary of sexual harassment complaints received and disposed during the calendar year.

No. of complaints received during the financial year: Nil
No. of complaints disposed off during the financial year: Nil
No. of complaints pending at the end of the financial year: Nil

L. PARTICULARS OF SENIOR MANAGEMENT INCLUDING THE CHANGES THEREIN SINCE THE CLOSE OF THE PREVIOUS FINANCIAL YEAR

Sl.no.	Name of the Senior Management	Designation
1	Prabhat Sethia	Managing Director
2	Chanchal Sethia	Company Secretary
3	Ankit Sanghai	C.F.O

There is no change in the details of the senior Management since the close of the previous financial year

M. DISCLOSURE BY LISTED ENTITY AND ITS SUBSIDIARIES OF 'LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED BY NAME AND AMOUNT: NA

M. PLANT LOCATIONS:

Sl. No.	Name of Unit	Address
1	Filatex Fashions Limited	Plot No. 1, SY no. 42, Chetlapotharama Village, Jinnaram Mandal, Sangareddy District, Hyderabad -502319

N. Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries: The company Does not have any subsidiary

5. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT.

The company has complied with the requirement of Corporate Governance Report of sub-paras (2) to (10) of Schedule-V of the Securities Exchange Board of India (LODR) Regulations, 2015.

6. ADOPTION OF DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II of SEBI (LODR) REGULATIONS, 2015.

The company has adopted discretionary requirements to the extent of Internal Auditors reporting to the Audit Committee.

7. DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATIONS 17 TO 27 AND CLAUSES (b) TO (i) OF SUB-REGULATION (2) OF REGULATION 46 ARE AS FOLLOWS:

Regulation	Particulars	Compliance Status
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	NA
22	Vigil Mechanism	Yes

23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of Listed company	NA
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to Directors and Senior Management	Yes
27	Other Corporate Governance Requirements	Yes
46 (2) (b) to (i)	Website	Yes

M. CODE OF CONDUCT

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management of the Company. Requisite annual affirmations of compliance with the respective Codes have been made by the Directors and Senior Management of the Company.

N. DECLARATION ON CODE OF CONDUCT FOR THE YEAR 2022-23.

This is to confirm that the Board has laid down a code of conduct for all Board members and senior management personnel of the Company. The code of Conduct has also been posted on the website of the Company. It is further confirmed that all Directors and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the Financial Year ended on March 31, 2023 as envisaged in Regulation 26(3) of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015

O. CEO/ CFO Certification

The Managing Director and CEO/ CFO certification of the financial statements as specified in Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for the Financial Year 2022-2023 is provided elsewhere in this Annual Report.

P. NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

Q. RECONCILIATION OF SHARE CAPITAL:

A qualified Practicing Company Secretary carry out audit to reconcile the total admitted capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. Reconciliation of Share Capital Audit Report confirms that the total paid up capital was in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

R. DISCLOSURE OF ACCOUNTING TREATMENT:

The Company has complied with the appropriate accounting policies and has ensured that they have been applied consistently. There have been no deviations from the treatment prescribed in the Accounting Standards notified under Section 133 of the Companies Act, 2013.

4. MEANS OF COMMUNICATION:

- i. The Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly financial results in the Form prescribed by Regulation 33 of SEBI (LODR), Regulations, 2015 within forty-five days/sixty days of the close of the respective period.
- ii. The approved financial results are forthwith sent to the Stock Exchanges and are published in the newspapers namely, The Business Standard and Suryaa Telangana within forty-eight hours of approval thereof.
- iii. As the Company's quarterly/half yearly and yearly financial results are uploaded on Company's website www.filatexfashions.co.in

5. GENERAL SHAREHOLDERS INFORMATION:

Company Registration Details	The Company is registered in the State of Telangana, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L51491TG1994PLC017158
Date	30 th Day of September 2023
Time	4.00 P.M
Venue of AGM	Through video conference
Dividend payment date	NA
Tentative Schedule for considering Financial Results:	
For the Quarter ending June,2023	July/August, 2023
For the Quarter ending September, 2023	October/ November, 2023
For the Quarter ending December,2023	January/ February, 2024
For the Quarter/year ending March, 2024	April/ May, 2024
Date of Book Closure	24.09.2023-30.09.2023
Name and address of each stock exchange(s) at which the Company's securities are listed	BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 023
Confirmation of Payment of annual listing fees to stock exchanges	Paid to BSE, where the shares of the Company are listed.
Scrip Code	532022
ISIN Number for NSDL & CDSL	INE185E01013
In case the securities are suspended from trading, the directors report shall explain the reason thereof In case the securities are suspended from trading, the directors report shall explain the reason Thereof	The securities of the Company are not suspended from trading by the Stock Exchanges
Branch Offices	NA
Address for correspondence:	D.No 1-80-40-SP-58-65, Shilpa Homes Layout Gachibowli, Seri Lingampally, K.V.Rangareddy, Hyderabad, Telangana-500032 Website: www.filatexfashions.co.in
List of all Credit Ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad	Since the Company has not issued any Debt Instruments or Fixed Deposit Programme, therefore company has not obtained any Credit Ratings during the Financial Year.
Address for Correspondence	To be addressed to: M/s. Link Intime India Pvt. Ltd C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai, Maharashtra-400083 Phone Number: 022 - 49186270 Website: www.linkintime.co.in

A. Registrars & Transfer Agents:

M/s. Link Intime (India) Pvt Ltd.,
C-101, 247 Park, LBS Marg,
Vikhroli (W), Mumbai - 400083
Phone Number: 022 - 49186270,
Website: www.linkintime.co.in
Email- mt.helpdesk@linkintime.co.in

B. Share transfer system:

The transfers are normally processed within 10-12 days from the date of receipt, if the documents are complete in all respects. The Company Secretary has been empowered to approve the transfer of shares.

Effective April 1, 2019, SEBI has amended Regulation 40 of the SEBI Listing Regulations, which deals with transfer, transmission or transposition of securities. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialised form with a Depository. Therefore, for effecting any transfer, the securities shall mandatorily be required to be in demat form.

Shares received for transfer by the Company or its Registrar and Share Transfer Agent in physical mode are processed and all valid transfers are approved. The share certificate(s) is/are duly transferred and dispatched within a period of 15 days from the date of receipt.

According to SEBI, this amendment will bring the following benefits:

It shall curb fraud and manipulation risk in physical transfer of securities by unscrupulous entities. Transfer of securities only in demat form will improve ease, convenience and safety of transactions for investors.

C. MARKET PRICE DATA:**MONTHLY HIGH/LOW OF MARKET PRICE OF THE COMPANY'S SHARES TRADED ON THE BSE LIMITED.**

S.No	Month	Open Price	High Price	Low Price	Close Price
1	Apr-22	5.92	9.66	5.80	8.76
2	May-22	8.36	8.65	6.50	6.81
3	Jun-22	7.13	7.99	5.82	7.84
4	Jul-22	7.84	7.84	5.90	5.99
5	Aug-22	6.17	8.04	5.83	6.92
6	Sep-22	6.90	12.26	6.61	12.26
7	Oct-22	12.87	16.99	11.04	15.73
8	Nov-22	16.50	26.35	15.04	23.95
9	Dec-22	23.50	24.45	17.95	18.75
10	Jan-23	18.80	20.50	16.00	16.55
11	Feb-23	17.30	18.55	14.55	16.80
12	Mar-23	16.75	17.98	12.83	14.13

D.SHAREHOLDING PATTERN AS ON 31ST MARCH, 2023:

Shareholding of Promoter and Promoter Group

Category	Category & Name of the Shareholder	No of fully paid up equity shares held	Shareholding as a % of total no of shares	Number of Shares pledged or otherwise encumbered	As a % of total Shares held	Number of equity shares held in dematerialized form
	(I)	(IV)	(VIII)	(XIII)		(XIV)
(1)	Indian					
(a)	Individuals/Hindu undivided Family			0	0.00	
	Shailaja Katar	20	0.00	0	0.00	0
	Mahavir Golechha	35,020	0.04	0	0.00	35,000
	Rajkumar Sethia	61,698	0.06	0	0.00	61,678
	Prashant Kumar Sethia	2,30,020	0.24	0	0.00	2,30,020
	Prabhat Sethia	11,92,015	1.23			11,92,015
(b)	Central Government/State Government(s)	0	0	0	0.00	0
(c)	Financial Institutions/Banks	0	0	0	0.00	0
(d)	Any Other	0	0	0	0.00	0
	Sub-Total (A)(1)	5	15,18,773	1.57	0.00	15,18,713
(2)	Foreign					
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	0	0.00	0	0.00	0
(b)	Government	0	0.00	0	0.00	0
(c)	Institutions	0	0.00	0	0.00	0
(d)	Foreign Portfolio Investor	0	0.00	0	0.00	0
(e)	Any Other	0	0.00	0	0.00	0
	Sub-Total (A)(2)				0.00	
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	5	15,18,773	1.57	0.00	15,18,713

SHAREHOLDING OF PUBLIC GROUP

Category & Name of the Shareholder	No. of shareholder	No. of fully paid up equity shares held	Total no. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of equity shares held in dematerialized form(Not Applicable)
B1) Central Government/ State Government(s) / President of India	0	0	0	0	0	0	0
Institutions(Foreign) FPI Category II	1	6,91,210	6,91,210	0.71	6,91,210	0.71	6,91,210
Non-Institutions	0	0	0	0	0	0	0
Directors and their relatives (excluding independent directors and nominee directors)	0	0	0	0	0	0	0
AMIT RATHI	0	0	0	0	0	0	0
Investor Education and Protection Fund (IEPF)	0	0	0	0	0	0	0
Resident Individuals holding nominal share capital up to Rs. 2 lakhs	19,163	1,75,67,339	1,75,67,339	18.15	1,75,67,339	18.15	1,75,22,618
Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	234	6,23,50,446	62350446	64.40	6,23,50,446	64.40	6,21,00,446
SAILESH KUMAR AGARWAL	1	52,00,000	52,00,000	5.37	52,00,000	5.37	52,00,000
SUMIT KOTHARI	1	41,00,000	41,00,000	4.23	41,00,000	4.23	41,00,000
NALIN RANBAHADUR JOHARI	1	29,28,805	29,28,805	3.03	29,28,805	3.03	29,28,805
USHA DEVI AGARWAL	1	21,02,000	21,02,000	2.17	21,02,000	2.17	21,02,000
SEEMA AGARWAL	1	21,00,000	21,00,000	2.17	21,00,000	2.17	21,00,000
RAJ KUMAR AGARWAL	1	21,00,000	21,00,000	2.17	21,00,000	2.17	21,00,000
CHAITANYA AGARWAL	1	21,00,000	21,00,000	2.17	21,00,000	2.17	21,00,000
VINOD DUGAR	1	17,04,092	17,04,092	1.76	17,04,092	1.76	17,04,092
SHEETAL DUGAR	1	15,00,000	15,00,000	1.55	15,00,000	1.55	15,00,000

NAILESH SWARUPCH AND MEHTA	1	14,36,868	14,36,868	1.48	14,36,868	1.48	14,36,868
DINESH SURANA	1	13,75,000	13,75,000	1.42	13,75,000	1.42	13,75,000
DIPAK VAGHANI	1	11,37,965	11,37,965	1.18	11,37,965	1.18	11,37,965
SASI KUMAR ADUSUMALI	1	9,99,999	9,99,999	1.03	9,99,999	1.03	9,99,999
RITESH KUMAR AGARWAL	1	9,99,900	9,99,900	1.03	9,99,900	1.03	9,99,900
Non Resident Indians (NRIs)	109	2,98,602	2,98,602	0.31	2,98,602	0.31	2,98,602
Bodies Corporate	63	89,38,258	89,38,258	9.23	89,38,258	9.23	89,38,258
Any Other (specify)	201	54,49,917	54,49,917	5.63	54,49,917	5.63	54,39,917
HUF	176	73,66,029	73,66,029	7.61	73,66,029	7.61	73,66,029
Clearing Members	14	79,332	79,332	0.08	79,332	0.08	79,332
Employees	2	10,000	10,000	0.01	10,000	0.01	0
LLP	10	10,94,556	10,94,556	1.13	10,94,556	1.13	10,94,556
Sub Total B4	19770	9,46,04,562	9,46,04,562	97.72	9,46,04,562	97.72	9,42,99,841
B=B1+B2+B3 +B4	19771	9,52,95,772	9,52,95,772	98.43	9,52,95,772	98.43	9,49,91,051

Category of Shareholder	No of Shareholders	No of fully paid up equity shares held	Total no. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of equity shares held in dematerialized form
Promoter & Promoter Group	5	15,18,773	15,18,773	1.57	15,18,773	1.57	15,18,713
Public	19,771	9,52,95,772	9,52,95,772	98.43	9,52,95,772	98.43	9,49,91,051
Shares underlying DRs	0	0	0	0	0	0	0
Shares held by Employees Trusts	0	0	0	0	0	0	0
Non Promoter- Non Public	0	0	0	0	0	0	0
Total:	19,776	9,68,14,545	9,68,14,545	100.00	9,68,14,545	100.00	9,65,09,764

E.DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2023

Distribution Schedule Consolidated As on 3103-2023					
Category (Amount)	No. of Cases	% of Cases	Total Shares	Amount	% of Amount
1-500	15239	75.6278	17,60,967	88,04,835	1.82
501- 1000	1898	9.4194	16,26,751	81,33,755	1.68
1001- 2000	1053	5.2258	16,45,715	82,28,575	1.70
2001- 3000	443	2.1985	11,48,221	57,41,105	1.19
3001- 4000	204	1.0124	7,44,399	37,21,995	0.77
4001- 5000	256	1.2705	12,29,895	61,49,475	1.27
5001- 10000	376	1.866	28,81,323	1,44,06,615	2.97
100s01& Above	681	3.3797	8,57,77,274	42,88,86,370	88.60
Total	20150	100	9,68,14,545	48,40,72,725	100

D.DEMATRIALISATION & LIQUIDITY OF SHARES:

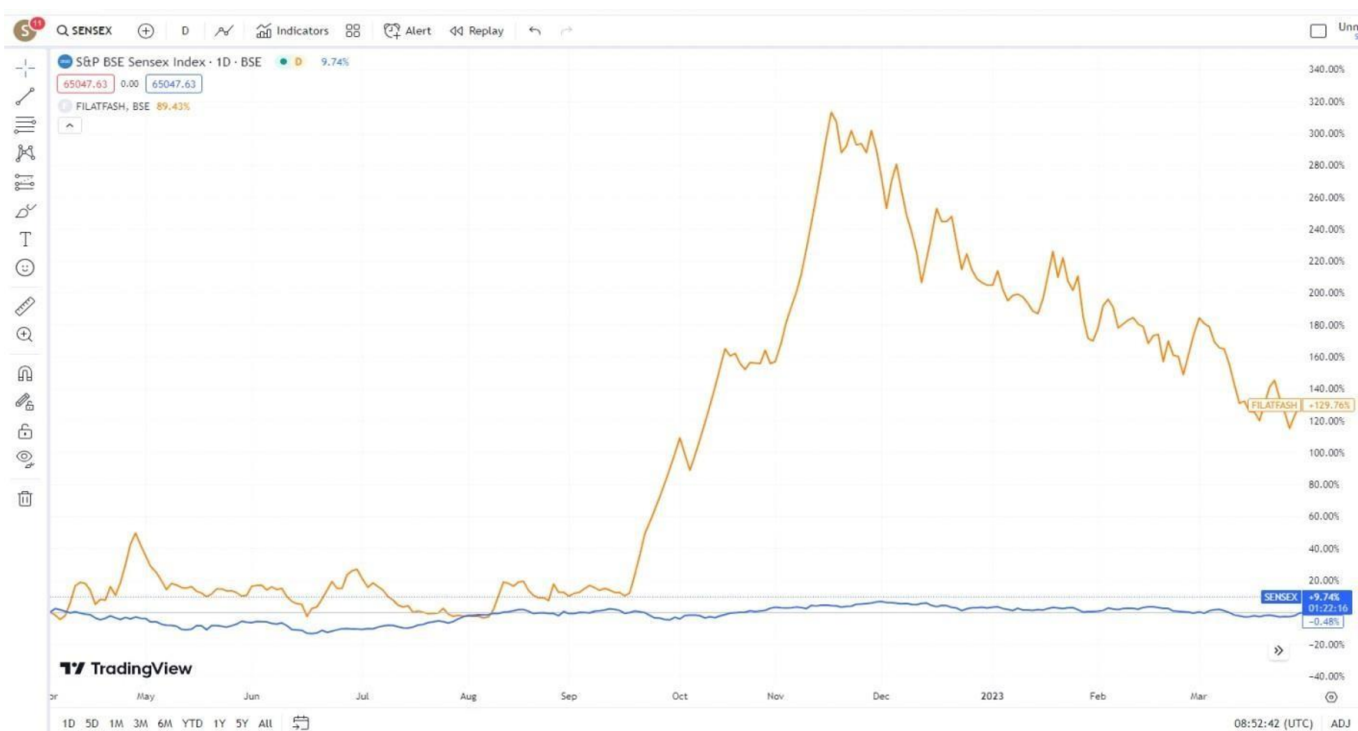
Dematerialization and Liquidity of Shares:

Trading in Company's shares is permitted only in dematerialized form for all investors. The ISIN allotted to the Company's scrip is INE185E01013. Investors are therefore advised to open a demat account with a Depository participant of their choice to trade in dematerialized form.

Particulars	No. of Shares	% Share Capital
NSDL	4,43,60,835	45.82
CDSL	5,21,48,929	53.86
Physical	3,04,781	0.31
TOTAL	9,68,14,545	100.00

G. There are no outstanding global depository receipts or American Depository Receipts likely to impact on the Equity.

H. STOCK PERFORMANCE IN COMPARISON TO BSE SENSEX:



Day Chart Period from April 2022 to March 2023

FILATEX, BSE _____

S&P BSE Sensex _____

I. COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:

The Company is into financial markets, commodity price risk is minimal. There is no foreign exchange and hedging business activities.

J. OUTSTANDING GLOBAL DEPOSITORY RECEIPTS OR AMERICAN DEPOSITORY RECEIPTS OR WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY:

The Company has not issued these types of securities.

K. LIST OF ALL CREDIT RATINGS OBTAINED BY THE ENTITY ALONG WITH ANY REVISIONS THERETO DURING THE RELEVANT FINANCIAL YEAR, FOR ALL DEBT INSTRUMENTS OF SUCH ENTITY OR ANY FIXED DEPOSIT PROGRAMME OR ANY SCHEME OR PROPOSAL OF THE LISTED ENTITY INVOLVING MOBILIZATION OF FUNDS, WHETHER IN INDIA OR ABROAD

During the year under review, the Company has not issued any debt instrument or fixed deposit receipts etc. in India or abroad.

L. GREEN INITIATIVE IN THE COPORATE GOVERNANCE

As part of the green initiative process, the Company has taken an initiative of sending documents like notice calling Annual General Meeting, Corporate Governance Report, Directors Report, Audited financial Statements, Auditors Report, etc., by email are sent only to those shareholders whose email addresses are not registered with the Company and for bounced mail cases. Shareholders are requested to register their email id with Registrar and Share Transfer Agent/concerned depository to enable the Company to send the documents in electronic form or inform the Company, in writing, in case they wish to receive the above documents in paper mode.

Place: Hyderabad

Date:08.09.2023

**For and on behalf of the Board
Filatex Fashions Limited**

**Prabhat Sethia
Managing Director
DIN: 00699415**

CERTIFICATE ON CORPORATE GOVERNANCE

**TO
THE MEMBERS OF
Filatex Fashions Limited**

We have examined the compliance of the conditions of Corporate Governance by **Filatex Fashions Limited** ('the Company') for the year ended on March 31, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para-C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations').

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2023.

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

**For Manoj Parakh & Associates
Practicing Company Secretary**

**Place: Visakapatnam
Date: 08.09.2023**

**Manoj Parakh
Proprietor
M.NO. F8572; C. P. No: 8957
UDIN NO.F008572E000966584
Peer review no. 3439/2023**



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
Filatex Fashions Limited
Hyderabad

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Filatex Fashions Limited** having CIN L51491TG1994PLC017158 and having registered office at D.No 1-80-40-SP-58-65, Shilpa Homes Layout, Gachibowli Seri, Lingampally, K. V.Rangareddy, Telangana - 500032 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of Director	DIN	Date of appointment in Company	Date of Resignation
1	Mr. Prabhat Sethia	00699415	08/03/1994	NA
2	Mrs. Sangeeta Sethia	02600900	31/03/2015	NA
3	Mr. Vallam Setty Raghuram	08037371	28/12/2017	NA
4	Mr. Tushar Paul	09838714	07/02/2023	05/05/2023
5	Mr. Ramaswamy Reddy Pedinekaulva	07173831	07/02/2023	05/05/2023
6	Mr. Sanjay Ishwarlal Bora	02470629	31/01/2009	07/02/2023
7	Mr. Mutyala Krishna Rao	08037400	28/12/2017	07/02/2023
8	Mr. OM Prakash Sharma	02467963	24/04/2018	02/03/2023
9	Mr. Ravinder Kumar Joshi	01620520	12/01/2022	30/09/2022
10	Mrs. Rani Sharma	08616166	12/01/2022	30/09/2022
11	Mr. Arun Sharma	09180139	05/05/2023	NA
12	Mr. Nageshwara Rao Chitirala	02197018	05/05/2023	NA
13	Ms. Chetna	08981045	01/04/2023	0/09/2023
14	Swapnil Prakash Raka	01815313	08/09/2023	N/A



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

**For Manoj Parakh & Associates
Practicing Company Secretary**

**Place: Visakapatn
Date: 08.09.2023**

**Manoj Parakh
Proprietor
M.NO. F8572; C. P. No: 8957
UDIN NO. F008572E000966584**

Peer Review . No. 3439/2023

**DECLARATION ON CODE OF CONDUCT AS REQUIRED BY SCHEDULE V OF SECURITIES
AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE
REQUIREMENTS) REGULATIONS, 2015**

I, Prabhat Sethia, Managing Director of Filatex Fashions Limited (“the Company”) hereby state and affirm Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management of the company during Financial Year 2022-2023

For Filatex Fashions Limited

Sd/-

Prabhat Sethia
Managing Director
DIN: 00699415

Place: Hyderabad

Date: 08.09.2023

DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

As per Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company hereby discloses the details of unpaid/unclaimed dividend and the respective share thereof as follows:

Aggregate No. of Shareholders at the beginning of the year.	No. of shareholders who approached the company for transfer of shares from suspense account during the year.	No. of shareholders to whom shares were transferred from suspense account during the year.	Aggregate No. of Shareholders at the end of the year.
Nil	Nil	Nil	Nil

**** Voting Right on these shares shall remain frozen till the rightful owner of such shares claims the shares.**

INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF
FILATEX FASHIONS LIMITED**

Report on the Audit of the Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for opinion

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

Emphasis of Matter

Attention is invited to following notes of the financial statements:

1. We draw your attention to Note no.2.29 of the financial statements of the company; The Company has long outstanding trade receivables of Rs.58.66 Cr in the books of accounts for more than 2 years and the company has not provided any provision for bad / doubtful debts in the books of accounts.
2. We draw your attention to Note No.2.30 of the financial statements of the company; Balances of trade receivables, deposits, loans and advances, advances received from the customers and trade payables are subject to confirmation from the respective parties and consequential reconciliation/adjustment arising there from, if any.
3. We draw your attention to Note o.2.31 of the financial statements of the company; Closing stocks are subject to verification and considered in books of accounts as per the management representation.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

Information other than the Financial Statements and Auditor's Report thereon

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibility

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

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ❖ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- ❖ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- ❖ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- ❖ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- ❖ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the '**Annexure A**', a statement on the matters specified in the paragraph 3 and 4 of the order.

2. As required by Section 143 (3) of the Act, we report that

a) We have sought and obtained all the information and explanations except the external confirmations from the parties to the Company, which to the best of our knowledge and belief were necessary for the purposes of our audit. The Management assures of the matching balances in counterparty's books.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss, including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.

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

e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in '**Annexure B**'.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended.

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv.a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has neither paid nor declared any dividend during the year. Therefore, compliance of Section 123 of the Act is not required.

For Pundarikashyam and Associates

Chartered Accountants

Firm Reg. No: 011330S

B. SURYA PRAKASA RAO

Partner

Membership No: 205125

UDIN: 23205125BGTACU7774

Place: Hyderabad

Date: 19-05-2023

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2023.

According to information and explanations given to us, we report that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a.(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(B) The company does not have any intangible assets. Therefore, reporting under clause 3(i)(a)(B) of the said order is not applicable to the company.

b.The company has a regular program of physical verification of its property, plant and equipment including investment property under which the assets are physically verified in a phased manner over a period of two years, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. In accordance with this program, certain property, plant and equipment including investment property were verified during the year and no material discrepancies were noticed on such verification.

c.According to the information and explanations given to us and based on the audit procedures performed by us, the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in Favor of the lessee) disclosed in Note no. 3 to the financial statements are held in the name of the company.

d.The Company has not revalued any of its Property, Plant and Equipment (including right of-use assets) and intangible assets during the year.

e.No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii.

a.According to the information and explanation given to us, the inventory has been physically verified during the year by the management at regular intervals. In our opinion, the procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business, and no material discrepancy of 10% or more exists in the aggregate in each class of inventory.

b.The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

iii. According to the information and explanation given to us and based on the verification of the records of the company, the company has neither made any investment in, provided any guarantee or security nor granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties. Accordingly, reporting under clause 3(iii) of the said Order is not applicable to the company.

iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

v. The Company has not accepted any deposits to which the provisions of Sec. 73 to 76 or any other relevant provisions of the Act and the rules framed there under and the directions issued by the RBI are applicable. Hence this clause is not applicable and not commented upon.

vi. As informed to us, the maintenance of cost records has not been specified by the central government under sub-section (1) of section 148 of the act, in respect of the activities carried on by the company.

vii.

a) According to the information and explanations given to us and on the basis of our examination of the records of the Company amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Service tax, Duty of Customs, Duty of Excise, value added tax, Goods and Service Tax and other material statutory dues have been deposited with occasional delays during the period by the Company with the appropriate authorities. But undisputed statutory dues in respect of Employees State Insurance, Tax deducted at source, remained outstanding for more than six months from the date it became payable as follows. The company has not made any payments in respect of Professional Tax and Provident Fund.

Particulars	More than 6 months in Rs.	Total liability in Rs.
Tax deducted at source	24,68,815	38,55,224
Employees State Insurance	60,959	60,959

b) According to the information and explanation given to us, and the records of the company examined by us, there are no dues of Income tax, Custom duty, Goods and Service Tax, Cess, and other statutory liabilities except Professional tax and Provident Fund which have not been deposited with appropriate authorities on account of any dispute.

There are arrears of disputed amounts payables, against which company had preferred appeals (excluding interest accrued till date) in respect of income tax as at 31.03.2023 as follows.

Assessment year	Amount in
201-20	22,05,7
201-89	31,15,3
201-67	6,06,97,8

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. According to the information and explanation given to us

a. The company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender.

b. The company has not been declared a wilful defaulter by any bank or financial institution or other lender.

c. The terms loans were applied only for those purpose for which they were obtained.

d. Funds raised for short-term basis were not utilized for long-term purposes.

e. The company has no subsidiary, associate or joint ventures. Accordingly, reporting under clause 3(ix)(e) of the said Order is not applicable to the company.

f. The company has no subsidiary, associate or joint ventures. Accordingly, reporting under clause 3(ix)(f) of the said Order is not applicable to the company.

x.

a. The company, on 11.10.2022, has withdrawn the application filed on 23.09.2022, requesting for In principal approval with BSE for issue and allotment of Convertible Share warrants on preferential basis under Regulation 28(1) of the SEBI (Listing obligations and Disclosure Requirements) Regulations 2015.

b. As per the information and explanation given to us, the company has not made any preferential allotment or private placement of shares or convertible debentures during the year. Therefore, reporting under clause 3(x)(b) of the said order is not applicable to the company.

xi.

a.No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

b.No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

c.As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Co. and therefore clause 3(xii) of the Order is not applicable to the Company and we do not comment upon this provision.

xiii. In our opinion, all the Related Party Transactions entered into by the Company during the year are in compliance with the provisions Sec. 188 & 177 of the Act and the details thereof have been disclosed in the Financial Statements as required by the accounting standards and the Act.

xiv

a. In our opinion and according to the information and explanation given to us, the company has internal audit system commensurate with the size and nature of its business.

b. Internal Audit has been conducted for the year under consideration and internal Audit Report has been produced for our verification till the date of signing of our report relevant to the year under audit.

xv.The Company has not entered into any non-cash transactions with directors / persons connected with him as stipulated u/s. 192 of the Act. Clause 3(xv) of the Order is therefore not applicable to the Company.

xvi.

a. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

b. In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been resignation of statutory auditors, i.e., M/s. M M Reddy & Co during the year. The Casual vacancy caused as a result of Resignation of the existing Statutory Auditors has been filled with the appointment of our firm - M/s. Pundarikashyam and Associates as Statutory Auditors of the Company.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. According to the information and explanation given to us and based on the verification of the records of the company, we report that

xx. According to the information and explanation given to us and based on the verification of the records of the company, we report that

xx. According to the information and explanation given to us and based on the verification of the records of the company, we report that

a. In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act.

b. There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of the Act.

xxi. The Company is a Standalone entity and hence, the reporting under paragraph 3(xxi) of the order is not applicable.

For Pundarikashyam and Associates

Chartered Accountants
Firm Reg. No: 011330S

B. SURYA PRAKASA RAO
Partner
Membership No: 205125
UDIN: 23205125BGTACU7774

Place: Hyderabad
Date: 19-05-2023

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of M/s. **FILATEX FASHIONS LIMITED** as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

Page 81 of 2

For Pundarikashyam and Associates

Chartered Accountants

Firm Reg. No: 011330S

B. SURYA PRAKASA RAO

Partner

Membership No: 205125

UDIN: 23205125BGTACU7774

Place: Hyderabad

Date: 19-05-2023

FILATEX FASHIONS LIMITED

CIN: L51491TG1994PLC017158

Regd Office : My fair Gardens, 8-2-682/3/A& 3B, Flat No.201, 2nd Floor, Road No.12 , Banjara hills
, Hyderabad, Telangana -500 034

Balance sheet as at 31st March, 2023

Amount in Lakhs

Particulars	Note No.	31 March 2023	31 March 2022
ASSETS			
Non Current Assets			
(a) Property, plant and equipment	3	339.89	149.27
(b) Capital work-in-progress	3	135.00	135.00
(c) Other Intangible Assets			
(d) Financial assets			
(i) Investments			
(ii) Loans	4	4,089.77	3,946.07
(iii) Other Financial Assets			
(e) Deferred Tax Assets (net)	5	19.13	18.63
(f) Other Non-current assets	6	418.14	418.04
		5,001.93	4,667.01
Current Assets			
(a) Inventories	7	694.22	453.36
(b) Financial assets			
(i) Trade receivables	8	14,041.40	11,253.93
(ii) Cash and Cash equivalents	9	175.98	726.44
(iii) Bank balances other than (b) above	10	17.48	15.85
(c) Other current assets	11	3,499.71	3,070.41
		18,428.79	15,519.98
Total Assets		23,430.72	20,186.99
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	4,840.73	4,840.73
Other equity	13	3,459.84	7,536.79
Total Equity		8,300.57	12,377.52
Liabilities			
Non-current liabilities			
Financial Liabilities			
(a) Borrowings	14	6,514.22	638.43
Current liabilities			
Financial liabilities			
(a) Trade payables	15	7,837.13	6,753.42
(b) Other financial liabilities	16	168.79	155.69
Provisions	17	484.86	116.75
Other Current Liabilities	18	125.15	145.19
		8,615.94	7,171.05
Total Equity and liabilities		23,430.72	20,186.99
Significant accounting policies	1 To 2		

The notes 3-29 form an integral part of financial statements

As per our report of even date

For Pundarikashyam & Associates
Chartered Accountants
FRN: 011330S

For and on behalf of the Board of Directors of
Filatex Fashions Limited
CIN: L51491TG1994PLC0171

B. SURYA PRAKASA RAO
Partner
Membership No: 205125
UDIN: 23205125BGTACU7774

Prabhat Sethia
Managing Director
(DIN: 00699415)

Sangeeta Sethia
Director
(DIN:02600900)

Place: Hyderabad
Date: 19.05.2023

Ankit Sanghai
Chief Financial Officer

Chanchal Sethia
Company Secretary

FILATEX FASHIONS LIMITED
CIN: L51491TG1994PLC017158

Regd Office : My fair Gardens, 8-2-682/3/A& 3B, Flat No.201, 2nd Floor, Road No.12 , Banjara hills , Hyderabad, Telangana - 500 034

Profit and loss statement for the year ended 31st March, 2023

Amount in Lakhs

SI No.	Particulars	Note No.	31 March 2023	31 March 2022
	Income			
I	Revenue from operations	19	16,410.83	11,531.72
II	Other income	20	364.22	34.46
III	Net gain on de-recognition of financial assets at amortized cost			
IV	Net gain on reclassification of financial assets			
III	Total Income (I+II)		16,775.05	11,566.18
	Expenses			
IV	Cost of materials consumed	21	14,278.12	10,797.58
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	22	30.63	2.66
	Employee benefits expense	23	211.95	75.77
	Finance costs	24	133.70	57.48
	Depreciation and amortization expense	3	45.96	46.97
	Net loss on de-recognition of financial assets at amortized cost			
	Net loss on reclassification of financial assets			
	Other expenses	25	398.84	183.09
	Total expenses		15,099.21	11,163.56
V	Profit/(loss) before exceptional and tax (III-IV)		1,675.84	402.62
VI	Exceptional items			-
VII	Profit before tax (V-VI)		1,675.84	402.62
VIII	Tax expense:			
	Current tax		484.86	116.75
	Deferred tax		-0.50	-4.74
IX	Profit/(loss) for the period from continuing operations (VII-VIII)		484.37	112.01
X	Profit/(loss) from discontinued operations			-
XI	Tax expense of discontinued operations			-
XII	Profit/(loss) from discontinued operations (after tax) (X-XI)			-
XIII	Profit/(loss) for the period (IX+XII)		1,191.47	290.61
XIV	Other comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss			-
	(ii) Income tax relating to items that will not be reclassified to profit or loss			-
	B (i) Items that will be reclassified to profit or loss			-
	(ii) Income tax relating to items that will be reclassified to profit or loss			-
XV	Total comprehensive income for the period (XIII+XIV)		1,191.47	290.61
XVI	Earnings per equity share (for continuing operation)			
	(1) Basic		1.23	0.30
	(2) Diluted		1.23	0.30
XVII	Earnings per equity share (for discontinued operation)			
	(1) Basic		-	-
	(2) Diluted		-	-
XVIII	Earnings per equity share (for discontinued & continuing operations)			
	(1) Basic		1.23	0.30
	(2) Diluted		1.23	0.30

The notes 3-29 form an integral part of financial statements

As per our report of even date

For Pundarikashyamand Associates

Chartered Accountants

FRN: 011330S

For and on behalf of the Board of Directors of

Filatex Fashions Limited

CIN: L51491TG1994PLC0171

B. SURYA PRAKASA RAO
Partner
Membership No: 205125
UDIN: 23205125BGTACU7774

Prabhat Sethia
Managing Director
(DIN: 00699415)

Sangeeta Sethia
Director
(DIN:02600900)

Place: Hyderabad
Date: 19.05.2023

Ankit Sanghai
Chief Financial Officer

Chanchal Sethia
Company Secretary

FILATEX FASHIONS LTD
CIN: L51491TG1994PLC017158

Cash flow statement for the year ended 31st March, 2023

Amount in Lakhs

	Particulars	For the year ended 31st March,	
		2023	2022
A	Cash flow from Operating activities		
	Profit before tax	1,675.84	402.62
	Adjustments for:		
	Depreciation and Amortisation	45.96	46.97
	Interest expense	133.70	39.71
	Interest Income	-361.86	-33.37
	Operating Profit Before Working Capital Changes	-182.19	53.31
		1,493.65	455.93
	Change in Trade Receivables	-2,787.47	-6,848.85
	Change in Deposits, loans and advances	-143.70	-1,535.01
	Change in Inventories	-240.87	-324.09
	Change in Other Non current	-0.10	-
	Change in Other Current Assets	-429.30	-2,336.59
	Change in Trade Payables	1,083.71	5,850.04
	Change in Other Financial Liabilities	13.11	149.31
	Change in Provisions	-	-
	Change in Other Current liabilities	-20.04	-19.01
		-2,524.65	-5,064.21
	Cash Generated from Operating activities	-1,031.00	-4,608.28
	less: Taxes Paid	116.75	7.70
	Net Cash Generated from Operating activities	-1,147.76	-4,615.98
B	Cash flow from Investment activities		
	Capital Expenditure on Fixed Assets including CWIP	-236.59	-2.25
	Interest received On Fixed Deposits	361.86	33.37
	Net Cash used in Investing Activities	125.27	31.12
C	Cash flow from Financing activities		
	Increase in Share Capital including Premium	-	-
	Increase in money received against share warrants	-5,268.43	4,597.30
	Proceeds from Long & Short Borrowings	5,875.79	634.70
	Interest paid on borrowings	-	-
	Net Cash flow from Financing activities	473.66	5,192.29
	Net Cash Increase in Cash and Cash Equivalents (A+B+C)	-548.82	607.43
	Cash and Cash equivalents at the beginning of the Year	742.28	134.85
	Cash and Cash equivalents at the end of the Year	193.46	742.28

The notes 3-29 form an integral part of financial statements

As per our report of even date

For Pundarikashyam and Associates
Chartered Accountants
FRN: 011330S

For and on behalf of the Board of Directors of
Filatex Fashions Limited
CIN: L51491TG1994PLC0171

B. SURYA PRAKASA RAO
Partner
Membership No: 205125
UDIN: 23205125BGTACU7774

Prabhat Sethia
Managing Director
(DIN: 00699415)

Sangeeta Sethia
Director
(DIN:02600900)

Place: Hyderabad
Date: 19.05.2023

Ankit Sanghai
Chief Financial Officer

Chanchal Sethia
Company Secretary

FILATEX FASHIONS LIMITED
CIN: L51491TG1994PLC017158

Statement of Changes in equity as at 31st March, 2023

Equity share capital		Amount in Lakh
Particulars	No. of shares	Amount
Balance as at 1st April 2021	968.15	4,840.73
Changes in equity share capital	-	-
Balance as at 31st March 2022	968.15	4,840.73
Changes in equity share capital	-	-
Balance as at 31st March 2023	968.15	4,840.73

(b) Other equity

Amount in Lakhs

Particulars	Reserves and surplus					Total
	Securities premium	General Reserve	Retained earnings	Revaluation Surplus	Share warrants issued	
Balance as at 1st April 2021	762.50	513.67	701.59	-	671.12	2,648.88
Movement during the year	-	-	290.61	-	4,597.30	4,887.91
Balance as at 31st March 2022	762.50	513.67	992.20	-	5,268.43	7,536.70
Movement during the year	-	-	1,191.47	-	-5,268.43	-4,076.96
Balance as at 31st March 2023	762.50	513.67	2,183.68	-	-	3,459.85

The notes 3-29 form an integral part of financial statements

For Pundarikashyam and Associates
Chartered Accountants
FRN: 011330S

For and on behalf of the Board of Directors of
Filatex Fashions Limited
CIN: L51491TG1994PLC0171

B. SURYA PRAKASA RAO
Partner
Membership No: 205125
UDIN: 23205125BGTACU7774

Prabhat Sethia
Managing Director
(DIN: 00699415)

Sangeeta Sethia
Director
(DIN: 02600900)

Place: Hyderabad
Date: 19.05.2023

Ankit Sanghai
Chief Financial Officer

Chanchal Sethia
Company Secretary

FILATEX FASHIONS LIMITED
CIN: L51491TG1994PLC017158

Notes to the financial statements as at 31st March 2023

Note 3: Property, Plant and Equipment

Amount in Lakhs

Particulars	Land	Building	Plant and Machinery	Electrical Installations and equipment	Computers	Furniture & Fixtures	Vehicles	Total PPE	Capital WIP
Carrying amount as at April 01, 2021	13.79	35.56	118.97	1.02	2.82	0.18	21.64	193.99	135.00
Addition during the year	-	-	-	-	2.25	-	-	2.25	-
Deduction during the year	-	-	-	-	-	-	-	-	-
Depreciation For the year	-	5.45	25.91	-	0.54	-	15.07	46.97	-
Net Carrying amount as at March 31, 2022	13.79	30.12	93.06	1.02	4.53	0.18	6.57	149.27	135.00
Carrying amount as at April 01, 2022	13.79	30.12	93.06	1.02	4.53	0.18	6.57	149.27	135.00
Addition during the year	-	-	17.88	9.07	3.59	-	206.06	236.59	-
Deduction during the year	-	-	-	-	-	-	-	-	-
Depreciation For the year	-	5.45	26.42	0.15	1.86	-	12.08	45.96	-
Net Carrying amount as at March 31, 2023	13.79	24.67	84.51	9.94	6.26	0.18	200.54	339.89	135.00

FILATEX FASHIONS LIMITED

CIN: L51491TG1994PLC017158

Notes to the financial statements as at 31st March 2023

Amount in Lakhs.

Note	Particulars	31 March 2023	31 March 2022
4	Deposits, loans and advances		
	(i) Security Deposits		
	Secured, considered good		
	Unsecured, considered good	1.97	1.97
	Doubtful		
	Less: Provision for doubtful advances		
		1.97	1.97
	(ii) Rental advances		
	Secured, considered good		
	Unsecured, considered good	0.11	3.06
	Doubtful		
	Less: Provision for doubtful advances		
		0.11	3.06
	(iii) Advances		
	Secured, considered good		
	Unsecured, considered good	4,087.68	3,941.04
	Doubtful		
	Less: Provision for doubtful advances		
		4,087.68	3,941.04
	Total of Deposits, loans and advances	4,089.77	3,946.07
5	Deferred Tax Assets (net)		
	Opening balance of Deferred Tax Asset/(liability)	18.63	13.89
	add: Deferred Tax Asset/(liability)	0.50	4.74
	Closing balance of Deferred Tax Asset/(liability)	19.13	18.63
6	Other non-current assets		
	Capital advances	199.08	199.08
	Interest to be capitalised	219.05	218.96
		418.14	418.04
7	Inventories		
	Raw material	694.22	422.72
	Stock in progress		3.52
	Finished Goods		27.11
		694.22	453.36
8	Trade receivables		
	Secured, considered good		
	Unsecured, considered good	14,041.40	11,253.93
	Doubtful		-
	Less: Provision for doubtful advances		-
		14,041.40	11,253.93

FILATEX FASHIONS LIMITED

CIN: L51491TG1994PLC017158

Notes to the financial statements as at 31st March 2023

9	Cash and cash equivalents		
	Balances with banks	46.38	543.81
	Cash on hand	129.59	182.63
		175.98	726.44
10	Bank Balances other than above (Includes fixed deposits placed as security margin against borrowings Obtained)	17.48	15.85
11	Other Current Assets		
	Other loans - Advance to suppliers		
	Secured, considered good		
	Unsecured, considered good	2,090.19	1,791.56
	Doubtful		-
	Less: Provision for doubtful advances		-
		2,090.19	1,791.56
	Advance for Investment	1,173.00	1,173.00
	TDS / TCS receivable	23.29	12.35
	GST Input	43.84	-
	Other Current Assets	169.38	93.51
		3,499.71	3,070.41

Amount in Lakhs

Note	Particulars	31 March 2023	31 March 2022
12	Equity Share capital		
	Authorised Capital 10,20,00,000 equity Shares of Rs 5 each	5,100.00	5,100.00
	Issued, subscribed and fully Paid-up 9,68,14,545 equity Shares of Rs 5 each	4,840.73	4,840.73
	Notes:		
	(i) Rights, preferences and restrictions attached to equity shares		
	The Company has only one class of equity shares having a par value of Rs. 5/- per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the No. of Equity Shares held by the shareholders.		
	(ii) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year :		
		As at 31st March, 2023	As at 31st March, 2022
	Equity shares	Number of shares	Amount
	Shares outstanding at the beginning of the year	968.15	4,840.73
	Issue of shares during the year	0.00	0.00
	Shares outstanding at the end of the year	968.15	4,840.73
	(iii) Details of shares held by each share holder more than 5% of equity shares :		
	Name of Shareholder	Number of shares	% of Holding
	Chirag Bhandari	55.07	5.69%
	Sailesh Kumar Agrawal	52.00	5.37%
	Deepak Mittal	51.00	5.27%
13	Other equity		
	(i) Reserves and surplus		
	Securities premium account		
	Balance at the beginning of the year	762.50	762.50
	Movement during the year	-	-
		762.50	762.50
	General Reserve		
	Balance at the beginning of the year	513.67	513.67
	Movement during the year	-	-
		513.67	513.67
	Revaluation Surplus		
	Balance at the beginning of the year	-	-
	Movement during the year	-	-
		-	-
	Retained Earnings		
	Balance at the beginning of the year	992.20	701.59
	Add: (loss)/profit for the year	1,191.47	290.61
		2,183.68	992.20
		3,459.84	2,268.37
	(ii) Money received against share warrants		
	Share warrants Issued, subscribed and not fully Paid-up (*)	-	5,268.43
		3,459.84	7,536.79

(*) The Application filed for issue and allotment of 30,72,00,000 convertible share warrants on a preferential basis under Regulation 28(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, filed on. 23.09.2022 has been withdrawn during the year through withdraw Application Dated.11.10.2022.

Note	Particulars	31 March 2023	31 March 2022
14	Borrowings		
	Loans from Banks		
	Secured*	934.20	794.12
	Unsecured - Loans from Directors	5,748.81	-
		6,683.01	794.12
	Total loans	6,683.01	794.12
	less: Current maturities of long term debt	168.79	155.69
		6,514.22	638.43
<p>*Note : Secured loans consist of loans taken from Godavari Urban Multistate Credit Co-Op. Society Ltd and Mercedes-Benz Finanical Services India Pvt Ltd.</p> <p>An amount of Rs. 7.50 Crores of mortgage loan has been taken from Godavari Urban Multistate Credit Co-Op. Society Ltd, which secured by way of House No : 1/14/246 to 1/14/252 , In Survey No.75 / 2, admeasuring land (Doc.no.8 16 /2017)=1600) sq yds or 1337.6 sq.m Situated at Rasoolpura , Balamrai , Secunderabad ,Telanagana State.The loan is repayable in 120 Equated Monthly Installments of Rs. 12,56,349/- carrying Interest rate of Interest@16%.</p> <p>An amount of Rs.1.04 Crores Vehicle loan has been taken from Mercedes-Benz Finanical Services India Pvt Ltd., is secured by way of Benz car. The loan is repayable in 60 Equated Monthly Installments of Rs.2,13,359/-, carrying interest rate @8.20%.</p>			
15	Trade payables		
	Payable to other than Micro, Small and Medium enterprises	7,837.13	6,753.42
		7,837.13	6,753.42
16	Other financial liabilities		
	Current maturities of Long term debt	168.79	155.69
17	Provisions		
	Provision for Income Tax	484.86	116.75
	Other Provisions		
		484.86	116.75
18	Other current liabilities		
	TDS Payable	38.55	16.85
	GST Payable	-	12.66
	Audit Fee payable	5.00	1.62
	Other Current liabilities	81.60	114.05
		125.15	145.19

Note	Particulars	31 March 2023	31 March 2022
19	Revenue from operations		
	Sale of Products	16,410.83	11,531.72
	Sale of Services		-
	Other operating revenues		-
		16,410.83	11,531.72
20	Other income		
	Interest Income	361.86	33.37
	Income from Ground rent	1.10	1.10
	Other income	1.27	-
		364.22	34.46
21	Cost of materials consumed		
	Opening Stock of raw materials	422.72	95.97
	Purchases	14,549.62	11,124.33
	less: Closing stock	694.22	422.72
	Total cost of raw material consumed	14,278.12	10,797.58

22	Changes in inventories of finished goods, stock-in-trade and work-in-progress		
	Opening stock		
	Finished goods	27.11	29.26
	Work in progress	3.52	4.03
	<i>Less: Closing stock</i>		
	Finished goods	-	27.11
	Work in progress	-	3.52
	Change in Inventories	30.63	2.66
23	Employee benefits expense		
	Salaries, Wages and other allowances	187.95	66.77
	Directors remuneration	24.00	9.00
		211.95	75.77
24	Finance Cost		
	Interest expense	133.33	39.71
	Other borrowing costs (Bank Charges)	0.37	17.78
		133.70	57.48

Note	Particulars	31 March 2023	31 March 2022
25	Other expenses		
	Electricity Charges	63.97	31.40
	Audit Fee	3.50	1.50
	Audit Fee - Limited Review	1.50	-
	Rent	10.80	11.70
	Traveling Expenses	65.97	18.93
	Legal & Professional	37.07	11.58
	Office Expenses	10.51	5.44
	Vehicle Maintenance	3.99	2.85
	Transportation charges	27.21	7.80
	Telephone Charges	3.85	1.21
	Repairs and maintainance	17.08	1.77
	Insurance	3.09	1.24
	Advertisement	7.97	2.18
	Expenses other than above	142.34	85.49
	Other expenses total	398.84	183.09

FILATEX FASHIONS LIMITED

Note No.27 : Ratio Analysis and its Elements

Relevant Para of the CARO 2020 - 3(xix)

S.No	Ratio Analysis	Numerator	Denominator	3/31/2023	3/31/2022	% Change	Reasons for Variance
1	Current Ratio	Current Assets Inventories Sundry Debtors Cash and Bank balances Loans and Advances Any other current assets	Current Liabilities Creditors Short term loans Short term Borrowings Short Term Provisions Any other current liabilities	2.67	2.77	-4%	
2	Debt Equity Ratio	Total Liabilities Total Outside Liabilities	Shareholder's Equity Total Shareholders Equity	1.82	0.63	189%	Increase in Unsecured loans by promoters and reduction of equity pursuant to withdrawal of issue and allotment of Convertible Share warrants on preferential basis
3	Debt Service Coverage Ratio	Net Operating Income Net Profit after tax + non-cash operating expenses like depreciation and other amortizations + Interest+other adjustments like loss on sale of fixed assets,etc.	Debt Service Current Debt Obligation (Interest + Installments)	8.12	2.54	220%	Increase in Profit
4	Return on Equity Ratio	Profit for the period Net Profit after taxes - preference dividend (if any)	Avg. Shareholders Equity (Beginning shareholders' equity + Ending shareholders' equity) ÷ 2	0.12	0.03	294%	Increase in Sales and Profit
5	Inventory Turnover Ratio	Cost of Goods sold (Opening Stock + Purchases) - Closing Stock	Average Inventory (Opening Stock + Closing Stock)/2	24.94	41.43	-40%	Avg.holding level was decreased due to increase of Trading Turnover in current year.
6	Trade Receivables Turnover Ratio	Net Credit Sales Credit Sales	Average Trade Receivables (Beginning Trade Receivables + Ending Trade Receivables) / 2	1.30	1.47	-12%	
7	Trade Payables Turnover Ratio	Total Purchases Annual Net Credit Purchases	Average Trade Payables (Beginning Trade Payables + Ending Trade Payables) / 2	1.76	2.91	-39%	As purchases are increased in the year 2021-22 & 2022-23 as compared to 2020-21, Avg. payables has been reduced in the year 2021-22. As such, Trade payable turnover ratio is effected.
8	Net Capital Turnover Ratio	Net Sales Total Sales - Sales Return	Average Working Capital Current Assets - Current Liabilities	1.67	1.38	21%	
9	Net Profit Ratio	Net Profit Profit After Tax	Net Sales Sales	0.07	0.03	188%	Increase in Sales and Profit
10	Return on Capital employed	EBIT Profit before Interest and Taxes	Capital Employed Total Assets - Current Liabilities	0.09	0.03	234%	Increase in Sales and Profit
11	Return on Investment	Return/Profit/Earnings	Investment				Not Applicable as there are no Non Current Investments.

Note : Explanation for the movement is given where movement is more than 25% when compared to the previous year as required by law.

FILATEX FASHIONS LIMITED
Note No.28 : Trade Receivables Ageing

Trade Receivables ageing schedule as at 31st March,2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables -considered good	2,179.11		5,996.40	5,865.88		14,041.40
(ii) Undisputed Trade receivables -considered doubtful	-	-	-			-
(iii) Disputed trade receivables considered good	-	-				-
(iv) Disputed trade receivables considered doubtful	-	-				-
Total	2,179.11	-	5,996.40	5,865.88	-	14,041.40

94 **Trade Receivables ageing schedule as at 31st March,2022**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables -considered good	8,154.93			3,099.00		11,253.93
(ii) Undisputed Trade receivables -considered doubtful						-
(iii) Disputed trade receivables considered good						-
(iv) Disputed trade receivables considered doubtful						-
Total	8,154.93	-	-	3,099.00	-	11,253.93

Note A26:G64e No.29 : Trade Payables Ageing
Trade Payables ageing schedule: As at 31st March,2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-				-
(ii) Others	213.29	1,611.81	4,722.81	1,289.21	7,837.13
(iii) Disputed dues- MSME					-
(iv) Disputed dues - Others					
Total	213.29	1,611.81	4,722.81	1,289.21	7,837.13

Trade Payables ageing schedule: As at 31st March 2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME					-
(ii) Others		6,753.42			6,753.42
(iii) Disputed dues- MSME					-
(iv) Disputed dues - Others					
Total	-	6,753.42	-	-	6,753.42

For Pundarikashyam & Associates
Chartered Accountants
FRN: 011330S

For and on behalf of the Board of Directors of
Filatex Fashions Limited
CIN: L51491TG1994PLC0171

B. Surya Prakasa Rao
(Partner)
Membership No: 205125

Prabhat Sethia
Managing Director
(DIN: 00699415)

Sangeeta Sethia
Director
(DIN:02600900)

Date: 19.05.2023
Place: Hyderabad
UDIN: 23205125BGTACU7774

Ankit Sanghai
Chief Financial Officer

Chanchal Sethia
Company Secretary

FILATEX FASHIONS LIMITED
Depreciation as per Income Tax Act
FY 2022-23

Amount in Lakhs

S No.	Assets	Rate	Opening Balance	Additions		Sales	Total	Depreciation			Total Depreciation	Closing Balance As at 31.03.2023
				Upto 03.10.2022	After 03.10.2022			Opening	Upto 03.10.2022	After 03.10.2022		
a)	Buildings	10%	31.28	-	-	-	31.28	3.13	-	-	3.13	28.15
b)	Plant & Machinery	15%	132.80		24.28	-	157.08	19.92	-	1.82	21.74	135.34
c)	Computers	40%	4.02	1.12	2.47	-	7.61	1.61	0.45	0.49	2.55	5.06
d)	Furnitures & Fixtures	10%	9.66			-	9.66	0.97	-	-	0.97	8.70
e)	Vehicles	15%	-		206.06	-	206.06	-	-	15.45	15.45	190.60
f)	Mobile	15%			1.63		1.63	-	-	0.12	0.12	1.51
g)	CC-Camera	40%			1.03		1.03	-	-	0.21	0.21	0.83
Total			177.77	1.12	235.47	-	414.36	25.62	0.45	18.10	44.17	370.19

FLATEX FASHIONS LIMITED
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE
FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023.

1. Company Overview:

FILATEX FASHIONS LIMITED ("the Company") is a Public Company which was incorporated on 08-03- 1994. The principal activity of the company is to manufacture Socks. The Company's Factory is situated at Plot No. 1, SY No.42, Chetlapotharam village, Jinnaram mandal, Medak District, Hyderabad - 500043, Telangana, India. The company has its registered office at Flat No.201, Mayfair Garden Apartments, Road No.12, Banjara Hills, Hyderabad - 500 034, Telangana, India. The Company is listed on One stock exchange i.e., at Bombay Stock Exchange.

2. Significant accounting policies:

2.1. Statement of Compliance

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), and the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

2.2. Basis of preparation

These financial statements have been prepared under the historical cost basis and on the accrual basis except for certain financial instruments that are measured at fair value in accordance with Ind AS and certain items of property plant and equipment that were revalued in earlier years in accordance with the previous GAAP principles and the provisions of the Companies Act, 2013 ('Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services

2.3. Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Indian Accounting Standards.

2.4. Cash flow statement:

Cash flow statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method under the indirect method, the net profit/(loss) is adjusted for the effects of:

2.4.1. Changes during the period in inventories and operating receivables and payables and transactions of a non -Cash nature.

2.4.2. Non-cash items such as depreciation, provisions, unrealized foreign currency gains and losses, and undistributed profits of associates; and

2.4.3. All other items for which the cash effects are investing or financing cash flows.

2.4.4. The cash flows from operating, investing and financing activities of the Company is segregated based on the available information. Cash and cash equivalents (including bank balances) are reflected as such in the Cash Flow Statement.

2.5. Use of Accounting Estimates:

The preparation of the financial statements requires that the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

FLATEX FASHIONS LIMITED
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE
FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023.

2.6. Property, Plant and Equipment:

Property, Plant and Equipment are stated at cost of acquisition including applicable duties and taxes, any directly attributable expenditure on making the asset ready for its intended use, attributable interest and finance costs, if any, till the date of acquisition/ installation of the assets less accumulated depreciation and impairment losses, if any. Subsequent expenditure relating to Property, Plant and Equipment is capitalized only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

2.7. Intangible Assets:

Identifiable intangible assets are recognised when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured. Intangible assets are stated at cost, less accumulated amortization and accumulated impairment losses, if any. The estimated useful life and amortization method reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.8. Depreciation/ Amortization:

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost less its estimated residual value. Depreciation on Property, Plant and equipment has been provided on Straight -Line method in accordance with the Schedule II of the Companies Act, 2013, based on the useful life estimated on the technical assessment as in force and proportionate depreciation are charged for additions/deletions during the year. In respect of additions / deletions to the fixed assets / leasehold improvements, depreciation is charged from the date the asset is ready to use / up to the date of deletion. The asset's useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

2.9. Financial instruments:

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at transaction values and where such values are different from the fair value, at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.9.1. Financial Assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss is initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following categories.

FLATEX FASHIONS LIMITED
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE
FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023.

2.9.1.1. Financial Assets at Amortized Cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.9.1.2. Financial Assets Measured at Fair Value

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in case where the company has made an irrevocable selection based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income. In any other case, financial asset is fair valued through profit and loss.

2.9.1.3. Impairment of Financial Assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in statement of profit or loss.

2.9.1.4. De-recognition of Financial Assets

The Company de-recognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognizes a collateralized borrowing for the proceeds received.

2.9.2. Equity Instruments and Financial Liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

2.9.2.1 Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

2.9.2.2. Financial Liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

FLATEX FASHIONS LIMITED
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE
FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023.

292.2.31.Subsequent Measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

2.9.2.4.De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

2.10. Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with the Ind AS16's requirement for cost model.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no further economic benefits expected from disposal. Any gain or loss arising on de-recognition of the property is included in profit or loss in the period in which the property is derecognized.

The company does not have any Investment properties.

2.11. Inventories:

2.11.1. Raw Materials:

Raw Materials, construction materials and stores & spares are valued at weighted average cost or under. Cost includes all charges in bringing the materials to the place of usage, excluding refundable duties and taxes.

2.11.2. Work in Progress:

Work-in-Progress is valued at the contracted rates less profit margin/estimates.

2.12. Cash and cash equivalent:

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and demand deposits with an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

2.13. Provisions, Contingent Liabilities and Contingent Assets:

The Company recognizes provisions when there is present obligation as a result of past event and it is probable that there will be an outflow of resources and reliable estimate can be made of the amount of the obligation. A disclosure for Contingent liabilities is made in the notes on accounts when there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources.

Contingent assets are disclosed in the financial statements when flow of economic benefit is probable.

FLATEX FASHIONS LIMITED
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE
FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023.

2.14. Revenue Recognition

Revenue from construction/project related activity and contracts for supply/commissioning of complex plant and equipment is recognised as follows:

2.14.1. Cost plus contracts: Revenue from cost plus contracts is determined with reference to the recoverable costs incurred during the period and the margin as agreed with the customer.

2.14.2. Fixed price contracts: Contract revenue is recognised only to the extent of cost incurred till such time the outcome of the job cannot be ascertained reliably subject to condition that it is probable that such cost will be recoverable. When the outcome of the contract is ascertained reliably, contract revenue is recognised at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completions the proportion of cost of work performed to-date, to the total estimated contract costs.

The estimated outcome of a contract is considered reliable when all the following conditions are satisfied:

- i. the amount of revenue can be measured reliably.
- ii. it is probable that the economic benefits associated with the contract will flow to the company.
- iii. the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- iv. the costs incurred or to be incurred in respect of the contract can be measured reliably.

Expected loss, if any, on a contract is recognised as expense in the period in which it is foreseen, irrespective of the stage of completion of the contract. For contracts where progress billing exceeds the aggregate of contract costs incurred to-date and recognised profits (or recognised losses, as the case may be), the surplus is shown as the amount due to customers. Amounts received before the related work is performed are disclosed in the Balance Sheet as a liability towards advance received. Amounts billed for work performed but yet to be paid by the customer are disclosed in the Balance Sheet as trade receivables. The amount of retention money held by the customers is disclosed as part of other current assets and is reclassified as trade receivables when it becomes due for payment.

2.15. Other income:

2.15.1. Dividend Income: Dividend income from Investments is recognised when the shareholder's right to receive payment has been established.

2.15.2. Interest income: Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.16. Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

2.17. Claims

Claims against the company not acknowledged as debts are disclosed under contingent liabilities. Claims made by the company are recognised as and when the same is approved by the respective authorities with whom the claim is lodged.

FLATEX FASHIONS LIMITED
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE
FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023.

2.18. Commitments

Commitments are future liabilities for contractual expenditure. Commitments are classified and disclosed as follows

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for
- b) Uncalled liability on shares and other investments partly paid
- c) Funding related commitment to subsidiary, associate and joint venture companies and Other non-cancellable commitments, if any, to the extent they are considered material
- d) and relevant in the opinion of management
- e) Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

2.19. Foreign exchange translation and foreign currency transactions:

The functional currency and presentation currency of the Company is the Indian rupee.

Foreign currency transactions are accounted at the exchange rates prevailing on the date of transactions. Gains and losses resulting from settlement of such transactions are recognised in the Statement of Profit and Loss.

Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end rates. The difference in translation of monetary assets and liabilities and realized gains and losses on foreign exchange transactions are recognised in the Statement of Profit and Loss.

The exchange difference on restatement of long-term receivables / payables from / to foreign operations that are considered as net investments in such operation are recognised in the statement of profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate.

2.20. Employee Benefits:

Provident fund is defined Contribution scheme and contributions are charged to profit and loss account of the year when the contributions to the respective funds are due. Other retirement benefits such as Gratuity, leave encashment etc., are recognized on basis of an Actuarial Valuation.

2.21. Borrowing Costs:

Borrowing costs include interest expense calculated using the effective interest method and finance charges in respect of assets acquired on finance lease.

Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset are included in the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. All other borrowing costs are recognised in profit and loss in the period in which they are incurred.

2.22. Taxation:

Income tax expense represents sum of the tax currently payable and deferred tax.

2.21.1. Current Tax: Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income tax Act, 1961.

2.22.2. Deferred tax: Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in the computation of taxable profit

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

FLATEX FASHIONS LIMITED
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE
FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period

2.23. Leases:

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership over the leased term, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight -line basis over the lease term except where the lease payments are structured to increase in line with expected general inflation. Assets acquired on finance lease are capitalised at fair value or present value of minimum lease payment at the inception of the lease, whichever is lower.

2.24. Fair value measurement

The Company measures certain financial instruments at fair value at each reporting date. Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a. In the principal market for the asset or liability, or
- b. In the absence of principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimising the use of unobservable inputs.

2.25. Earnings per Share:

Basic earnings per equity share are computed by dividing the net profit for the year attributable to the Equity Shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit for the year, reduced for the effects of dilutive potential equity shares, attributable to the Equity Shareholders by the weighted average number of the equity shares and dilutive potential equity shares outstanding during the year except where the results are anti -dilutive.

2.26

2.26. Directors' Remuneration:

Particulars	202 -23	202 1-22
Salary and allow ances	24.00	9.00

FLATEX FASHIONS LIMITED
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE
FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023.

2.26.2 Audit Fee:

Particulars	20223	20222
Audit fee	3.50	1.50
Limited Review Fee	1.50	--

2.27. Segment Reporting:

The Company has only Cotton Product activity hence segment report has not been given.

2.28. Related Party:

As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, the disclosures of transaction with the related parties as defined in Accounting Standards are given below.

2.28.1 List of related parties with whom transactions have taken place and relation

S. No.	Name of the Related Party	Relationship
1	Prabhat Sethia	Managing Director
2	Sangeeta Sethia	Wife of Prabhat Sethia (MD)

2.28.2 Transactions during the year with related parties:

S. No.	Nature of Transaction	Name of the Related Party	FY 2022- 2023	FY 2021 - 2022	Relation
1	Remuneration	Prabhat Sethia	24.00	9.00	Managing Director
2	Advance against property Paid	Prabhat Sethia	--	139.15	Managing Director
3	Advance against property Paid	Sangeeta Sethia	--	188.80	Wife of Prabhat Sethia (MD)
4	Rent	Sangeeta Sethia	10.80	10.80	Wife of Prabhat Sethia (MD)

FLATEX FASHIONS LIMITED
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE
FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023.

2.28.3 . Outstanding Balances with related parties:

S. No.	Nature of Transaction	Name of the Related Part	As at 31.03.2023	As at 31.03.202
1	Rem uneration Payable	Prabhat Sethia	5.00	-
2	A dvance again property	PrabhaSethia	564 .53	564 .5
3	A dvance again property	Sangeeta Seth	240 .85	240 .8
4	Rent Payable	Sangeeta Seth	27 .23	20.80

2.29. The company has long outstanding trade receivables of Rs.58.66 Crores in the books of accounts for more than 2 years and the management believes that these trade receivables are realizable and hence provision for doubtful debts not required to be provided.

2.30. Balances of the trade receivables, deposits, loans and advances, advances received from the customers and trade payables are subject to confirmation from the respective parties and consequential adjustments arising from reconciliation, if any. However, the management believes that there will not be any material changes to the balances as reflected in the books of accounts as on March 31, 2023.

2.31. The inventory has been physically verified during the year by the management at regular intervals and the management believes that there will not be any material differences to the balances as reflected in the books of accounts as on March 31, 2023.

2.32. Previous year figures have been regrouped/ rearranged where necessary to conform to current year's classification.

2.33. All the Financial figures have been stated in lakhs except EPS and unless otherwise stated.

For Pundarikashyam and Associates
Chartered Accountants
Firm Reg No: 011330S

For and on behalf of the Board of Directors of
FILATEX FASHIONS LIMITED
CIN: L51491TG1994PLC017158

B. SURYA PRAKASA RAO
Partner
Membership No: 205125
UDIN: 23205125BGTACU7774

Prabhat Sethia
Managing Director
(DIN: 00699415)

Sangeeta Sethia
Director
(DIN:02470629)

Place: Hyderabad
Date: 19-05-2023

Ankit Sanghai
Chief Financial Officer

Chanchal Sethia
Company Secretary

FLATEX FASHIONS LIMITED
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE
FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023.

Note No : 26 Other Statutory Information

- i. The Company does not have any Benami Property, where any proceeding has been initiated or pending against the company for holding Benami Property.
- ii. The Company does not have any transactions with Companies struck off.
- iii. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv. The Company has not traded or invested in Crypto currency or virtual currency during the financial year.
- v. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:
 - a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate beneficiaries) or
 - b. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- vi. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding party) with the understanding (whether recorded in writing or otherwise) that the company shall :
 - a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding party (Ultimate Beneficiaries) or
 - b. Provide any guarantee, security or the like on behalf of the Ultimate beneficiaries.
- vii. The Company have not such transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income tax Act, 1961. (Such as search survey or any other relevant provisions of the Income tax Act 1961.)

For Pundarikashyam and Associates

Chartered Accountants
Firm Reg No: 011330S

For and on behalf of the Board of Directors of

FILATEX FASHIONS LIMITED
CIN: L51491TG1994PLC017158

B. SURYA PRAKASA RAO
Partner
Membership No: 205125
UDIN: 23205125BGTACU7774

Prabhat Sethia
Managing Director
(DIN: 00699415)

Sangeeta Sethia
Director
(DIN:02470629)

Place: Hyderabad
Date: 19-05-2023

Ankit Sanghai
Chief Financial Officer

Chanchal Sethia
Company Secretary