

AADI INDUSTRIES LIMITED

421, 4th Floor, Kailash Plaza, VallabhBaug Lane, Near R-Odeon Mall, Ghatkopar
(East),
Mumbai – 400077.

Date: September 04, 2023

To,
BSE Limited
Department of Corporate Services,
Phiroze Jejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001

Ref: Scrip Code: 530027
ISIN : INE563D01013

Sub: Annual Report for the financial year ended March 31, 2023

Dear Sir,

This is to inform you that the 29th Annual General Meeting (“AGM”) of the Company is scheduled to be held on Tuesday, September 26, 2023, at 12.00 Noon at the registered office of the Company at 421, 4th Floor, Kailash Plaza, Vallabh Baug Lane, Near R-Odeon Mall, Ghatkopar (East), Mumbai - 400077.

Please find enclosed Annual Report for the financial year ended March 31, 2023.

Kindly take the same on record.

Thanking you,
Yours Truly,
For Aadi Industries Limited

RUSHABH Digitally signed by
RUSHABH
JITENDRA SHAH
Date: 2023.09.04
12:44:34 +05'30'
JITENDRA
SHAH

Rushabh Shah
Managing Director
(DIN: 01944390)

Encl:a/a

AADI INDUSTRIES LIMITED

29TH ANNUAL REPORT

FOR THE FINANCIAL YEAR

2022-23

CORPORATE INFORMATION

CHAIRMAN & MANAGING DIRECTOR	MR. RUSHABH SHAH (DIN:01944390)
CHIEF FINANCIAL OFFICER	MR. SUSHIL SURVE (PAN: BAFPS2478N) <i>(RESIGNED W.E.F. JUNE 27, 2023)</i> MR. SANJAY JADHAV (PAN: AFPPJ4398Q) <i>(APPOINTED W.E.F. JUNE 27, 2023)</i>
INDEPENDENT DIRECTORS	MS. GAYATHRI MUTTUR NAGARAJ (DIN:06742638) MR. SHARANABASAWESHWAR HIREMATH (DIN:08912844) MS. SONAM KINJAL GANDHI (DIN:09593620) <i>(RESIGNED W.E.F. APRIL 11, 2023)</i> MS. SAACHI MADNANI (DIN:10045589) <i>(APPOINTED W.E.F. JULY 01, 2023)</i> MS. KHUSHBOO AGARWAL (DIN:10298514) <i>(APPOINTED W.E.F. SEPTEMBER 01, 2023)</i> MR. NEELABH KAUSHIK (DIN:01755431) <i>(APPOINTED W.E.F. SEPTEMBER 01, 2023)</i>
COMPANY SECRETARY AND COMPLIANCE OFFICER	MS. RUGVEDA WAGH (PAN: ABIPW7324G) <i>(RESIGNED W.E.F. MARCH 30, 2023)</i> MS. SAYLI MUNJ (PAN: AZKPM2304G) <i>(APPOINTED W.E.F. JUNE 27, 2023)</i>
AUDITORS	M/S. RAK CHAMPS & CO. LLP. CHARTERED ACCOUNTANTS, MUMBAI (FRN: 131094W)
BANKERS	BANK OF BARODA (Formerly known as DENA BANK)
REGISTERED OFFICE	421, 4 TH FLOOR, KAILASH PLAZA BUILDING, VALLABH BAUG LANE, GHATKOPAR (E), MUMBAI - 400 075.
REGISTRAR & SHARE TRANSFER AGENT	LINK INTIME INDIA PVT. LTD C 101, 247 PARK, L.B.S. MARG, VIKHROLI (W), MUMBAI - 400083.

NOTICE IS HEREBY GIVEN THAT THE 29TH ANNUAL GENERAL MEETING OF THE MEMBERS OF AADI INDUSTRIES LIMITED WILL BE HELD ON TUESDAY, SEPTEMBER 26, 2023 AT 12:00 NOON AT THE REGISTERED OFFICE OF THE COMPANY AT 421, 4TH FLOOR, KAILASH PLAZA BUILDING, VALLABHBUAG LANE, GHATKOPAR (EAST) MUMBAI- 400077 TO TRANSACT THE FOLLOWING BUSINESSES:

Ordinary Business:

- (1) To receive, consider and adopt the Audited Balance Sheet as at March 31, 2023 and the Profit and Loss Account for the year ended on that date and Cash Flow Statement together with the Report of the Directors and the Auditors thereon
- (2) To appoint a director in place of Mr. Rushabh Shah (DIN:01944390), who retires by rotation and being eligible, offers himself for re-appointment as a director.

Special Business:

- (3) Appointment of Ms. Saachi Madnani (Din: 10045589) as a Non-Executive & Independent 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, 150, & 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 (‘the Act’) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and such other rules, as may be applicable (including statutory modification(s), enactment(s) or re-enactment(s) thereof, for the time being in force), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Ms. Saachi Madnani (DIN:10045589), who was appointed as an Additional Director in the capacity of an Independent Director of the Company with effect from July 01, 2023, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of 5 (Five) years commencing from July 01, 2023 to June 30, 2028.

RESOLVED FURTHER THAT the Board of Directors (including its committee thereof) and/or Company Secretary of the Company be and are hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

- (4) Appointment of Ms. Khushboo Agarwal (DIN:10298514) as Non-Executive & Independent 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, 150 & 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 (‘the Act’), the

Companies (Appointment and Qualifications of Directors) Rules, 2014 and such other rules, as may be applicable (including statutory modification(s), enactment(s) or re-enactment(s) thereof, for the time being in force), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company and upon recommendation of Nomination and Remuneration Committee and approval of Board of Directors, Ms. Khushboo Agarwal (DIN:10298514), who was appointed as an Additional Director in the capacity of an Independent Director of the Company with effect from September 01, 2023, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of 5 (Five) years commencing from September 01, 2023 to August 31, 2028.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such things, deeds, matters, and acts as may be required to give effect to this resolution and to do all things incidental and ancillary thereto.”

(5) Appointment of Mr. Neelabh Kaushik (DIN:01755431) as Non-Executive & Independent 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, 150 & 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 (‘the Act’), the Companies (Appointment and Qualifications of Directors) Rules, 2014 and such other rules, as may be applicable (including statutory modification(s), enactment(s) or re-enactment(s) thereof, for the time being in force), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company and upon recommendation of Nomination and Remuneration Committee and approval of Board of Directors, Mr. Neelabh Kaushik (DIN:01755431), who was appointed as an Additional Director in the capacity of an Independent Director of the Company with effect from September 01, 2023, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of 5 (Five) years commencing from September 01, 2023 to August 31, 2028.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such things, deeds, matters, and acts as may be required to give effect to this resolution and to do all things incidental and ancillary thereto.”

By Order of the Board of Directors

For Aadi Industries Limited

Sd/-

Sayli Munj

Company Secretary & Compliance Officer

Membership No. A44432

Registered Office:

421, 4th Floor,

Kailash Plaza Building,

Vallabhbaug Lane,

Ghatkopar (East),

Mumbai - 400075

Date: September 01, 2023

Place: Mumbai

Notes:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('the Act') relating to the Special Business to be transacted at the Annual General Meeting ('AGM') is annexed hereto. Additional information of Director seeking re-appointment at the ensuing AGM, as required under Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Clause 1.2.5 of the SS-2, is annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as a proxy on behalf of members up to and not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other member.
3. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting.
4. The Register of Directors and key managerial personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available for inspection by the members during the AGM. All documents referred to in the Notice will also be available for inspection by the members from the date of circulation of this Notice upto the date of AGM, i.e September 26, 2023. Members seeking to inspect such documents can send an email to aadi.industries@hotmail.com.
5. Members are requested to furnish their Bank Account details, change of address, e-mail address, etc. to the Company's Registrar and Transfer Agent viz; Link Intime India Private Limited, in respect of shares held in the physical form and to their respective Depository Participants, if shares are held in electronic form.
6. Members are advised to get their shares demated by sending Dematerialization Request Form (DRF) alongwith Share Certificates through their Depository Participant (DP) to Company's Registrar i.e. Link Intime India Private Limited.
7. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form, are therefore, requested to submit their PAN to their Depository Participants with whom they maintain their Demat Accounts. Members holding shares in physical form and submit their PAN to the Company/ RTA viz. Link Intime India Private Limited.
8. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, September 19, 2023 to Tuesday, September 26, 2023 (both day inclusive).
9. Electronic copy of the Notice convening the 29th Annual General Meeting of the Company along with the Annual Report and the process of e-voting and the attendance slip and proxy form is being sent to the members whose e-mail addresses are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for hard copy of the same.
10. Members may also note that the Notice of the Annual General Meeting of the Company will also be available on the Company's website at www.aadiindustries.co. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Mumbai

for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same.

11. In accordance with the provisions of Section 72 of the Companies Act, 2013, members are entitled to make nominations in respect of the Equity Shares held by them, in physical form. Members desirous of making nominations may procure the prescribed form from the RTA i.e. Link Intime India Private Limited and have it duly filled and sent back to them.
12. The Proxy Forms in order to be valid and effective should be deposited at the Registered Office of the Company not less than Forty-eight (48) hours before the commencement of the Meeting.
13. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
14. Members/Proxies are requested to bring the copies of Annual Reports to the meeting. Member / proxy holders shall hand over the attendance slips, duly filled in all respect, at the entrance of the hall for attending the Meeting.
15. Queries proposed to be raised at the Annual General Meeting may be sent to the Company at its registered office at least seven days prior to the date of Annual General Meeting to enable the management to compile the relevant information to reply the same in the meeting.
16. Road map to reach to the venue of the Meeting from the nearest Railway station is provided below:



17. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, the facility of casting votes by the members using an electronic voting system from a place other than the venue of the Annual General Meeting (AGM) (“remote e-voting”) will be provided by the National Securities Depository Limited (NSDL).
18. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
19. The members who have cast their vote by remote e-voting may attend the meeting but shall not be entitled to cast their vote again.

20. The Board of Directors of the Company (“Board”) has appointed Ms. Krupa Joisar, Practising Company Secretaries (CP No. 15263) as the Scrutinizer (“Scrutinizer”), for conducting the voting process in a fair and transparent manner.
21. The Chairman shall, at the AGM, at the end of the discussion on the resolutions on which voting is to be held, allow voting with the assistance of a scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
22. The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
23. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.aadiindustries.co and on the website of NSDL immediately after the declaration of the result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited.
24. Instructions for remote e-voting is mentioned as follows:

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

The remote e-voting period begins on Saturday, September 23, 2023 (9:00 a.m.) and ends on Monday, September 25, 2023 (5:00 p.m.). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 19, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 19, 2023.

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

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

Step 1: Access to NSDL e-Voting system

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	Existing IDEAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “ Beneficial Owner ” icon under “ Login ” which is available under ‘ IDEAS ’ section, this will prompt you to enter

your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “**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 i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com>. Select “**Register Online for IDeAS Portal**” or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>. 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 i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

Shareholders/Members can also download NSDL Mobile App “**NSDL Speede**” facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



Individual Shareholders holding securities in demat mode with CDSL

Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.

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

	<p>casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>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>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) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>

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

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

Login type	Helpdesk details
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 022 - 4886 7000 and 022 - 2499 7000
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

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

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

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, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

Password details for shareholders other than Individual shareholders are given below:

If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

How to retrieve your 'initial password'?

If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:

Click on “[Forgot User Details/Password?](#)”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

[Physical User Reset Password?](#)” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.

Now, you will have to click on “Login” button.

After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

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

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

General Guidelines for shareholders

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

of www.evoting.nsdl.com or call on : 022 - 4886 7000 and 022 - 2499 7000 or send a request to evoting@nsdl.co.in

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to aadi.industries@hotmail.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to aadi.industries@hotmail.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained in **step 1 (A)** i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.
3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3:

Appointment of Ms. Saachi Madnani (DIN:10045589) as a Non-Executive & Independent Director:

The Nomination and Remuneration Committee after considering the skills, experience and expertise recommended the name of Ms. Saachi Madnani for appointment of Independent Director, and the Board of Directors of the Company through a resolution passed in their meeting held on May 26, 2023 had appointed Ms. Saachi Madnani as an Additional Director of the company with effect from July 01, 2023 and who shall hold office upto the date of the ensuing annual general meeting. Accordingly, in terms of the provisions of the Companies Act, 2013 approval of the members of the company is required for the appointment of Ms. Saachi Madnani as an Independent Director of the company for a term of 5 years.

None of the Directors or their relatives of the Company is concerned or interested in the resolution except to the extent of their shareholding of the Company. The Board recommends the resolution set forth in item no. 3 for the approval of the members.

Item No. 4:

Appointment of Ms. Khushboo Agarwal (DIN:10298514) as a Non-Executive & Independent Director:

The Nomination and Remuneration Committee after considering the skills, experience and expertise recommended the name of Ms. Khushboo Agarwal for appointment of Independent Director, and the Board of Directors of the Company through a resolution passed in their meeting held on September 01, 2023 had appointed Ms. Khushboo Agarwal as an Additional Director of the company with effect from September 01, 2023 and who shall hold office upto the date of the ensuing annual general meeting. Accordingly, in terms of the provisions of the Companies Act, 2013 approval of the members of the Company is required for the appointment of Ms. Khushboo Agarwal as an Independent Director of the company for a term of 5 years.

None of the Directors or their relatives of the Company is concerned or interested in the resolution except to the extent of their shareholding of the Company. The Board recommends the resolution set forth in item no. 4 for the approval of the members.

Item No. 5:

Appointment of Mr. Neelabh Kaushik (DIN:01755431), as a Non-Executive & Independent Director:

The Nomination and Remuneration Committee after considering their skills, experience and expertise recommended the name of Mr. Neelabh Kaushik for appointment of Independent Director, and the Board of Directors of the Company through a resolution passed in their meeting held on September 01, 2023 had appointed Mr. Neelabh Kaushik as an Additional Director of the company with effect from September 01, 2023 and who shall hold office upto the date of the ensuing annual general meeting. Accordingly, in terms of the provisions of the Companies Act, 2013 approval of the members of the Company is required for the appointment of Mr. Neelabh Kaushik as an Independent Director of the

company for a term of 5 years.

None of the Directors or their relatives of the Company is concerned or interested in the resolution except to the extent of their shareholding of the Company. The Board recommends the resolution set forth in item no. 5 for the approval of the members.

DETAILS OF DIRECTORS SEEKING APPOINTMENT/MODIFICATION OF REMUNERATION PURSUANT TO REGULATION 36(3) OF SEBI LISTING REGULATIONS AND SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2):

Item no. in the Notice of 29 th AGM	02
Name of the Director	Mr. Rushabh Shah
Date of Birth	17/06/1978
Date of first appointment on the Board	07/11/2007
Qualifications	B. Com
Shareholding in the Company	24,86,429
Nature of Expertise & Experience	Has over 27 years of experience in the field of Plastic Industries and expertise and knowledge in Finance and Accounts.
Terms and Conditions of Appointment/re-appointment	Appointed as Director, liable to retire by rotation and being eligible, offers himself for re-appointment as a director.
Details of Remuneration last drawn & proposed to be paid	Nil
Number of Board Meetings attended during the year	6 out of 6
Relationship with other Director, Managers and other Key Managerial Personnel of the Company	Nil
Directorships held in other public companies including private companies which are subsidiaries of public companies (excluding foreign and private companies)	Nil

Item no. in the Notice of 29 th AGM	03	04	05
Name of the Director	Ms. Saachi Madnani	Ms. Khushboo Agarwal	Mr. Neelabh Kaushik
Date of Birth	21/04/1987	19/09/1983	02/09/1984
Date of first appointment on the Board	01/07/2023	01/09/2023	01/09/2023
Qualifications	CS & LLM	B.com & CS	CS & Qualified Cost & Management Accountant.
Shareholding in the Company	Nil	Nil	Nil

Nature of Expertise & Experience	Ms. Madnani is a qualified Company Secretary by profession. She also holds a degree in LLM (Business Law). She had the experience of working with Corporates such as TATA Sons Ltd. and Shapoorji & Pallonji Co. Ltd. She has also been working as a Visiting Faculty (Business/Corporate Laws and securities Laws) in various Commerce Colleges and professional Institutes.	Ms. Agarwal is a Commerce Graduate (B.com) and also a Qualified Company Secretary by profession. She is the owner of M/s. KAgarwal & Associates. She has vast exposure to Legal, Secretarial, and Corporate Affairs of Listed and Unlisted Companies; and liaison with Govt., Statutory, Regulatory, and Local Authorities, Banks. She had also written a book named "A complete guide to pay stamp duty in India"	Mr. Neelabh Kaushik is a Qualified Practicing Company Secretary by profession. He is the owner of M/s. Neelabh Kaushik & Associates. He has post-qualification experience of 6 years and above. He has an additional degree as a Qualified Cost & Management Accountant. Also, he has Industrial exposure of 6 years at the Middle and senior levels of management.
Terms and Conditions of Appointment/re-appointment	Appointed as an Independent Director of the Company not liable to retire by rotation for a term of 5 consecutive years w.e.f. July 01, 2023	The Board at its meeting held today, i.e. September 01, 2023, approved the appointment of Ms. Khushboo Agarwal (DIN:10298514) as an Additional and Non-Executive Independent Director of the Company for a period of 5 (five) years with effect from September 01, 2023, based on the recommendation of the Nomination & Remuneration Committee and subject to the approval of the Shareholders at the forthcoming Annual General Meeting (AGM) of the Company.	The Board at its meeting held today, i.e. September 01, 2023, approved the appointment of Mr. Neelabh Kaushik (DIN:01755431) as an Additional and Non-Executive Independent Director of the Company for a period of 5 (five) years with effect from September 01, 2023, based on the recommendation of the Nomination & Remuneration Committee and subject to the approval of the Shareholders at the forthcoming Annual General Meeting (AGM) of the Company.
Details of Remuneration last drawn & proposed to be paid	Nil	Nil	Nil
Number of Board Meetings attended during the year	NA	NA	NA
Relationship with other Director, Managers and other Key Managerial Personnel of the Company	Nil	Nil	Nil

Directorships held in other public companies including private companies which are subsidiaries of public companies (excluding foreign and private companies)	India Steel Works Limited	Nil	Shubhlaxmi Jewel Art Limited
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By Order of the Board of Directors
For Aadi Industries Limited

Sd/-
Sayli Munj
Company Secretary & Compliance Officer
Membership No. A44432
Registered Office:
421, 4th Floor,
Kailash Plaza Building,
Vallabhbaug Lane,
Ghatkopar (East),
Mumbai - 400075

Date: September 01, 2023

Place: Mumbai

AADI INDUSTRIES LIMITED

Registered Office: 421, 4th Floor, Kailash Plaza Building, Vallabh baug Lane, Ghatkopar (East) Mumbai - 400075.

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2015]

CIN	:	L25203MH1994PLC206053		
Name of the Company	:	Aadi Industries Limited		
Registered Office	:	421, 4 th Floor, Kailash Plaza Building, Vallabhbaug Lane, Ghatkopar (East), Mumbai -400075		
Name of the Member(s)	:			
Registered Address	:			
E-mail Id	:			
Folio No. / Client ID	:		DP ID	
I/We being the member(s) of _____ the above named Company, hereby appoint				
1	Name			
	Address			
	E-mail Id		Signature	
	Or failing him			
2	Name			
	Address			
	E-mail ID		Signature	
	Or failing him			
3	Name			
	Address		Signature	
	E-mail ID			

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Tuesday, September 26, 2023 at 12.00 noon at the Registered Office of the Company, 421, 4th Floor, Kailash Plaza Building, Vallabh Baug Lane, Ghatkopar (East), Mumbai - 400075 and at any adjournment thereof.

Signed this _____ day of _____ 2023

Signature of the Shareholder _____

Signature of Proxy holder(s) : _____

Affix Revenue
Stamp

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

AADI INDUSTRIES LIMITED

**Registered Office: 421, 4th Floor, Kailash Plaza Building, Vallabhbaug Lane, Ghatkopar (East), Mumbai
- 400075**

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting hall)

I hereby record my presence at the 29th Annual General Meeting of Aadi Industries Limited held at the Registered Office of the Company at 421, 4th Floor, Kailash Plaza Building, Vallabh baug Lane, Ghatkopar (East), Mumbai - 400075 at 12.00 noon.

Full name of the Member (in BLOCKLETTERS)_____

Full name of the Proxy (in BLOCKLETTERS)_____ -

Member's/ Proxy's Signature_____

Aadi Industries Limited**AADI INDUSTRIES LIMITED**

**Registered Office: 421, 4th Floor, Kailash Plaza Building, Vallabhbaug Lane,
Ghatkopar (East), Mumbai – 400075**

BALLOT FORM

Sequence No.

1	Name & Registered Address of the Sole / first named Member	
2	Name(s) of the Joint Holder(s), (if any)	
3	Registered folio No./DP ID No./Client ID No* (*Applicable to investors holding Shares in dematerialized form).	
4	Number of Equity Shares held	
5	EVEN (E-Voting Event Number)	
6	User ID	
7	Password	

- 8 I/We hereby exercise my/our vote(s) in respect of the Resolutions set out in the Notice of the Twenty-Nine Annual General Meeting (“AGM”) of the Company to be held on Tuesday, September 26, 2023 by conveying my/our assent or dissent to the said Resolutions by placing the tick (✓) mark at the appropriate box below:

Item No.	Brief Description of Resolution	Type of Resolution	No. of Equity Shares for which votes cast	(FOR)	(AGAINST)
				I/We assent to the Resolution	I/We dissent to the Resolution
1	To receive, consider and adopt the Audited Balance Sheet as at March 31, 2023 and the Profit and Loss Account for the year ended on that date and Cash Flow Statement together with the Report of the Directors and the Auditors thereon	Ordinary Resolution			
2	To appoint a director in place of Mr. Rushabh Shah (DIN:01944390), who retires by rotation and being eligible, offers himself for re-appointment as a director.	Ordinary Resolution			
3	Appointment of Ms. Saachi Madnani (Din: 10045589) as a Non-Executive & Independent Director:	Special Resolution			
4	Appointment of Ms. Khushboo Agarwal (DIN:10298514) as Non-Executive & Independent Director.	Special Resolution			
5	Appointment of Mr. Neelabh Kaushik (DIN:01755431) as Non-Executive & Independent Director.	Special Resolution			

Date:-

Place:-

Signature of Member / Power of Attorney Holder /
Authorised Representative

Note:- Please read the instructions printed overleaf carefully before exercising your vote.

INSTRUCTIONS

Aadi Industries Limited

A. GENERAL INFORMATION:

- 1) This Ballot Form is provided for the benefit of Members who do not have access to e-voting facility.
- 2) Members can opt for only one mode of voting i.e., either voting by electronic means or by Ballot Form. In case, Members cast their votes by both the modes, then vote cast through e-voting shall prevail and the vote cast through Ballot shall be treated as invalid.
- 3) For detailed instructions on e-voting, please refer to the notes appended to the Notice of the AGM.
- 4) The Scrutinizer will collate the votes downloaded from the e-voting system and report to the Chairman who will check the votes received in the AGM and declare the final result for each of the Resolutions forming part of the Notice of the AGM.

B. PROCESS AND MANNER FOR MEMBERS OPTING FOR VOTING BY BALLOT :

1. Please complete and sign the Ballot Form and put the same in the Ballot Box provided in the AGM Venue.
2. The Form should be signed by the Member or Authorized Signatory in case of the Company as per the specimen registered with Company.
3. For shares held by corporate and institutional shareholders (companies, mutual funds, trusts, societies, etc.), the duly completed Ballot Form should be accompanied by a certified copy of the relevant Board Resolution/Authorization together with attested specimen signature(s) of the duly authorized signatory(ies) must be registered or filed with us in advance to avoid any inconvenience.
4. Votes must be cast in case of each resolution by marking (√) mark in the appropriate column provided in the Ballot.
5. The voting rights of shareholders shall be in proportion of the shares held by them in the paid up equity share capital of the company.
6. Unsigned, incomplete, improperly filled ballot forms will not be counted for voting.
7. The decision of the Chairman on the validity of the Ballot Form and other related matters shall be final.
8. The results shall be declared by the Chairman in the AGM based on report of scrutinizer and also the Ballot forms submitted up to the AGM of Company by the shareholders. It shall be placed on the Company's website viz. www.aadiindustries.co. and on the website of the National Securities Depository Limited www.evoting.nsdl.com immediately after the results are declared by the Chairman or any other Director authorised in this behalf. Simultaneously, the same will also be communicated to the BSE Limited, where the shares of the Company are listed.

MANAGEMENT DISCUSSION AND ANALYSIS

Statements in this Report, particularly those which relate to the Company's objectives, projections, estimates and expectations may constitute forward-looking statements within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

A. Industry structure and developments

Considering the plastic industry, in India, high-density polyethylene (HDPE), low-density polyethylene (LDPE), linear low-density polyethylene (LLDPE), polypropylene (PP) and poly vinyl chloride (PVC) are widely used polymers. This segment of polymers is maintained at the same level. More than 50% of LDPE/ LLDPE are used by the packaging industry. The second most used polymer in India is HDPE. The value of its domestic consumption is growing at expected level due to increase in all round of usage of plastics. HDPE is used in the manufacturing of raffia, blow molding, injection molding, and in the paper industry as well. The majority of manufacturing capacities are owned by the big industrial houses.

B. Opportunities and Threats, Risks and Concerns

Plastic industry is making significant contribution to the economic development and growth of various key sectors in the country namely: Automotive, Agriculture, Construction, Electronics, Healthcare, Textiles, FMCG, etc.

Due to volatile prices fluctuation of oil coupled with absence of clear governmental policies on various sector, the capital inflow from the foreign countries have been slowed down. The Indian economy is also passing through its tough time with lower GDP, depreciation in rupee value and all-round increase in cost. The plastic industry in particular with environment issue, and likely adverse effects from use of recycled hazardous sub grade raw materials has also witnessed recessionary trend. However, considering the size of Indian economy the plastic industry has good potential. The industry will do better with good market conditions and stable oil prices.

With more concentration on the specialty grades quality products which are more eco-friendly plastic products and moving away from the type of commodity made cheaply will have more scope to survive in the long run considering the environmental issues attached with the Plastic Industry. With the quality consciousness, India can regain its position in the international market.

The main threat is from the unorganized sector comprising low grade plastic goods manufacturers and from non eco-friendly manufacturing units. This may lead to quality problems in the international market and downgrading of Indian manufacturers image. Secondly, due to its basic nature and use of low grade of plastic which is not eco-friendly, there has always been a threat of substitution of plastic as basic material with other metal or alternate material. These are the key risk factors which the Plastic Industry has to tackle in future.

The Company is in negotiation with various oversea vendors for import of best quality raw material. Further 1 year down the line, the Company plans either on its joint venture to establish a tarpaulin in manufacturing plant with capacity of 300 to 400 mt per month near Ahmedabad and the Company is already in negotiation with the concerned business associates.

C. Internal control systems and their adequacy

The Company is in process of designing and putting in place various internal control systems for all the key departments. Further Internal Audit systems will also be

Aadi Industries Limited

placed and proposed to be carried out to check the implementation and working of the Internal Systems.

D. Social Responsibility

The company is conscious of its obligations towards Health, Safety & Environment to meet the norms of Pollution Control Board.

E. Cautionary Statement

Statement in the management discussion & analysis describing the Company's objectives, projections, estimates & exceptions may be "forward looking statements" within the meaning of applicable securities laws & regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the company's operations include economic conditions affecting demand/supply and price conditions in the domestic & overseas markets in which the company operates changes in the Government regulations, tax laws & other statutes & other incidental factors.

F. Future Outlook

India's plastic industry has the potential for export growth, especially to neighboring countries. The Company intends to leverage this potential.

G. Industrial Relations

During the year under review, your Company had cordial and harmonious industrial relations at all levels of the organization.

H. Forward looking and cautionary statements

Statements in the Management Discussion and Analysis Report detailing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable laws and regulations. These statements being based on certain assumptions and expectation of future events, actual results could differ materially from those expressed or implied. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of subsequent developments, information or events.

I. Human Capital

Human Capital refers to our employees and their commitment and motivation towards achieving organizational goals. This is critical to creating value for our clients and ensuring the long-term sustainability of our business. We strive to foster a people centric culture that enables high performance. Our unwavering focus on engaging, developing and retaining talent, while promoting inclusivity, diversity and transparency, is central to our business strategy.

Your Company has 3 employees during financial year 2022-23.

J. Details of significant changes in key financial ratios

The financial ratios of the Company for financial year 2021-22 and financial year 2022-23 are as follows.

Sr.	Ratio	FY 2021-22	FY 2022-23	Change
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Aadi Industries Limited

No.				
1.	Current Ratio	0.08	0.06	-21%
2.	Debt Equity Ratio	NA	NA	NA
3.	Debtors Turnover Ratio	0.11	0	NA
4.	Inventory Turnover Ratio	0	NA	NA
5.	Interest Coverage Ratio	0	0	NA
6.	Operating Profit Margin	0	0	NA
7.	Net Profit Margin	NA	NA	NA

K. Return on Net Worth:

The Company had incurred net loss of Rs. 35,39,282 in previous financial year in comparison to net loss of Rs.17,69,000 in the current financial year. Shareholders' equity is Rs. (6,42,30,913) in the previous financial year as compared to Rs. (6,60,00,000) in the current financial year. Accordingly, the return on Net Worth of the Company has changed from -0.055 in the previous financial year to -0.7 in the financial year 2022-23.

For and on behalf of the Board,

Sd/-
Rushabh Shah
Chairman and Managing Director
DIN: 01944390
Date: September 01, 2023
Place: Mumbai

DIRECTORS' REPORT

Dear Shareholders,

The Board of Directors of your Company take pleasure in presenting the Twenty-Ninth Annual Report together with Audited Financial Statements of the Company for the financial year ended March 31, 2023.

1. Financial Performance:

(Amount in Rs.)

Particulars	As on March 31, 2023	As on March 31, 2022
Total Income	5,98,000	2,67,000
Total Expenses	23,67,000	37,89,000
Profit/(loss) before Tax	(17,69,000)	(35,39,000)
Provision for Income Tax (including for earlier years)	-	17,000
Net Profit/(Loss) After Tax	(17,69,000)	(35,39,000)

Your Company has earned an Income of Rs. 5,98,000 during the current financial year. The total expenses decreased from Rs. 37,89,000 to Rs. 23,67,000. Accordingly, the Company has incurred a net loss of Rs. 17,69,000 in the current financial year as compared to a net loss of Rs. 35,39,000 in the preceding financial year.

2. Operations:

Company's financial position have occurred between the end of the financial year of the Company and date of this report.

3. Dividend:

The Board of Directors of your Company has not recommended any dividend for the year under review.

4. Transfer to Reserve:

The Company has not transferred any amount to the General Reserves during the year.

5. Revision of Financial Statement:

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

6. Disclosures under section 134(3)(1) of the Companies Act, 2013:

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

7. Change in nature of business, if any:

There were no changes in the nature of business during financial year ending March 31, 2023.

8. Significant and material orders passed by the regulators or courts or tribunals:

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations in future.

9. Share Capital:

During the year under review, there was no change in the Authorised and Paid-up Share Capital of the Company.

As on March 31, 2023, the Authorised share capital stands at Rs. 25,00,00,000 divided into 2,50,00,000 equity shares of Rs.10/- each whereas issued, subscribed & paid-up share capital of your Company stand at Rs.10,00,00,000 divided into 1,00,00,000 Equity Shares of Rs.10 each.

a) Disclosure under Section 43(a)(ii) of the Companies Act, 2013:

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a) (ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

b) Disclosure under Section 54(1)(d) of the Companies Act, 2013:

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1) (d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

c) Disclosure under Section 62(1)(b) of the Companies Act, 2013:

The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1) (b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

d) Disclosure under Section 67(3) of the Companies Act, 2013:

During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished.

Aadi Industries Limited

e) Information about Subsidiary/ JV/ Associate Company:

Company does not have any Subsidiary, Joint Venture or Associate Company.

10. Means of Communication:

The quarterly and annual results are generally published in English and Marathi Newspaper named Financial Express and Mumbai Pratahkal respectively and simultaneously posted on the Company's website (www.aadiindustries.co) and are also sent to the BSE Limited.

As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, transfer and transmission of securities held in physical mode has been discontinued with effect from April 1, 2019 and hence, members were requested to convert their physical holdings into dematerialized form.

11. Internal Financial Controls:

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Auditors of the Company for inefficiency or inadequacy of such controls.

12. Board of Directors:

a) Composition & Constitution of Board of Directors & KMP:

During the year under review, the following changes were made in the composition of directors and KMPs.

Ms. Rughveda Wagh gave her resignation from the post of Company Secretary and Compliance Officer w.e.f. March 30, 2023 due to other opportunities prevailing in the industry.

Ms. Sonam Gandhi (DIN:09593620) gave her resignation from the post of Non-Executive, Independent Director w.e.f. closure of business hours of April 11, 2023 due to some personal and unavoidable circumstances.

Also, Ms. Gandhi has confirmed that there are no other material reasons other than those mentioned above, for her resignation as the Independent Director of the Company.

The Board at its meeting held on May 26, 2023, approved the appointment of Ms. Saachi Madnani (DIN: 10045589) as an Additional & Non-Executive Independent Director of the Company for a period of five (5) years with effect from July 01, 2023 based on the recommendation of the Nomination & Remuneration Committee and subject to the approval of the Shareholders at the forthcoming Annual General Meeting (AGM) of the Company. Further, the Board at its meeting held on September 01, 2023 approved the appointments of Ms. Khushboo Agarwal (DIN:10298514) and Mr. Neelabh Kaushik (DIN:01755431), as Additional and Non-Executive Independent Directors of the Company respectively, for a period of five (5) years with effect from September 01, 2023, based on the recommendation of the Nomination & Remuneration Committee and subject to the approval of the Shareholders at the

Aadi Industries Limited

forthcoming Annual General Meeting (AGM) of the Company.

As on date, your Board comprises of 6 (six) directors – Mr. Rushabh Shah (DIN: 01944390) (Executive-Chairman & Managing Director), Ms. Gayathri Nagaraj (DIN:06742638) (Non-Executive Independent Director), Mr. Sharanabasaweshwar Hiremath (DIN:08912844) (Non-Executive Independent Director), Ms. Saachi Madnani (DIN:10045589) (Additional & Non-Executive Independent Director) , Ms. Khushboo Agarwal (DIN:10298514) (Additional & Non-Executive Independent Director) and Mr. Neelabh Kaushik (DIN:01755431) (Additional & Non-Executive Independent Director)

Key Managerial Personnel – Mr. Sanjay Jadhav* is appointed as the Chief Financial Officer Company with effect from June 27, 2023 & Ms. Sayli Munj is appointed as the Company Secretary and Compliance Officer with effect from June 27, 2023.

As per the provisions of Section 152 of the Companies Act, 2013, Mr. Rushabh Shah retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

The Company has received declarations of Independence as stipulated under Section 149(7) of the Companies Act, 2013 from Independent Directors i.e Ms. Gayathri Muttur Nagaraj, Mr. Sharanabasaweshwar Hiremath, Ms. Sonam Gandhi and Ms. Sacchi Madnani confirming that he/she is not disqualified from appointing/continuing as Independent Director as laid down in section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI LODR Regulations. The same are also displayed on the website of the Company i.e <https://www.aadiindustries.co/>. The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013. The Independent Directors of the Company have registered / in the process of registering themselves with the data bank maintained by Indian Institute of Corporate Affairs (IICA). In terms of Section 150 of the Act read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Directors are required to undertake online proficiency self-assessment test conducted by the IICA within a period of two (2) years from the date of inclusion of their names in the data bank. The said online proficiency self-assessment test will be undertaken by the Independent Directors of the Company, as applicable, within the prescribed timelines.

*Mr. Sushil Surve was resigned as CFO from the Company w.e.f June 27, 2023 and in place of him Mr. Sanjay Jadhav is appointed as the CFO of the Company w.e.f. June 27, 2023.

b) **Board Meeting & Attendance:**

During the year under review, the Board of your company met six (6) times. The details of Board Meeting held and participation of Directors thereat is enumerated as below:

Sr. No.	Date of meeting	Total No. of Directors on the Date of Meeting	No. of Directors attended	% of Attendance
1.	23-05-2022	4	4	100.00
2.	30-05-2022	4	4	100.00

Aadi Industries Limited

3.	13-06-2022	4	4	100.00
4.	12-08-2022	4	4	100.00
5.	14-11-2022	4	4	100.00
6.	13-02-2023	4	4	100.00

The details of Board Meetings held from April 01, 2022 to March 31, 2023 and attendance of each Director thereat is as follows:

Sr. No.	Name of the Board Member	No. of Meetings entitled to attend	No. of Meetings attended	% of Attendance
1.	Mr. Rushabh Shah	6	6	100
2.	Ms. Gayathri Nagaraj	6	6	100
3.	Mr. Sharanabasaweshwar Hiremath	6	6	100
4.	Ms. Sonam Gandhi*	6	6	100

*Ms. Sonam Gandhi resigned as Independent Director of the Company effective from April 11, 2023

c) Board-skills/expertise/competencies:

The Board of directors based on the recommendations of the Nomination and Remuneration Committee, identified the following core skills/ expertise/ competencies of Directors as required in the context of business of the Company for its effective functioning:

Sr. No	Skills/Expertise/Competencies
1	Leadership qualities
2	Industry knowledge and experience
3	Understanding of relevant laws, rules and regulations
4	Financial Expertise
5	Risk Management

Following are the details of the skills and competence possessed by the Board of Directors:

S. N	Name of Directors	Leadership qualities	Industry knowledge and experience	Understanding of relevant laws, rules and regulations	Financial Expertise	Risk Management
1	Mr. Rushabh Shah	Expert	Expert	Expert	Expert	Expert
2	Ms. Gayathri Nagaraj	Expert	Proficient	Expert	Expert	Expert
3	Mr. Sharanabas	Expert	Proficient	Expert	Expert	Expert

Aadi Industries Limited

	aweshwar Hiremath					
4	Ms. Sonam Kinjal Gandhi*	Proficient	Proficient	Expert	Proficient	Proficient

*Ms. Sonam Gandhi resigned as Independent Director of the Company effective from April 11, 2023

The identified skills / competences are broad-based and marking of 'Proficient' against a particular member does not necessarily mean the member does not possess the corresponding skills / competences.

d) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee of Directors as constituted by the Board of Directors of the Company in accordance with the requirements of Section 178 of the Companies Act, 2013.

The composition of the committee as on March 31, 2023 is as under:

1. Mr. Sharanbasaweshwar Hiremath, Independent Director, Chairman.
2. Ms. Gayathri Muttur Nagaraj, Independent Director
3. Ms. Sonam Gandhi*, Independent Director and
4. Mr. Rushabh Shah, Executive Director

*Ms. Sonam Gandhi resigned as Independent Director of the Company effective from April 11, 2023

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees.

Major criteria defined in the policy framed for appointment of and payment of remuneration to the Directors of the Company, are as under

The details of Meeting held and participation of Members of the Committee there at is as below:

Sr. No.	Date of meeting	Total No. of Directors on the Date of Meeting	No. of Directors attended	% of Attendance
1	23.05.2022	3	3	100%
2	31.03.2023	3	3	100%

The details of Nomination and Remuneration Committee Meetings held from April 01, 2021 to March 31, 2022 and attendance of each Director thereat is as follows:

Sr. No.	Name of the Board Member	No. of Meetings entitled to	No. of Meetings attended	% of Attendance
---------	--------------------------	-----------------------------	--------------------------	-----------------

Aadi Industries Limited

		attend		
1.	Mr. Rushabh Shah	2	2	100%
2.	Ms. Gayathri Nagaraj	2	2	100%
3.	Mr. Sharanbasaweshwar Hiremath	2	2	100%
4.	Ms. Sonam Gandhi*	2	2	100%

*Ms. Sonam Gandhi resigned as Independent Director of the Company effective from April 11, 2023

The terms of reference of the Committee inter alia, include the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to our Board a policy relating to the remuneration of the Directors, key managerial personnel and other employees;
2. The 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. 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.
3. Formulation of criteria for evaluation of independent directors and the board of directors;
4. Devising a policy on diversity of board of directors;
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to our Board their appointment and removal;
6. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
7. Recommend to the board, all remuneration, in whatever form, payable to senior management.

I **Selection of Directors and Key Managerial Personnel**

In case of Executive Directors and Key Managerial Personnel, the selection can be made in either of the ways given below:

- a) by way of recruitment from outside;
- b) from within the Company hierarchy; or
- c) Upon recommendation by the Chairman or other Directors.

The appointment may be made either to fill up a vacancy caused by retirement, resignation, death or removal of an existing Executive Director or it may be a fresh appointment.

In case of Non-Executive directors the selection can be made in either of the ways given below:

Aadi Industries Limited

- a) By way of selection from the data bank of Independent Directors maintained by the Government.
- b) Upon recommendation by Chairman or other Directors.

II Qualifications, Experience and Positive Attributes of Directors

While appointing a Director, it shall always be ensured that the candidate possesses appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company's business.

- a) In case of appointment as an Executive Director, the candidate must have the relevant technical or professional qualifications and experience as are considered necessary based on the job description of the position. In case no specific qualification or experience is prescribed or thought necessary for the position then, while recommending the appointment, the job description to the Committee shall be provided and along with justifications that the qualifications, experience and expertise of the recommended candidate are satisfactory for the relevant appointment.
- b) The Board, while making the appointment of a Director, shall also try to assess from the information available and from the interaction with the candidate that he is a fair achiever in his chosen field and that he is a person with integrity, diligence and open mind.

III Board Diversity and Independence of Directors

While making appointment of directors, following principles shall be observed by the Board, as far as practicable:

- a) There shall be a proper mix of Executive and Non-Executive Directors and Independent and Non-independent directors on the Board. The Company shall always be in compliance of the provisions of Section 149 of the Companies Act, 2013 in this regard.
- b) There shall be a workable mix of directors drawn from various disciplines like technical, finance, commercial, legal, etc.
- c) While appointing a director to fill in a casual vacancy caused by death, resignation etc. of a director, an effort shall be made, as far as possible, to appoint such a person in his place who has the relevant experience in the fields or disciplines in which the outgoing director had with relevant expertise as requisite to Business of the Company.
- d) No preference on the basis of gender, religion or cast shall be given while considering the appointment of directors.
- e) While appointing independent directors, the criteria for the independent directors, as laid down in Section 149 (6) of the Companies Act, 2013 shall be followed.

IV Remuneration of Directors

- a) Remuneration to Directors is based on various factors like Company's size, economic and financial position, Directors' participation in Board and Committee Meetings and after benchmarking with peer companies. Based on the same and performance evaluation of the concerned director, NRC recommends to the Board, remuneration payable to the Directors.
- b) The remuneration paid to Managing Director and Executive Director(s) includes base salary and variable compensation while remuneration to Independent Directors is based on the various factors like committee position, chairmanship, attendance, participation and performance evaluation. The Independent Directors are entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board/Committee meetings and commission.

In terms of Regulation 46 of the SEBI Listing Regulations, the criteria for payment to Non-Executive Directors is made available on the website of the Company - <https://www.aadiindustries.co/>

For details of remuneration paid/payable to Directors for the year ended March 31, 2023. The same is available on <https://www.aadiindustries.co/>

e) Audit Committee:

The Audit Committee of Directors was constituted pursuant to the provisions of Section 177 of the Companies Act, 2013. The composition of the Audit Committee is in conformity with the provisions of the said section. The Audit Committee as on March 31, 2023 comprises of:

1. Ms. Gayathri Muttur Nagaraj, Chairperson,
2. Mr. Sharanabasaweshwar Hiremat, Independent Director and
3. Mr. Rushabh Shah, Executive Director

The scope and terms of reference of the Audit Committee have been amended in accordance with the Act and the Listing Agreement entered into with the Stock Exchanges. During the year under review, the Board of Directors of the Company had accepted all the recommendations of the Committee.

The details of Audit Committee Meeting held and participation of Members of the Committee there at is as below:

Sr. No.	Date of meeting	Total No. of Directors on the Date of Meeting	No. of Directors attended	% of Attendance
1	23-05-2022	2	2	100%
2	30-05-2022	2	2	100%
3	12-08-2022	2	2	100%
4	14-11-2022	2	2	100%
5	13-02-2023	2	2	100%

Aadi Industries Limited

The details of Audit Committee Meetings held from April 01, 2022 to March 31, 2023 and attendance of each Member thereat is as follows:

Sr. No.	Name of the Board Member	No. of Meetings entitled to attend	No. of Meetings attended	% of Attendance
1.	Mr. Rushabh Shah	5	5	100%
2.	Ms. Gayathri Nagaraj	5	5	100%
3.	Mr. Sharanabasaweshwar Hiremat	5	5	100%

The Committee is governed by a term of reference, which is in line with the regulatory requirements mandated by the Companies Act, 2013. Some of the important functions performed by the Committee are:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of our Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to our Board for approval, with particular reference to:
 - (a) Matters required to be included in the Director's Responsibility Statement, to be included in our Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act;
 - (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; and
 - (g) Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to our Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or

Aadi Industries Limited

- rights issue, and making appropriate recommendations to our Board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 8. Approval of any subsequent modification of transactions of our Company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of our Company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 14. Discussion with internal auditors of any significant findings and follow up thereon;
 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to our Board;
 16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post- audit discussion to ascertain any area of concern;
 17. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 18. Reviewing the functioning of the whistle blower mechanism;
 19. Approval of appointment of CFO (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
 20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
 21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.]
 22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
 23. Carrying out any other function as may be mentioned in the terms of reference of the Audit Committee.

Aadi Industries Limited

All the Members on the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

The Company Secretary acts as the Secretary to the Committee

f) **Stakeholders Relationship Committee:**

The Stakeholders Relationship Committee of Directors was constituted pursuant to the provisions of Section 178 of the Companies Act, 2013. The composition of the Stakeholders Relationship Committee is in conformity with the provisions of the said section.

The Stakeholders Relationship Committee as on March 31, 2023 comprises of:

1. Mr. Sharanbasaweshwar Hiremat, Chairperson,
2. Ms. Gayathri Muttur Nagaraj, Independent Director and
3. Mr. Rushabh Shah, Executive Director

The details of Meeting held and the participation of Members of the Committee there at is as below:

Sr. No.	Date of meeting	Total No. of Directors on the Date of Meeting	No. of Directors attended	% of Attendance
1	14.12.2022	3	3	100%

The details of Stakeholders Relationship Committee Meetings held from April 01, 2022 to March 31, 2023 and attendance of each Director thereat is as follows:

Sr. No.	Name of the Board Member	No. of Meetings entitled to attend	No. of Meetings attended	% of Attendance
1.	Mr. Rushabh Shah	1	1	100
2.	Ms. Gayathri Nagaraj	1	1	100
3.	Mr. Sharanbasaweshwar Hiremat	1	1	100

Ms. Rughveda Wagh – ceased to be the Company Secretary & Compliance officer of the Company w.e.f. March 30, 2023.

Mr. Rushabh Shah – appointed as the Compliance officer of the Company w.e.f. March 31, 2023 till the next appointment of a Company Secretary of the Company.

During the financial year under review there were no complaints received during the year, no complaints were unresolved and no complaints are pending.

Aadi Industries Limited

The role of the Committee shall inter-alia include the following:

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

g) Vigil Mechanism Policy for the Directors and Employees:

The Board of Directors of the Company has, pursuant to the provisions of Section 178 (9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Vigil Mechanism Policy" for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc.

The employees of the Company have the right / option to report their concern / grievance to the Chairman of the Audit Committee.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Whistle Blower Policy is hosted on the Company's website at: www.aadiindustries.co.

h) Annual evaluation of Directors, Committee and Board:

Nomination and Remuneration Committee of the Board had prepared and sent, through its Chairman, feedback forms for evaluation of the Board, Independent Directors and the Chairman. The Independent Directors at their meeting considered and evaluated the Board's performance, performance of the Chairman. The Board subsequently evaluated performance of the Board, the Committees and Independent Directors; without participation of the concerned Director.

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Agreement, a separate meeting of the Independent Directors of the Company was held on March 30, 2023, to review the performance of Non-Independent Directors (including the Chairman) and the Board as whole.

Performance evaluation of Independent Directors was conducted by the Board

Aadi Industries Limited

of Directors, excluding the Director being evaluated. The criteria for performance evaluation of Independent Directors laid down by the Nomination, Remuneration and Compensation Committee is as below:

- [Ethics and values,
- [knowledge and
- [proficiency, diligence,
- [Behavioral traits and
- [Efforts for personal development

Similarly, performance evaluation of the Chairman was carried out by the Independent Directors.

Familiarization Programme

The Company has familiarized the Independent Directors with the Company, their roles, responsibilities in the Company, nature of industry in which the Company operates. The details relating to the familiarization programme are available on the website of the Company at: <https://www.aadiindustries.co/>

i) Separate Meeting of Independent Directors:

As stipulated by the Code for Independent Directors in Schedule IV of the Act and Regulation 25 of the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on March 30, 2023 to review the performance of all Non-Independent Directors, the Board as a whole and the performance of the Chairman of the Company taking into account the views of other executive and non-executive directors. The independent directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees towards effective and reasonable performance and discharge of their duties.

j) Declaration by Independent Director(s):

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

k) Internal Control System & Risk Management:

Periodic assessments to identify the risk areas are carried out and management is briefed on the risks in advance to enable the company to control risk through a properly defined plan. The risks are classified as financial risks, operational risks and market risks. The risks are taken into account while preparing the annual business plan for the year. The Board is also periodically informed of the business risks and the actions taken to manage them.

l) Transfer to Investor Education and Protection Fund:

Pursuant to Section 125 of the Act, to the extent notified, dividends that are unclaimed for a period of seven years are to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central

Aadi Industries Limited

Government and no claim shall lie against IEPF. As the Company has not declared any dividend before, there are no dividends due for transfer.

13. Prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Compliance Officer is responsible for implementation of the Code.

The code of prevention of Insider Trading and fair disclosures is there on the website of the Company - <https://www.aadiindustries.co/>.

All Board Directors and the designated employees have confirmed compliance with the Code.

14. Auditors

a) Statutory Auditors

Pursuant to provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, Mr. Ramanatha Shetty, Partner having Membership No: 218600 from M/s. RAK CHAMPS & CO LLP, Chartered Accountants (Firm Registration No. 131094W) were appointed as Statutory Auditor of the Company for a period of five years from the conclusion of 27th Annual General Meeting (AGM) till the conclusion of 32nd Annual General Meeting (AGM) of the Company to be held in 2025-26.

Comment on Auditors' Report

The Auditor's Report to the members of the Company on the financial statements for the financial year ended March 31, 2023, forming part of this report contains a disclaimer of opinion as the Management has not been able to provide external confirmation w.r.t balance confirmation of cash credit loan and bank balance of Rs. 35,00,000/-

Reply: Your Directors state that- the Company is unable to track required bank statements from the banks due to the closing of the Bank accounts and shifting of the branch. Simultaneously, the Company is putting efforts to get back the said bank statements at the earliest.

b) Details of non-compliance by the listed entity and penalties thereof:

The Company had inadvertently made a submission of audited financial statements for the year ended March 31, 2023, without the filing of Statement on Impact of Audit Qualifications (for audit report with modified opinion) as mentioned above, with BSE on May 26, 2023, and later the correct resubmission was done on June 16, 2023. Hence, in lieu of this, the BSE has charged a fine of Rs.

Aadi Industries Limited

1,00,300 pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020, and the same fine was paid by the Company on July 25, 2023.

c) Secretarial Audit Report for the year ended March 31, 2023:

The Board appointed Ms. Shipra Agarawal from M/s. S.A. & Associates, Company Secretaries (COP No. 3173), Practising Company Secretary, to conduct Secretarial Audit for the FY: 2022-23. The Secretarial Audit report for the financial year ended March 31, 2023 is annexed herewith marked as **Annexure 3** to this report.

d) Cost Audit:

The provisions of Section 148 under Companies Act, 2013 are not applicable to the Company.

15. Related party transactions

The transactions falling under Section 188 are annexed hereto as **Annexure 2**. However, related party transactions as per IND AS 24 forms part of the financials.

16. Particulars of loans, guarantees or investments under section 186:

The particulars of loans, guarantees or investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

17. Annual Return

Pursuant to provisions of Section 92(3) of the Companies Act, 2013 ('the Act') and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return is displayed on the website of the Company - <https://www.aadiindustries.co/>

18. Public Deposits

As per notification dated 22nd January, 2019 issued by MCA on form DPT-3, it has been classified that all companies according to Rule 16 and Rule 16A of the Companies (Acceptance of Deposits) Rules, 2014 had to inform ROC about the outstanding loans of the Company by filing form DPT-3. Your Company has not accepted any deposits from public in terms of Section 73, 74, 75, 76 of the Companies Act, 2013 and accordingly your company has filed form DPT-3.

19. Corporate Social Responsibility

Social Welfare Activities has been an integral part of the Company since inception. The Company is committed to fulfill its social responsibility as a good corporate citizen. However, the Company is not covered by the provisions of Section 135 of the Companies Act, 2013, as it does not satisfy the conditions of Net Worth and Net Profit as laid therein.

20. Particulars of Employees

The Company does not have any employee whose particulars are required to be

Aadi Industries Limited

given in terms of the provisions of Section 197(12) of the Companies Act, 2013 read along with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Your directors stated that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 related to the Company.

21. Conservation of energy, technology absorption and foreign exchange earnings and outgo

The particulars relating to conservation of energy and technology absorption stipulated in the Companies (Accounts) Rules, is attached as **Annexure 1**. There are no foreign exchange earnings or outgo during the year under review.

22. Directors' Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b) they 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) they 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) they had prepared the annual accounts on a going concern basis; and
- e) they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively.
- f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

23. Corporate Governance

The Company does not fall under purview of Regulations of Corporate Governance.

Pursuant to the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015, the provisions of reporting of Corporate Governance as specified in Regulation 27 (2) is not applicable to the Company, as it does not meet the threshold of paid-up capital of Rs. 10 crores and net worth of Rs. 25 crores as on March 31, 2023.

Accordingly, the Company is fully compliant with the applicable provision and the Company is committed to ensure compliance with all modifications within prescribed norms under the Companies Act, 2013. The company is committed to maintaining the highest standards of corporate practices as set out by SEBI as

Aadi Industries Limited

good Corporate Governance, which forms part of the Directors Report.

24. Reporting of Fraud by Auditors

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its officers or employees, to the Audit Committee under Section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in the Report.

25. Secretarial Standards of ICSI

Secretarial Standards issued by the Institute of Company Secretaries of India with respect to board and general meetings are compiled by the Company.

26. General Shareholder Information

a) 29th Annual General Meeting

Date	Time	Venue
September 26, 2023	12:00 Noon	AGM will be held at 421, 4 th Floor, Kailash Plaza Building, Vallabh Baug Lane, Ghatkopar (East) Mumbai- 400 075.

b) Financial Calendar for the year 2022-23

Financial year	April 1, 2022 to March 31, 2023
Book Closure Dates	September 19, 2023 to September 26, 2023 (both days inclusive)

c) Listing of Equity Shares on Stock Exchange and Stock Codes

Listing on Stock Exchange:
BSE Limited ("BSE")
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai- 400 023
SCRIP CODE: 530027
ISIN No. INE563D01013

d) Location and time, where Annual General Meeting (AGM) for the last 3 years were held is given below:

F.Y	AGM	Date	Time	Location	Details of special resolutions passed
2021-22	28 th	Thursday, June 30, 2022	11:00 a.m.	421, 4 th Floor, Kailash Plaza Building, Vallabh Baug Lane, Ghatkopar (East) Mumbai- 400075	1. Appointment of Dr. Sharanabasaweshwar G Hiremath (DIN: 08912844) as an Independent Director. 2. Appointment of Ms. Sonam Kinjal Gandhi (DIN: 09593620) As An

Aadi Industries Limited

					Independent Director.
2020-21	27 th	Wednesday, December 29, 2021	11:00 a.m.	Via electronic mode [video conference or other audiovisual means ("OAVM")] Deemed Location: 421, 4 th Floor, Kailash Plaza Building, Vallabh Baug Lane, Ghatkopar (East) Mumbai- 400075	<ol style="list-style-type: none"> To increase borrowing powers of the board and authorization limit to secure the borrowings under Section 180(1)(c) and 180(1)(a) of the Companies, Act, 2013. To make investments, give loans, guarantees and security in excess of limits specified u/s 186 of Companies Act, 2013. Re-appointment of Mr. Rushabh Shah (DIN:01944390) as Managing Director.
2019-20	26 th	Wednesday, December 30, 2020	12.00 Noon	Via electronic mode [video conference or other audio-visual means ("OAVM")] Deemed Location: 421, 4 th Floor, Kailash Plaza Building, Vallabh Baug Lane, Ghatkopar (East) Mumbai- 400075	NA

No Extra - Ordinary General Meeting (EGM) held during the year. No special resolution was required to be carried out through postal ballot during the last year. No resolution is proposed by postal ballot at the ensuing Annual general meeting.

e) Stock Market Date and their Performance v/s S&P BSE Sensex

The high/low of the market price of the shares of the Company is as follows:

Month	BSE (Rs.)	
	High	Low
April 2022	10.00	6.46
May 2022	7.86	6.49
June 2022	7.40	4.96
July 2022	5.24	3.35
August 2022	5.50	3.77
September 2022	4.76	3.41

Aadi Industries Limited

October 2022	4.54	3.43
November 2022	5.49	3.85
December 2022	5.30	3.41
January 2023	4.40	3.54
February 2023	4.17	3.35
March 2023	3.95	3.26

f) Registrar and Share Transfer Agent (RTA)

The Registrar and Share Transfer Agent (RTA) of the Company is Link Intime India Private Limited. The registered office address and contact details of RTA are as follows:

Link Intime (India) Pvt. Ltd.
C-101, 247 Park L.B.S Marg,
Vikhroli West,
Mumbai - 400083
Tel: 2851 5606/ 5644/ 6338.
Fax: 2851 2885
website: www.linkintime.co.in

g) Share transfer system:

The Board has the authority for approving transfer, transmission of the Company's securities. The Company ensures that the half yearly Compliance Certificate pursuant to regulations 40(9) and 40 (10) of the SEBI Listing Regulations are filed with the Stock Exchanges.

As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) cannot be processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, Members holding shares in physical form are requested to take necessary action to dematerialize the holdings.

h) Distribution of shareholding as on March 31, 2023:

Nominal Value of Shares: Rs. 10

Category (Shares)	Shareholders		Shares	
	Number	%	Number	%
1-500	3486	74.0127	449455	4.4946
501 TO 1000	464	9.8514	389123	3.8912
1001 TO 2000	294	6.242	454853	4.5485
2001 TO 3000	101	2.1444	260118	2.6012
3001 TO 4000	57	1.2102	205385	2.0539
4001 TO 5000	75	1.5924	355893	3.5589
5001 TO 10000	108	2.293	828040	8.2804
10001 TO *****	125	2.6539	7057133	70.5713

Aadi Industries Limited

Total	4710	100.00	10000000	100.00
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i) Dematerialization of Shares:

The Company's shares are required to be compulsorily traded on Stock Exchanges in dematerialized form. As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, transfer and transmission of securities held in physical mode has been discontinued with effect from April 1, 2019 and hence, members were requested to convert their physical holdings into dematerialized form.

The number of shares as on 31st March, 2023 held in dematerialized and physical form are as under:

Particulars	No. of Shares	%
NSDL	29,46,839	29.47
CDSL	62,59,104	62.59
Physical	7,94,057	7.94
Total	1,00,00,000	100

j) Compliance with mandatory and non-mandatory requirements of the Listing Regulations:

The Company has complied with all mandatory requirements of Listing Regulations and has not adopted any non-mandatory requirements that are not applicable to the Company.

k) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	24,86,429	24.86	24,86,429	24.86
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	No change			
	At the end of the year	24,86,429	24.86	24,86,429	24.86

Aadi Industries Limited

l) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at				
i) Principal Amount	35,00,000	6,55,26,288	Nil	6,90,26,288
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	35,00,000	6,55,26,288	Nil	6,90,26,288
Change in indebtedness during the financial year	-			
• Addition		27,06,500	Nil	5,03,500
• Reduction		22,03,000		
Net Change	-	5,03,500	Nil	5,03,500
Indebtedness at the end of the financial year				
i) Principal Amount	35,00,000	6,60,29,788	Nil	6,95,29,788
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	35,00,000	6,60,29,788	Nil	6,95,29,788

m) DETAILS OF REMUNERATION TO ALL THE DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Name of the Directors	Salary, Allowance, perquisites and other benefits	Performance-linked Income/Bonus/Commission Paid/Payable	Stock Option	Pension	Sitting Fees Paid
Executive Directors					

Aadi Industries Limited

Mr. Rushabh Shah	1,80,000	-	-	-	-
Non-Executive Directors					
Ms. Gayathri Muttur Nagaraj	-	-	-	-	1,20,000
Mr. Sharanabasaweshwar Hiremath	-	-	-	-	80,000
Ms. Sonam Gandhi*	-	-	-	-	80,000

*Resigned from the post of Non-Executive, Independent Director w.e.f. April 11, 2023

n) REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER/WTD

Sl. No.	Particulars	Remuneration in (Rs.)		
		Company Secretary*	CFO**	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	2,40,000	1,96,000	4,36,000
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total	2,40,000	1,96,000	4,36,000

*Resigned from the post of Company Secretary & Compliance officer w.e.f. March 30, 2023.

** Resigned from the post of the Chief Financial Officer w.e.f. June 27, 2023

PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					

Aadi Industries Limited

Penalty	NONE
Punishment	
Compounding	
B. DIRECTORS	
Penalty	NONE
Punishment	
Compounding	
C. OTHER OFFICERS IN DEFAULT	
Penalty	NONE
Punishment	
Compounding	

Disclosure of Managerial Remuneration

A. Ratio of remuneration of each Director to the median remuneration of the employees of the Company for FY 2022-23 as well as the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary is as under:

Name of Director/ Key Managerial Personnel	The ratio of remuneration to the median remuneration	% increase in remuneration over the previous year
Non-Executive Directors		
Ms. Gayathri Muttur Nagaraj	This is not applicable as the Company did not pay any remuneration to its directors.	
Mr. Sharanabasaweshwar Hiremath		
Ms. Sonam Gandhi*		
Executive Directors		
Mr. Rushabh Shah	0.92	NA
Key Managerial Personnel		
Ms. Rugveda Wagh**	1.22	NA
Mr. Sushil Surve***	1	

*Resigned from the post of Non-Executive, Independent Director w.e.f. April 11, 2023

**Resigned from the post of company Secretary & Compliance officer w.e.f. March 30, 2023.

*** Resigned from the post of the Chief Financial Officer w.e.f. June 27, 2023

B. Percentage decrease in the median remuneration of employees in FY 2022-23: Not Applicable

C. Number of permanent employees on the rolls of the Company as on March 31, 2023:

Aadi Industries Limited

D. Comparison of average percentile increase in salary of employees other than the managerial personnel and the percentile increase in the managerial remuneration:

Particulars	% change in remuneration
Average increases in salary of employees (other than managerial personnel)	As the Company incurred losses, there was no increase in the salary of employees.
Average increase in remuneration of managerial personnel	As the Company incurred losses, there was no increase in the salary of employees.

Affirmation: It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and other employees is as per the Remuneration Policy of the Company.

24. Appreciation

Your Directors would like to express their appreciation for co-operation and assistance received from Government authorities, financial institutions, banks, vendors, customers, shareholders and other business associates during the year under review. The Directors also wish to place on record their deep sense of appreciation for the committed services by all the employees of the Company

For and on behalf of the Board of Directors of
Aadi Industries Limited

Sd/-
Mr. Rushabh Shah
Managing Director
(DIN: 01944390)

Place: Mumbai
Date: September 01, 2023

Annexure 1

Particulars regarding conservation of energy, technology absorption, foreign exchange earnings and outgo:

A. Conservation of Energy:-	
(i) the steps taken or impact on conservation of energy	Saving electricity consumption wherever possible
(ii) the steps taken by the company for utilising alternate sources of energy	Nil
(iii) the capital investment on energy conservation equipment	Nil
B. Technology absorption:-	
(i) the efforts made towards technology absorption;	Strive to implement new technologies in the operations of business
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;	Nil
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	Nil
(a) the details of technology imported;	
(b) the year of import;	
(c) whether the technology been fully absorbed;	
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	
(iv) the expenditure incurred on Research and Development.	Nil
C. Foreign exchange earnings and Outgo-	
The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.	Nil

For and on behalf of the Board of Directors of
Aadi Industries Limited

Sd/-
Mr. Rushabh Shah
Managing Director
(DIN: 01944390)

Place: Mumbai
Date: September 01, 2023

Aadi Industries Limited

Annexure 2

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), 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:- Nil
2. Details of material contracts or arrangement or transactions at arm's length basis:-

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	Amount paid as advances, if any
	(a)	(b)	(c)	(d)	(e)	(f)
1.	Mr. Rushabh Shah (Promoter and Director)	Loan Taken	Till the consent of both the parties	Rs. 6,60,29,788	23-05-2022	Nil

For and on behalf of the Board of Directors of
Aadi Industries Limited

Sd/-
Mr. Rushabh Shah
Managing Director
(DIN: 01944390)

Place: Mumbai
Date: September 01, 2023

Annexure 3

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

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

To,
The Members,
AADI INDUSTRIES LIMITED

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records available and as provided 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 audit period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the Company is in process of developing a proper Board-processes and compliance-mechanism, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, forms and returns filed and other records maintained by Aadi Industries Limited ("the Company") for the financial year ended on March 31, 2023 according to the provisions of following Acts as may be applicable:

- (i) The Companies Act, 2013('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed hereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): as applicable:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations,2011
 - (b) The Securities and Exchange Board of India (Prohibition of Insider

Trading) Regulations, 1992; presently, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; presently, the Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2018;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; presently the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; presently the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; presently the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; presently the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

(i) The Company has informed that there are no laws which are specifically applicable to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and the Listing Agreements entered into by the Company with Stock Exchange(s),

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

Further, no penalty or fine was levied on the Company except for a fine of Rs. Rs. 1,00,300 by BSE for the delay in filing of the compliance with respect to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015.

We further report that

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

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.

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

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

I further report that during the audit period, no events/ actions have taken place which have a major bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc.

Sd/-

For M/s. S. A. & Associates

Company Secretaries

Ms. Shipra Agarwal

CP No. 3173

UDIN: F004917E000907643

Date: September 01, 2023

Place: Kolkata

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

Annexure A

To,
The Members,
AADI INDUSTRIES LIMITED

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

- 1) Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of 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 provided a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Where ever required, we have obtained the Management representation about the compliance of the 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 the management. Our examination was limited to the verification of procedures on test basis.
- 6) The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Sd/-
For M/s. S. A. & Associates
Company Secretaries
Ms. Shipra Agarwal
CP No. 3173
UDIN: F004917E000907643
Date: September 01, 2023
Place: Kolkata

Annexure B

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
AADI INDUSTRIES LIMITED

This certificate is issued in pursuance of Regulation 34(3) and sub-clause (i) of clause 10 of para C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of AADI INDUSTRIES LIMITED (L25203MH1994PLC206053).

In our opinion and to the best of our information and according to the written representation/declaration received from the directors and taken on record by the Board of Directors, as on March 31, 2023, none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the companies by the SEBI/Ministry of Corporate Affairs or any such other authority.

S. No.	Name of the Director	DIN	Designation	Date of Appointment in the Company*	Date of Cessation in the Company*
1.	Mr. Rushabh Shah	01944390	Managing Director	07/11/2007	-
2.	Ms. Gayathri Muttur Nagaraj	06742638	Independent Director	12/01/2021	-
3.	Mr. Sharanabasaweshwar Gangadharayya Hiremath	08912844	Independent Director	31/03/2022	-
4.	Ms. Sonam Kinjal Gandhi	09593620	Independent Director	23/05/2022	11/04/2023

*Date of appointment and cessation is as per MCA Portal

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act. Ensuring the eligibility 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.

Sd/-

For M/s. S. A. & Associates
Company Secretaries
Ms. Shipra Agarwal
CP No. 3173
UDIN: F004917E000907478
Date: September 01, 2023
Place: Kolkata

**Certification by Managing Director and Chief Financial Officer of the Company
(Pursuant to Regulations 17(8) of SEBI (LODR) Regulations, 2015)**

We, Rushabh Shah, Managing Director and Sushil Surve, Chief Financial Officer, of Aadi Industries Limited (the Company), hereby certify to the Board that:

(a) We have reviewed the financial statements and the Cash Flow Statement for the year and that to the best of our knowledge and belief:

(i) These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;

(ii) These statements together present a true and fair view of the Company affairs and are in compliance with existing accounting standards, applicable laws and Regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

(c) We are responsible for establishing and maintaining internal controls for financial reporting in the Company and we have evaluated the effectiveness of the internal control system of the Company pertaining to financial reporting. We have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the audit Committee:

(i) Significant changes in internal controls over financial reporting during the year.

(ii) Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and

(iii) Instance of Significant fraud of which we have become aware and the involvement therein, if any, of the Management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-

Rushabh Shah
Managing Director

(DIN: 01944390)

Date: May 26, 2023

Place: Mumbai

Sd/-

Sushil Surve
Chief Financial officer

(PAN: BAFPS2478N)

Date: May 26, 2023

Place: Mumbai

Declaration regarding Compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct

I, Rushabh Shah, Managing Director of Aadi Industries Limited hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct, as applicable to them, for the year ended March 31, 2023.

Sd/-

Rushabh Shah

Managing Director

(DIN: 01944390)

Date: May 26, 2023

Place: Mumbai

Independent Auditor's Report

To
The Members of Aadi Industries Ltd
Report on the Audit of Financial Statements

Disclaimer of Opinion

We have audited the accompanying financial statements of **Aadi Industries Limited** ('the Company'), which comprises the Balance Sheet as at 31st March 2023, the statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and statement of cash flows for the year then ended, and notes to financial statements, including a summary of the significant accounting policies and other explanatory information.

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements.

Basis for Disclaimer of Opinion

Management has not been able to provide any cash credit loan statement or loan confirmation for Rs 35,00,000/- as on 31st March, 2023 reflected as borrowings under current financial liabilities. Accordingly, in the absence of sufficient and appropriate evidence to our satisfaction, we are unable to satisfy ourselves on the cash credit limit and bank balance.

As a result of these matters, we were unable to determine whether any adjustments might have been found necessary in respect of recorded or unrecorded transactions in the Balance Sheet, and the corresponding elements making up the Statement of Profit and Loss and Cash Flow Statement.

Material uncertainty related to Going Concern

We draw attention to note 26 of the financial statements, which indicates that the Company has incurred a loss after tax of Rs 17.69 Lakhs for the year ended 31st March 2023. There has been significant decline in the key financial ratios on account of the persistent loss in preceding previous years.

In the opinion of the Company, based on the reasons mention in note no 26 company expects to realise its assets and discharge its liabilities in the normal course of business and hence the financial statements have been prepared on a going concern basis.

The said assumption of going concern is inter-alia dependent on the Company's ability to achieve improvements in liquidity and turnaround in its business operations. Though a material uncertainty exists on the Company's going concern assumption, Company's management is of the view that there are mitigating factors to such uncertainties including discussions with infusion of funds by promoters, orders on hand etc.

Our conclusion on the financial statement is not modified in respect of this matter.

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. Refer basis of opinion and emphasis of matter paragraph for key audit matter during the year under consideration. Other than that there has been no Key Audit Matter identified given the fact of no or minimum business operations of the Company.

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

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's 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 and will not express any form of assurance conclusion thereon.

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

Management's Responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation 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 Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds

and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 and Board of Directors are 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.

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

Auditor's Responsibility for the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures 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.

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 Section 197(16) of the Act, we report that the Company has paid remuneration if any to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.
2. 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.
3. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. Except for the matters described in the basis of disclaimer of opinion paragraph, 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 statement of cash flow dealt with by this Report are in agreement with the books of account;
 - d. Except for the effects of the matter described in the basis of disclaimer of opinion paragraph, in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act
 - 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. The disclaimer of opinion relating to the maintenance of accounts and other matters connected therewith are as stated in the basis of disclaimer of opinion paragraph.
 - g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - 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:

1. The Company does not have any pending litigations as on 31st March, 2023 which would impact its financial position other than that mentioned in the basis of opinion paragraph and in the financials;
2. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
3. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund.
4. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or
 - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
5. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - Directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or
 - Provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
6. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (h) (4) and (h) (5) contain any material mis-statement.

For RAK CHAMPS & CO LLP.
CHARTERED ACCOUNTANT
Firm Registration No. 131094W

RAMANATHA SHETTY
M. No. 218600
UDIN: 23218600BGQJTE4981

Place: Mumbai
Date: 26/05/2023

Annexure - A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the year ended 31st March 2023, according to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that:

i. Property, Plant and Equipment:

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

(B) The Company does not have any intangible asset. Accordingly, clause 3(i)(a)(B) of the order is not applicable.
- b. The Company has a regular programme of physical verification of its Property, Plant and Equipment by which Property, Plant and Equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain Property, Plant and Equipment were verified during the year and no material discrepancies were noticed on such physical verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- c. The company does not have any immovable property. Accordingly, clause 3(i)(c) of the order is not applicable.
- d. The Company has not revalued any of its property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.
- e. There are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. Inventory:

- a. There are no inventories in the year under consideration. Hence, there is nothing to report under this clause.
- b. We are unable to provide an opinion on clause 3(ii)(b) of the Order for the reasons stated in the basis for disclaimer of opinion paragraph. However during the year under consideration there has been no utilization of working capital borrowed funds and no quarterly statements has been filed with the banks.

iii. Loans, Guarantees, Security and Investment:

The company has not made investments in or granted any loans and advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, the provision of the clause 3(iii) and its sub-clauses of the Order is not applicable to the company.

iv. Loans, Guarantee and Advances to Director of Company:

The Company has not made investments in or granted any loans, guarantees or security to any entity or person. Accordingly, the provision of the clause 3(iv) of the Order is not applicable to the company.

v. Public Deposits:

The Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.

vi. Maintenance of costing records:

As specified in Rule 3 of the Companies (Cost Records and Audit) Rules, 2014, the Company is not engaged in the business of production of goods or providing of services. Accordingly, the requirement of maintaining cost records in accordance with Section 148(1) of the Act read with the aforementioned Rules is not applicable to the Company for the period under review.

vii. Deposit of statutory liabilities:

- 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 Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable. However, company has defaulted in deducting with TDS as required by the provisions of Income Tax Act, 1961.

- b. According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of disputes, except for the following:

Nature of Dues	Amount (In Lakhs)	Period to which amount relates	Forum where dispute is pending
Income Tax	237.09/-	A.Y. 2010-2011	CIT(A) – 22
Income Tax	621.76/-	A.Y. 2011-2012	CIT(A) – 22
Income Tax	225.39/-	A.Y. 2012-2013	CIT(A) – 22
Income Tax	351.38/-	A.Y. 2014-2015	CIT(A) – 22

viii. Previously unrecorded income:

The Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

ix. Default in repayment of borrowings:

- a. Company has been declared as NPA by the Banks on account of default in repayment of loan. The said default continues as on date. However, we are unable to provide the details of the default for the reasons stated in the basis for disclaimer of opinion paragraph.
- b. The Company has not been declared a wilful defaulter but declared as NPA by any bank or financial institution or government or government authority.
- c. The Company has not taken any term loan except loan mentioned in basis of disclaimer of opinion.
- d. We report that no funds have been raised on short-term basis by the Company during the year. Accordingly, clause 3(ix)(d) of the Order is not applicable.
- e. We report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- f. We report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.

x. Funds raised and utilization:

- a. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) or term loans during the year. Accordingly, paragraph 3(x)(a) of the Order is not applicable to the Company.
- b. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

xi. Fraud and whistle-blower complaints:

- a. No material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- b. No report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

xii. Nidhi Company:

The Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. Related Party Transactions:

Transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

xiv. Internal Audit:

- a. The Company has an internal audit system commensurate with the size and nature of its business.
- b. We have considered the internal audit reports of the Company issued till date for the period under audit.

xv. Non-Cash Transactions:

The Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. Registration under RBI act:

The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

xvii. Cash Losses:

The Company has incurred cash losses of Rs 16.67 Lakhs and Rs 34.07 Lakhs for the year ended 31st March, 2023 and 31st March, 2022 respectively.

xviii. Resignation of Statutory Auditors:

There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

xix. Material uncertainty on meeting liabilities:

According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions and for the reasons stated in note no 26 of the financial statements, we believe that that material uncertainty exists as on the date of the audit report that the Company may not be capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

xx. Unspent CSR:

The company is not liable for spending amount under CSR under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

xxi. Qualified CARO in Subsidiary:

The company has no subsidiary companies. Accordingly, clause 3(xxi) of the Order is not applicable.

**For RAK CHAMPS & CO LLP.
CHARTERED ACCOUNTANT
Firm Registration No. 131094W**

**RAMANATHA SHETTY
M. No. 218600
UDIN: 23218600BGQJTE4981**

**Place: Mumbai
Date: 26/05/2023**

Annexure- B to the Auditors' Report

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

Opinion

We have audited the internal financial controls over financial reporting of AADI Industries Limited ("the Company") as of 31st March 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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.

For RAK CHAMPS & CO LLP.

CHARTERED ACCOUNTANT

Firm Registration No. 131094W

RAMANATHA SHETTY

M. No. 218600

UDIN: 23218600BGQJTE4981

Place: Mumbai

Date: 26/05/2023

AADI INDUSTRIES LTD.
BALANCE SHEET AS AT MARCH 31, 2023

(Amounts in Lakhs)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non - Current Assets			
Property, Plant & Equipment	3	1.75	2.14
Total Non - Current Assets		1.75	2.14
Current Assets			
Financial Assets			
Trade Receivables	4	24.27	26.27
Cash & Cash Equivalents	5	11.96	14.61
Other Current Assets	6	6.74	12.66
Total Current Assets		42.96	53.54
TOTAL ASSETS		44.72	55.67

(Amounts in Lakhs)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	7	1,000.00	1,000.00
Other Equity	8	-1,660.00	-1,642.31
Total Equity		-660.00	-642.31
LIABILITIES			
Current Liabilities			
Financial Liabilities			
Borrowings	9	695.30	690.26
Trade Payables	10		
Total outstanding dues of MSME		-	-
Total outstanding dues other than MSME		7.80	7.42
Provision	11	1.61	0.30
Total Current Liabilities		704.71	697.98
TOTAL EQUITY AND LIABILITIES		44.72	55.67

CORPORATE INFORMATION

1

SIGNIFICANT ACCOUNTING POLICIES

2

NOTES ON ACCOUNTS

3-28

This is the balance sheet referred to in our report of even date.

For and on behalf of the Board of Directors of Aadi Industries Ltd

For RAK CHAMPS & CO LLP

CHARTERED ACCOUNTANTS

Firm Registration No. 131094W

Rushabh Shah
Managing Director
DIN : 01944390

Gayathri Muttur Nagaraj
Director
DIN : 06742638

Ramanatha Shetty
Membership No: 218600
Partner

Sushil Surve
CFO

UDIN : 23218600BGQJTE4981

Mumbai, 26th May 2023

Mumbai, 26th May 2023

AADI INDUSTRIES LTD.

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2023

(Amounts in Lakhs)

Particulars	Note. No.	Year ended March 31, 2023	Year ended March 31, 2022
Income			
Revenue from Operations	12	-	2.67
Other income	13	5.98	-
Total Income		5.98	2.67
Expenses			
Changes in inventories of stock in trade	14	-	2.50
Employee benefits expenses	15	8.46	8.28
Depreciation and amortization expenses	3	1.01	1.32
Other Expenses	16	14.20	25.80
Total Expenses		23.67	37.89
Profit / (loss) before tax		-17.69	-35.23
Tax Expenses			
Current Year		-	-
Deferred Tax		-	0.17
Profit / (loss) after tax		-17.69	-35.39
Other Comprehensive Income		-	-
Total Other Comprehensive Income / (loss) for the year		-17.69	-35.39
Earnings Per Equity Share - Basic & Diluted (₹)		(0.18)	(0.35)

CORPORATE INFORMATION

1

SIGNIFICANT ACCOUNTING POLICIES

2

NOTES ON ACCOUNTS

3-28

This is the Statement of Profit and Loss referred to in our audit report of even date.

For RAK CHAMPS & CO LLP

For and on behalf of the Board of Directors of

CHARTERED ACCOUNTANTS

Aadi Industries Ltd

Firm Registration No. 131094W

Ramanatha Shetty

Rushabh Shah

Gayathri Muttur Nagaraj

Membership No: 218600

Managing Director

Director

Partner

DIN : 01944390

DIN : 06742638

UDIN : 23218600BGQJTE4981

Sushil Surve

CFO

Mumbai, 26th May 2023

Mumbai, 26th May 2023

AADI INDUSTRIES LTD.
CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2023

(Amounts in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) Before Tax	-17.69	-35.23
Adjustments for :		
Depreciation & Amortization	1.01	1.32
Operating loss before working capital changes	<u>-16.67</u>	<u>-33.91</u>
Adjustment for Changes in Working Capital		
(Increase) / Decrease in Trade Receivables	2.00	-2.45
(Increase) / Decrease in Inventories	-	2.50
(Increase) / Decrease in Other Current Assets	5.93	-3.20
Increase / (Decrease) in Trade Payables	0.38	-0.55
Increase / (Decrease) in Other Current Liabilities	1.31	0.15
Cash Generated from Operations	<u>-7.05</u>	<u>-37.46</u>
Less: Taxes Paid (Net of refund received)	-	-
NET CASH FLOW FROM OPERATING ACTIVITY (A)	-7.05	-37.46
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed assets	-0.63	-0.92
NET CASH FLOW FROM INVESTING ACTIVITY (B)	<u>-0.63</u>	<u>-0.92</u>
C CASH FLOW FROM FINANCING ACTIVITY		
Proceeds of Borrowings	5.04	36.86
NET CASH FLOW FROM FINANCING ACTIVITY (C)	<u>5.04</u>	<u>36.86</u>
D NET CASH FLOW FOR THE YEAR (A + B + C)	-2.64	-1.52
Add: Opening Balance of Cash & Cash Equivalents	14.61	16.12
Add: Net effect of Unrealised Exchange Difference	-	-
CLOSING BALANCE OF CASH & CASH EQUIVALENTS	<u>11.96</u>	<u>14.61</u>
CASH AND CASH EQUIVALENT COMPRISES AS UNDER:		
Balance with banks in current accounts	0.09	0.05
Cash on Hand	11.88	14.56
CASH AND CASH EQUIVALENT	<u>11.96</u>	<u>14.61</u>
Note:		
i. Figures in brackets represent outflow of cash & cash equivalent.		
ii. The above Statement of Cash Flows has been prepared under indirect method as set out in Ind AS 7, Statement of Cash Flows.		

This is the Statement of Cash Flows referred to in our report of even date.

For RAK CHAMPS & CO LLP
CHARTERED ACCOUNTANTS
Firm Registration No. 131094W

Ramanatha Shetty
Membership No: 218600
Partner

UDIN : 23218600BGQJTE4981

Mumbai, 26th May 2023

For and on behalf of the Board of Directors of

Rushabh Shah
Managing Director
DIN : 01944390

Gayathri Muttur Nagaraj
Director
DIN : 06742638

Sushil Surve
CFO

Mumbai, 26th May 2023

AADI INDUSTRIES LTD.
STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2023

A. Equity Share Capital

(Amounts in Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Balance as the beginning of the reporting period	10,000,000	1,000.00	10,000,000	1,000.00
Add: Changes in Equity Capital during the year	-	-	-	-
Balance at the end of the reporting period	10,000,000	1,000.00	10,000,000	1,000.00

B. Other Equity (Note 10)

(Amounts in Lakhs)

Particulars	Retained Earnings	Total
Balance as on April 01, 2021	-1,606.92	-1,606.92
Profit / (Loss) for the period	-35.39	-35.39
As at March 31, 2022	-1,642.31	-1,642.31
Profit / (Loss) for the period	-17.69	-17.69
As at March 31, 2023	-1,660.00	-1,660.00

Nature and Purpose of the Reserves

Retained earnings

Retained earnings pertain to the accumulated earnings / losses by the Company over the years.

**AADI INDUSTRIES LTD.
SIGNIFICANT ACCOUNTING POLICIES**

1 CORPORATE INFORMATION

Aadi Industries Limited (The Company) Is A Publicly Limited By Shares Domiciled In India, Incorporated Under The Provisions Of Companies Act, 1956. Its Shares Are Listed On National Stock Exchange Of India Limited And Bse Limited. Its Registered Office Is Situated At 320,Siddhivinayak Society,Hingwala Lane, Ghatkopar East,Mumbai - 400075,India. The Company Is In The Business Of Trading And Manufacturing Of Plastic And Plastic Products.

2 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the Significant Accounting Policies adopted in the preparation of these Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 BASIS FOR PREPARATION OF ACCOUNTS

a) Statement of Compliance with Ind AS

These financial statements are the separate financial statements of the Company (also called standalone financial statements) prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

b) Current versus Non-Current classification

All assets and liabilities have been classified as Current or Non Current as per the Company's normal operation cycle i.e. twelve months and other criteria set out in the Schedule III of the Act.

c) Historical Cost Convention

The financial statements are prepared on accrual basis of accounting under historical cost convention in accordance with Generally Accepted Accounting Principles in India and the relevant provisions of the Companies Act, 2013 including Indian Accounting Standards notified there under, except for the following:

- Certain financial assets and liabilities that are measured at fair value

2.2 USE OF ESTIMATES

In preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, impairment of trade receivables, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

2.3 REVENUE RECOGNITION

a) Sale of Goods

Revenue from the sale of goods is recognised when property in the goods, or all significant risks and rewards of ownership of the goods have been transferred to the buyer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods as well as its collection. Revenue from the sale of goods is measured at the fair value of the consideration

b) Rendering of services

Revenue of services are recognized when the services are rendered.

c) Dividend

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

d) Interest Income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

2.4 FOREIGN CURRENCY TRANSACTIONS

a) Functional and Presentation Currency

The financial statements are presented in Indian Rupee (INR), which is company's functional and presentation currency.

b) Initial Recognition

Transactions in foreign currencies are recorded at the exchange rate prevailing on the dates of the transactions. Exchange difference arising on foreign exchange transaction settled during the year are recognized in the Statement of profit and loss of the year.

c) Measurement of foreign currency items at the Balance sheet date

Monetary assets and liabilities denominated in foreign currencies are re-translated into functional currency at the exchange rate prevailing at the end of the reporting period. Non monetary assets and liabilities that are measured based on a historical cost in a foreign currency are not re-translated. Exchange differences arising out of these transaction are charged to the profit and loss.

2.5 PROPERTY, PLANT AND EQUIPMENTS AND INTANGIBLE ASSETS

a) Property, plant and equipment (PPE)

i) Recognition and measurement

Freehold land is carried at cost. All other items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenses directly attributable to the acquisition of the assets. The cost of an item of a PPE comprises its purchase price including import duty, and other non-refundable taxes or levies and any directly attributable cost of bringing the assets to its working condition of its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

ii) Subsequent expenditure

Expenditure incurred on substantial expansion upto the date of commencement of commercial production are capitalised. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate 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. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

b) Capital Work-In-Progress And Pre-Operative Expenses During Construction Period

Capital work-in progress includes expenditure directly related to construction and incidental thereto. The same is transferred or allocated to respective Property, Plant and Equipment on their completion / commencement of commercial production.

c) Intangible assets

Intangible assets are held on the balance sheet at cost less accumulated amortisation and impairment loss if any.

2.6 IMPAIRMENT OF NON- FINANCIAL ASSETS

The Company's non-financial assets other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is an indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of time value of money and the risks specific to the CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment losses recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the other assets of the CGU on a pro rata basis.

An impairment loss in respect of assets for which impairment loss has been recognized in prior periods, the Company reviews at reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

2.7 DEPRECIATION AND AMORTISATION

Depreciation is computed using Straight Line Method (SLM) over the useful lives of the assets as specified in Schedule II to the Companies Act, 2013. Lease hold land is amortised over the period of lease.

Useful lives of the items of Property, Plant and Equipment are as follows:

Asset	Estimated Useful Life
Building	30 Years
Plant & Machinery	8 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years
Computers	3 Years
Other equipment	5 Years

Intangible Assets are amortized over their individual estimated useful lives on a Straight Line basis, commencing from the year in which the same are available to the Company for its intended use. The useful life so determined is as follows:

Assets	Amortisation period
Software Licenses	5 years

The assets; residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Depreciation and amortization on property, plant and equipment added/dropped off during the year has been provided on pro-rata basis with reference to the date of addition/disposal.

Depreciation and amortization methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate

2.8 FINANCIAL INSTRUMENTS

I. Financial Assets

a) Classification of financial assets

The Company classifies financial assets as subsequently measures at amortised cost, fair value through other comprehensive income or fair value through profit & loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

i) Debt instrument at amortised cost:

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objectives is to hold assets for collecting contractual cash flow and
- Contractual terms of the asset give rise on specified dates to cash flow that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or cost that are an integral part of the EIR. The EIR. Amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. The category generally applies to trade and other receivable.

ii) Debt instrument at fair value through other comprehensive income (FVOCI):

Assets that are held for collection of contractual cash flow and selling the financial assets, where the assets' cash flow represents solely payments of principal and interest are measuring at FVOCI, movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue or foreign exchange gains and losses which are recognised in profit and loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the EIR method. The company does not have any instruments classified as fair value through other comprehensive income (FVOCI).

iii) Debt instrument measured at fair through profit and loss (FVTPL):

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/ (losses) in the period in which it arises. Interest income from these financial assets is included in other income.

iv) Equity investments:

Investment in associates are accounted using equity method.

All other equity investments which are in scope of Ind-AS 109 are measured at fair value. Equity instrument which are held for trading are classified as at FVTPL. For all other equity investments, the Company decide to classify the same either as at fair value through other comprehensive income (FVOCI) or FVTPL. The company makes such election on an instrument-by- instrument basis. The classification is made on initial recognition and is irrevocable.

For equity investments classified as FVOCI, all fair value changes on the instruments, excluding dividend, are recognized in other comprehensive income (OCI). There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of such investment

Equity investments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

Costs of certain unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

b) Initial recognition and measurement

All financial assets are recognised initially at fair value and for those instruments that are not subsequently measured at FVTPL, plus/minus transaction cost that are attributable to the acquisition of the financial assets.

Trade receivable are carried at original invoice price as the sales arrangements do not contain any significant financial component. Purchase or sales of financial assets that required delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the assets.

c) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) primarily derecognised (i.e. removed from the company's balance sheet) when :

- The rights to receive cash flows from the asset have expired, or
- The Company has neither transferred nor retained substantially all the risks and rewards all the assets, but has transferred control of the assets.

When the company has transferred its rights to receive cash flow from an asset or has entered into a pass-through arrangement, it evaluates whether it has transferred substantially all the risks and rewards of ownership. In such cases, the financial asset is derecognised. When it has neither transferred nor retained substantially all of the risks and rewards of the assets, nor transferred control of the assets, the Company continues to recognise the transferred asset to the extent of the company's continuing involvement. In the case, the company recognises and associated liability. The transferred asset and the associated liability are measured on a basis that reflect the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and maximum amount of consideration that the company could be required to repay.

d) Impairment of financial assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loan, debt security, deposits, and bank balance.
- Trade Receivables

The company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application simplified approach does not require the company to track change in risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivable. The provision matrix based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, historically observed default rate updated and change in the forward looking estimates are analysed.

II. Financial Liabilities and equity instruments

Debt and equity instruments issued by an entity are classified as either financial liability or as equity in accordance with substance of the contractual arrangements and the definition of a financial liability and an equity instrument.

a) Equity instruments:

An equity instruments is any contract the evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by an entity are recognised at the proceeds received, net of direct issue costs.

An equity instruments is any contract the evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by an entity are recognised at the proceeds received, net of direct issue costs.

b) Financial liabilities :- Classification

Financial liabilities are classified as either's at FVTPL' or' other financial liabilities consists of derivative financial instruments, wherein the gain/losses arising from remeasurement of these Instruments of recognized in the statements of profit and loss. Other financial liability (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

c) Initial recognition and measurement:

All financial liability are recognised initially at fair value and for those instruments that are not Subsequently measured at FVTPL, plus/minus transaction cost that are attributable to issue of these instruments.

d) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. 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 the derecognition of the original liability and the recognition of the new liability. The difference in the respective carrying amounts is recognised in the statement of Profit and Loss.

III. Fair Value

The Company determines the fair value of its financial instruments on the basis of the following hierarchy

- a) Level 1 : The fair value of financial instruments quoted in active markets is based on their quoted closing price at the balance sheet date. Examples include exchange traded commodity derivatives and other financial instruments in equity and debt securities which are listed in a recognised stock exchange
- b) Level 2 : The fair value of financial instruments that are not traded in active markets is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable arm's length transactions. For example, the fair value of forward exchange contracts, currency swaps and interest rate swaps is determined by discounting estimated future cash flows using a risk-free interest rate
- b) Level 3 : The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs)

IV. Accounting for day 1 differences

If the fair value of the financial asset or financial liability at initial recognition differs from the transaction price, this if it is not consideration for goods or services or a deemed capital contribution or deemed distribution, is accounted as follows :

- i) If the fair value is evidence by a quoted price in an active market for an identical asset or liability (ie Level 1 input) or based on a valuation technique that uses data from observable market, the entire day 1 gain/loss is recorded immediately in the statement of profit and loss; or
- ii) in all other cases, the difference between the fair value at initial recognition and transaction price is deferred. After initial recognition, the deferred difference is recorded as gain or loss in the statement profit and loss only to the extent that is arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

In case difference represents :

- i) deemed capital contribution - it is recorded as investment in subsidiary
- ii) deemed distribution - It is recorded in equity
- iii) deemed consideration for goods and services - it is recorded as an asset or liability. This amount is amortised / accredited to the statement of profit and loss as per the substance of the arrangement (generally straight line basis over the duration of the arrangement)

2.9 INVENTORIES

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

Cost of Raw Material is determined on a First In First Out (FIFO) basis.

Packing materials are valued at cost.

Finished goods are valued at cost or net realizable value whichever is lower. Cost comprises direct materials and where applicable, direct labour costs, those overheads but excluding borrowing cost that have been incurred in bringing the inventories to their present location and condition. Cost is arrived on weighted average cost basis.

Work in Progress is valued at cost or net realizable value whichever is less. Cost comprises direct materials and appropriate portion of direct labour costs, manufacturing overheads but excluding borrowing cost that have been incurred in bringing the inventories to their present location and condition.

2.10 BORROWING COSTS

Borrowing Costs that are interest and other costs that the company incurs in connection with the borrowings of funds and is measured with reference to the effective interest rate applicable to the respective borrowing. Borrowing costs include interest cost measured at EIR and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets, wherever applicable, till the assets are ready for their intended use. Such capitalisation is done only when it is probable that the asset will result in future economic benefits and the costs can be measured reliably. Capitalisation of borrowing cost is suspended and

Capitalisation of borrowing costs commences when all the following conditions are satisfied:

- i. Expenditure for the acquisition, construction or production of a qualifying asset is being incurred;
- ii. Borrowing costs are being incurred; and
- iii. Activities that are necessary to prepare the asset for its intended use are in progress.

A qualifying asset is one which necessarily takes substantial period to get ready for intended use. All other borrowing costs are charged to revenue account.

2.11 ACCOUNTING FOR TAXES ON INCOME

a) Income Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in Deferred Tax Assets and Liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period i.e. as per the provisions of the Income Tax Act, 1961, as amended from time to time. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on the rates and tax laws enacted or substantively enacted, at the reporting date in the country where the Company operates and generates taxable income. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Current tax assets and liabilities are offset only if, the Company :

- i) has legally enforceable right to set off the recognised amounts; and
- ii) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

b) Deferred Taxes

Deferred tax is recognised in respect of temporary differences between the carrying amounts of the assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purpose

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences only if it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realised; such reductions are reversed when the probability of future taxable profits improves

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantially enacted at the reporting date.

Deferred Tax Assets and Liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and Deferred Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Any tax credit including MAT credit available is recognised as Deferred Tax to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilised. The said asset is created by way of credit to the Statement of Profit and Loss and shown under the head deferred tax asset

The carrying amount of Deferred Tax Assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the Deferred Tax Asset to be utilised. Unrecognised Deferred Tax Assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset only if, the Company :

- i) has legally enforceable right to set off the recognised amounts; and
- ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

2.12 PROVISIONS AND CONTINGENT LIABILITIES

a) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

b) Contingent Liability

Contingent liabilities are not provided for and if material, are disclosed by way of notes to accounts. Contingent Liability is disclosed in the

- i. A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation.
- ii. A present obligation arising from the past events, when no reliable estimate is possible;
- iii. A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

2.13 EARNING PER SHARE

a) Basic Earnings Per Share

Basic Earnings Per Share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the company's earnings per share is the net profit for the period after deducting preference dividends, if any, and any attributable distribution tax thereto for the period.

b) Diluted Earnings Per Share

Diluted Earnings Per Share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

2.14 CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents comprise cash and deposits with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amount of cash to be cash equivalents.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.15 STATEMENT OF CASH FLOWS

Cash Flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing Cash Flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.16 DIVIDEND

The Company recognises a liability for dividends to equity holders of the Company when the dividend is authorised and the dividend is no longer at the discretion of the Company. As per the corporate laws in India, a dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.17 ROUNDING OFF

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupees, unless otherwise stated.

2.18 EVENTS OCCURRING AFTER THE REPORTING DATE

Adjusting events (that provides evidence of condition that existed at the balance sheet date) occurring after the balance sheet date are recognized in the financial statements. Material non adjusting events (that are inductive of conditions that arose subsequent to the balance sheet date) occurring after the balance sheet date that represents material change and commitment affecting the financial position are disclosed in the Directors' Report.

2.19 EXCEPTIONAL ITEMS

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

2.20 OPERATING CYCLE

All assets and liabilities have been classified as current or non-current as per each Company's normal operating cycle and other criteria set out in the Schedule III to the Act

2.21 SEGMENT REPORTING

Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Company to make decisions for performance assessment and resource allocation.

The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments.

2.22 LEASES

The company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether: (i) the contract involves the use of an identified asset (ii) the company has substantially all of the economic benefits from use of the asset through the period of

a) Company as a Lessee

At lease commencement date, the company recognises a right-of-use assets and a lease liabilities on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liabilities, any initial direct costs incurred by the company and any lease payments made in advance of the lease commencement date.

The company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use assets or the end of the lease term. The company also assesses the right-of-use assets for impairment when such indicators exist.

At the commencement date of lease, the company measures the lease liabilities at the present value of the lease payments to be made over the lease term, discounted using the interest rate implicit in the lease if that rate is readily available or the company's incremental borrowing rate. The company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance, fixed), and payments arising from options reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest expenses. It is remeasured to reflect any reassessment or When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or Statement of profit and loss, as the case may be.

The company has elected to account for short-term leases and leases of low-value assets using the exemption given under Ind AS 116, Leases. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straightline basis over the lease term or on another systematic basis if that basis is more representative of the pattern of the company's benefit.

b) Company as a Lessor

Leases for which the company is a lessor classified as finance or operating lease

Lease income from operating leases where the company is a lessor is recognised in income on a straightline basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the excepted inflationary cost increases. The respective leased assets are included in the Balance Sheet based on their nature."

2.23 Recent accounting pronouncements issued but not made effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

NOTE 3: PROPERTY, PLANT & EQUIPMENT

(Amounts in Lakhs)

DESCRIPTION	GROSS BLOCK (AT COST)				DEPRECIATION / AMORTIZATION				NET BLOCK	
	As At April 01, 2022	Additions / Transfers	Deductions	As At March 31, 2023	As At April 01, 2022	For The Year	On Deductions	As At March 31, 2023	As At March 31, 2023	As At March 31, 2022
Furniture & Fixture	0.76	-	-	0.76	0.40	0.09	-	0.49	0.27	0.36
Office Equipments	4.03	0.63	-	4.66	2.26	0.92	-	3.18	1.49	1.78
Total	4.79	0.63	-	5.42	2.66	1.01	-	3.67	1.75	2.14

DESCRIPTION	GROSS BLOCK (AT COST)				DEPRECIATION / AMORTIZATION				NET BLOCK	
	As At April 01, 2021	Additions / Transfers	Deductions	As At March 31, 2022	As At April 01, 2021	For The Year	On Deductions	As At March 31, 2022	As At March 31, 2022	As At March 31, 2021
Furniture & Fixture	0.76	-	-	0.76	0.27	0.13	-	0.40	0.36	0.48
Office Equipments	3.11	0.92	-	4.03	1.06	1.19	-	2.26	1.78	2.05
Total	3.87	0.92	-	4.79	1.34	1.32	-	2.66	2.14	2.53

NOTE 4: FINANCIAL ASSETS - TRADE RECEIVABLES

(Amounts in Lakhs)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Trade Receivables		
Considered good - related parties	-	-
Unsecured - Considered Good	24.27	26.27
Considered doubtful	-	-
Less : Allowance for unsecured doubtful debts	-	-
TOTAL	24.27	26.27
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	24.27	26.27
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - Credit impaired	-	-
Less : Impairment allowance	-	-
TOTAL	24.27	26.27

Notes -

- The Company has called for balance confirmation of Trade Receivables on random basis. Out of which the Company has received response from some of the parties, which are subject to reconciliation with Company's account. The other balances of Trade Receivables are subject to confirmation.
- Refer Note 21 for information about Credit Risk and Market Risk of Trade Receivables.
- There are no outstanding dues from directors or other officers of the company

Ageing for trade receivables outstanding as at March 31, 2023 is as follows:

(Amounts in Lakhs)

Particulars	Outstanding for following periods from due date of payment					TOTAL
	< 6M	6M - 1 Y	1 Y- 2 Y	2 Y- 3 Y	> 3Y	
(i) Undisputed Trade receivables – considered good	-	-	1.15	-	23.12	24.27
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
TOTAL	-	-	1.15	-	23.12	24.27

Ageing for trade receivables outstanding as at March 31, 2022 is as follows:

(Amounts in Lakhs)

Particulars	Outstanding for following periods from due date of payment					TOTAL
	< 6M	6M - 1 Y	1 Y- 2 Y	2 Y- 3 Y	> 3Y	
(i) Undisputed Trade receivables – considered good	-	3.15	-	-	23.12	26.27
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
TOTAL	-	3.15	-	-	23.12	26.27

NOTE 5: FINANCIAL ASSETS - CASH & CASH EQUIVALENTS

(Amounts in Lakhs)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Balances with Banks in Current Accounts	0.09	0.05
Cash on Hand	11.88	14.56
TOTAL	11.96	14.61

NOTE 6: OTHER CURRENT ASSETS

(Amounts in Lakhs)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Advance to suppliers	-	6.85
Balances with Government Authorities	6.74	5.81
TOTAL	6.74	12.66

NOTE 7: EQUITY SHARE CAPITAL

(Amounts in Lakhs)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Authorised Share Capital		
2,50,00,000 (2,50,00,000/-) Equity Shares of Rs. 10/- each	2,500.00	2,500.00
TOTAL AUTHORIZED SHARE CAPITAL	2,500.00	2,500.00
Issued, Subscribed & Fully Paid Up		
1,00,00,000 (1,00,00,000) Equity Shares of Rs. 10/- each full paid up	1,000.00	1,000.00
TOTAL ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL	1,000.00	1,000.00

a) Reconciliation of the number of shares outstanding :

(Amounts in Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Shares at the beginning	10,000,000	1,000.00	10,000,000	1,000.00
Shares at the end	10,000,000	1,000.00	10,000,000	1,000.00

b) Rights, Preferences and restrictions attached to shares

The company has one class of equity shares having a face value Rs. 10/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders will be entitled to receive any of the remaining asset of the company in proportion to the number of equity shares held by the shareholders, after distribution of all the preferential amounts. However no such preferential amount exist currently.

c) Shareholders holding more than 5% shares each :

Name of the Shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	%	No. of Shares	%
MR.RUSHABH JITENDRA SHAH	2,486,429	24.86%	2,486,429	24.86%

d) Shareholding of promoters:

Disclosure of shareholding of promoters as at March 31, 2023 is as follows:

Shares Held By promoters at the end of Mar 2023			As at March 31, 2023		% change during the year	
Sr No	Promoter Name	No. of Shares	%	No. of Shares	%	
1	MR.RUSHABH JITENDRA SHAH	2,486,429	24.86%	-	-	-

Disclosure of shareholding of promoters as at March 31, 2022 is as follows:

Shares Held By promoters at the end of Mar 2022			As at March 31, 2022		% change during the year	
Sr No	Promoter Name	No. of Shares	%	No. of Shares	%	
1	MR.RUSHABH JITENDRA SHAH	2,486,429	24.86%	-	-	-

NOTE 9: FINANCIAL LIABILITIES (SHORT TERM BORROWINGS)

(Amounts in Lakhs)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Loans repayable on demand		
Secured :		
From Banks	35.00	35.00
Unsecured :		
From directors (refer note below)	660.30	655.26
TOTAL	695.30	690.26

Note:

Loan taken from directors is interest free in nature and repayable on demand.

NOTE 10: FINANCIAL LIABILITIES - TRADE PAYABLES

(Amounts in Lakhs)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Due to Micro, Small and Medium Enterprises	-	-
Due to Others	7.80	7.42
TOTAL	7.80	7.42

Note

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2022-23 to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act.

Particulars	As at	As at
	March 31, 2023	March 31, 2022
(i) Principal and interest amount remaining unpaid	-	-
(ii) Interest due thereon remaining unpaid	-	-
(iii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
(iv) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(v) Interest accrued and remaining unpaid	-	-
(vi) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-
Total	-	-

Ageing for trade payables outstanding as at March 31, 2023 is as follows:

(Amounts in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	< 1 Year	1-2 year	2-3 year	> 3 year	
(i) MSME	-	-	-	-	-
(ii) Others	1.52	-	-	6.28	7.80
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
TOTAL	1.52	-	-	6.28	7.80

Ageing for trade payables outstanding as at March 31, 2022 is as follows:

(Amounts in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	< 1 Year	1-2 year	2-3 year	> 3 year	
(i) MSME	-	-	-	-	-
(ii) Others	0.84	-	2.84	3.75	7.42
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
TOTAL	0.84	-	2.84	3.75	7.42

NOTE 11: Provision

(Amounts in Lakhs)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Other Provisions	1.61	0.30
TOTAL	1.61	0.30

NOTE 12: REVENUE FROM OPERATIONS

(Amounts in Lakhs)

Particulars	Year ended	Year ended
	March 31, 2023	March 31, 2022
Revenue from contract with customers		
Sale of Products	-	2.67
TOTAL	-	2.67

i. There are no adjustments to the contracted price with the customers. Accordingly, revenue from contracts with customers as recognised above is the same as contracted price.

ii. The entire revenue is sourced in India and recognised at a point in time.

NOTE 13: OTHER INCOME

(Amounts in Lakhs)

Particulars	Year ended	Year ended
	March 31, 2023	March 31, 2022
Liabilities not payable written back	5.98	-
	5.98	-

NOTE 14: CHANGE IN INVENTORIES

(Amounts in Lakhs)

Particulars	Year ended	Year ended
	March 31, 2023	March 31, 2022
Opening Stocks:		
Stock In Trade	-	2.50
Sub - Total (A)	-	2.50
Closing Stocks:		
Stock In Trade	-	-
Sub - Total (B)	-	-
Change in Inventories (A-B)	-	2.50

NOTE 15: EMPLOYEE BENEFIT EXPENSES

(Amounts in Lakhs)

Particulars	Year ended	Year ended
	March 31, 2023	March 31, 2022
Salaries, Wages and Bonus	6.66	5.88
Directors Remuneration	1.80	2.40
TOTAL	8.46	8.28

NOTE 16: OTHER EXPENSES

(Amounts in Lakhs)

Particulars	Year ended	Year ended
	March 31, 2023	March 31, 2022
Advertisement, Publicity & Sales Promotion	0.35	0.36
Repairs to Plant and Machinery	0.07	0.04
General Office Expenses	0.15	0.02
Printing & Stationery Expenses	-	0.05
Internet Charges	0.06	0.05
Bank Charges	0.20	0.02
CDSL and NSDL Charges	0.55	0.65
Independent Directors sitting fees	2.80	1.80
Website charges	-	0.05
Legal and Professional Fees	2.23	3.79
BSE Penalty	-	0.40
BSE Re-instatement Fees	-	12.00
Revocation Fees	-	0.25
Sundry Expenses	-	0.18
Listing Fees	3.00	6.00
Sundry Balance Written Off	3.35	-
Payment to Auditors	-	-
Audit Fees	1.44	0.15
TOTAL	14.20	25.80

NOTE 17: CONTINGENT LIABILITIES AND COMMITMENTS**Disputed liabilities on account of Income Tax as at year end****(Amounts in Lakhs)**

Statute	Financial Year to which matter pertains	Forum where matter is pending	Year ended March 31, 2023	Year ended March 31, 2022
Income Tax	FY 2009-10	CIT(A) - 22	237.09	237.09
Income Tax	FY 2010-11	CIT(A) - 22	621.76	621.76
Income Tax	FY 2011-12	CIT(A) - 22	225.39	225.39
Income Tax	FY 2012-13	CIT(A) - 22	351.38	351.38

Notes

The Company's pending litigations comprise of claims against proceedings pending with income tax authorities. The Company has reviewed all its pending litigations and proceedings and has disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

NOTE 18: EARNINGS PER SHARE**(Amounts in Lakhs)**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Loss for the year as per Statement of Profit & Loss	-17.69	-35.39
Weighted Average No. of Equity Shares for of Face Value	10,000,000	10,000,000
Earnings Per Share - Basic & Diluted	<u>(0.18)</u>	<u>(0.35)</u>

NOTE 19: CAPITAL MANAGEMENT

The Company's objective for Capital Management is to maximise shareholder value, safeguard business continuity, and support the growth of the Company. Capital includes, Equity Capital, Securities Premium and other reserves and surplus attributable to the equity shareholders of the Company. The Company determines the capital requirement based on annual operating plans and long term and strategic investment and capital expenditure plans. The funding requirements are met through a mix of equity, operating cash flows generated and debt. The operating management, supervised by the Board of Directors of the Company regularly monitors its key gearing ratios and other financials parameters and takes corrective actions wherever necessary. The relevant quantitative information on the aforesaid parameters are disclosed in these financial statements.

The company monitors capital on the basis of the following gearing ratio :

(Amounts in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Total interest bearing financial liabilities	695.30	690.26
Less : Cash and Cash Equivalents	11.96	14.61
Adjusted Net Debt	<u>683.33</u>	<u>675.66</u>
Total Equity	-660.00	-642.31
Adjusted Equity	<u>-660.00</u>	<u>-642.31</u>
Net Debt to Equity Ratio*	<u>N/A</u>	<u>N/A</u>
* Debt to Equity Ratio not calculated since company is having negative equity.		

NOTE 20: FINANCIAL INSTRUMENTS - CLASSIFICATION AND FAIR VALUE MEASUREMENT**(a) Financial Assets and Liabilities**

The carrying value of financial instruments by categories as at year end is as follows:

(Amounts in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Financial Assets		
<u>Amortised Cost</u>		
Trade Receivables	24.27	26.27
Cash & Cash Equivalents	11.96	14.61
Total	36.23	40.87
Financial Liabilities		
<u>Amortised Cost</u>		
Borrowings	695.30	690.26
Trade Payable	7.80	7.42
Total	703.10	697.68

Carrying amounts of Loans, Trade Receivables, Cash and Cash Equivalents, Other Bank Balances, Other Financial Assets, Borrowings, Trade Payables and Other Financial Liabilities as at March 31, 2023 and March 31, 2022 approximate the fair value because of the short term nature.

NOTE 21: FINANCIAL RISK MANAGEMENT AND POLICIES

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the managing board. The details of different types of risk and management policy to address these risks are listed below:

(a) Market Risk:-

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

(a)(i) Market Risk - Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. Since all the borrowings are generally for short durations and fixed rate, there is no significant interest rate risks pertaining to these deposits

(a)(ii) Market Risk - Price Risk

Price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. The Company has no surplus for investment in debt mutual funds, deposits etc. Accordingly, company is not exposed to any price risk

(a)(iii) Market Risk - Currency Risk

The fluctuation in foreign currency exchange rates may have a potential impact on the statement of profit and loss and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Company. The company does not has any asset or liability in the foreign currency. in view of this it is not susceptible to market currency risk arising from fluctuation in foreign currency exchange rates.

(b) Credit Risk

Credit Risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The carrying amount of Financial Assets represents the maximum credit exposure

Trade Receivables

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, industry information, business intelligence and in some cases bank references.

Trade Receivables of the Company are typically unsecured, except to the extent of the security deposits received from the customers or financial guarantees provided by the market organizers in the business. Credit Risk is managed through credit approvals and periodic monitoring of the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company performs ongoing credit evaluations of its customers' financial condition and monitors the creditworthiness of its customers to which it grants credit terms in the normal course of business. The Company has no concentration of Credit Risk as the customer base is geographically distributed in India.

Expected credit loss for trade receivable:

The allowance for impairment of Trade receivables is created to the extent and as and when required, based upon the expected collectability of accounts receivables. On account of adoption of Ind AS 109, the Company uses lifetime Expected Credit Loss (ECL) model for assessing the impairment loss. For this purpose, the Company uses a provision matrix to compute the expected credit loss amount for trade receivables. Loss rates are based on actual credit loss experience and past trends. The provision matrix takes into account external and internal credit risk factors and historical experience / current facts available in relation to defaults and delays in collection thereof

Other Financial Assets

The company maintains its Cash and Cash equivalents with banks having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis.

Expected credit loss on financial assets other than trade receivable:

The allowance for impairment of Trade receivables is created to the extent and as and when required, based upon the expected collectability of accounts receivables. On account of adoption of Ind AS 109, the Company uses lifetime Expected Credit Loss (ECL) model for assessing the impairment loss. For this purpose, the Company uses a provision matrix to compute the expected credit loss amount for trade receivables. Loss rates are based on actual credit loss experience and past trends. The provision matrix takes into account external and internal credit risk factors and historical experience / current facts available in relation to defaults and delays in collection thereof. Accordingly based on the provision matrix there is no expected credit loss to the company and accordingly there is no provision for doubtful debts

(c) Liquidity Risk

Liquidity Risk is the risk that the Company will face in meeting its obligation associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach in managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements is retained as Cash and Cash Equivalents (to the extent required).

Exposure to Liquidity Risk

The following table shows the maturity analysis of the Company's Financial Liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet Date

Particulars	(Amounts in Lakhs)			
	As at March 31, 2023		As at March 31, 2022	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
Borrowings	695.30	-	690.26	-
Trade Payables	7.80	-	7.42	-
Total	703.10	-	697.68	-

NOTE 22: RELATED PARTY**I. List of related parties and Relationship**

Key Managerial Personnel :

a) Directors

Mr. Rushabh Shah

b) Independent Directors

Ms. Gayathri Muttur Nagaraj

Mr. Sharanabasaweshwar Hiremath

Ms. Sonam Kinjal Gandhi

c) Chief Financial Officer

Mr. Sushil Surve

d) Company Secretary

Ms. Rugveda Wagh

II. Transaction and outstanding balances with the related party**(Amounts in Lakhs)**

Particulars	Key Management Personnel		Total	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Loan received				
Mr. Rushabh Shah	27.07	37.50	27.07	37.50
Loan Received Repaid				
Mr. Rushabh Shah	22.03	0.64	22.03	0.64
Director Remuneration				
Mr. Rushabh Shah	1.80	2.40	1.80	2.40
Salary				
Ms. Rugveda Wagh	2.40	2.40	2.40	2.40
Mr. Sushil Surve	1.96	1.66	1.96	1.66
Independent Directors Sitting Fees				
Ms. Gayathri Muttur Nagaraj	1.20	1.20	1.20	1.20
Ms. Sonam Kinjal Gandhi	0.80	-	0.80	-
Mr. Sharanabasaweshwar Hiremath	0.80	-	0.80	-
Loan Received Outstanding				
Mr. Rushabh Shah	660.30	655.26	660.30	655.26

Note: Related Parties Relationship is as identified by the company and relied upon by the auditors.

NOTE 23: RATIO ANALYSIS

Sr No	Ratio	Formula	As at March 31, 2023	As at March 31, 2022	Change
1	Current Ratio	$\frac{\text{Current Asset}}{\text{Current Liability}}$	0.06	0.08	-21%
2	Debt Equity Ratio	$\frac{\text{Total Borrowings - Cash \& Cash Equivelent}}{\text{Total Equity}}$	NA	NA	NA
3	Debt Service Coverage Ratio	$\frac{\text{EBIDTA}}{\text{Interest + Principle}}$	NA	NA	NA
4	Inventory turnover ratio	$\frac{\text{COGS}}{\text{Average Inventory}}$	NA	0.00	NA
5	Trade Receivables turnover ratio	$\frac{\text{Net Credit Sales}}{\text{Average Account Receivable}}$	NA	0.11	NA
6	Trade payables turnover ratio	$\frac{\text{Net Credit Purchase}}{\text{Average Account Payable}}$	NA	NA	NA
7	Net capital turnover ratio	$\frac{\text{Net Sales}}{\text{Working Capital}}$	NA	0.00	NA
8	Net profit ratio	$\frac{\text{Net Profit* 100}}{\text{Net Sales}}$	NA	NA	NA
9	Return on Equity Ratio	$\frac{\text{Net Income}}{\text{Average Shareholders equity}}$	0.01	0.00	115%
10	Return on Capital employed	$\frac{\text{EBIT}}{\text{Total Asset - Current Liabilities}}$	NA	NA	NA
11	Return on investment	$\frac{\text{Net Income}}{\text{Cost of Investment}}$	NA	NA	NA

Reasons for significant changes in the ratios

Ratio	Reason For Change
Return on Equity Ratio	Company net income has been increased by 124.34% and also, during the year company net loss has been reduced by 49.97% compared to previous year. This results in positive impact in return on capital employed ratio.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating results of the whole Company as one segment i.e. "Polyster". Thus, as defined in Ind AS 108 'Operating Segments', the Company's entire business falls under this one operational segment and hence the necessary information has already been disclosed in the balance sheet and the statement of profit and loss. Further, the entire business of the Company is within India, hence there is no geographical segment.

25 In the absence of reasonable certainty that the company will have sufficient future taxable profit against which the unused tax losses or unused tax credits can be utilised by the entity, deferred tax assets has not been de-recognised during the year and further no deferred tax assets has been recognised.

26

The Company has incurred losses amounting to Rs. 17.69 Lakhs and has negative cash flow from operations of Rs. 2.64 Lakhs during the financial year ended 31 March 2023 (31 March 2022: Rs. 35.39 Lakhs and Rs. 1.52 Lakhs respectively) and as of that date, has accumulated losses of Rs. 589.99 Lakhs (31 March 2022: Rs. 560.94). The Company has been adversely affected in the last few years due to challenging macro business environment and change in business dynamics in the industry it operates. There is temporary shut-down of the business activities resulting in lower or no business turnover and operating losses.

While adverse financial ratios may cast material uncertainty, the Company under the leadership of management is confident that it can tide over the issues successfully. This belief is reinforced by additional funds infusion by Promoters cum directors, internal restructuring of the business objectives and activities, expected recovery in Economy. Under these circumstances, the ability of the Company to continue as a going concern is dependent on its ability to meet its obligations towards its stakeholders, creditors, employees and the Government during the interim period till the company is able to turnaround from its current business and financial crisis and normal operations resume thereafter. Under these circumstances, the Company remains going concern for the foreseeable future and at least 12 months from the balance sheet date.

The Balances of Sundry Debtors, Creditors, Deposits and Loans & Advances are accepted as appearing in the Ledger Accounts and subject to confirmation from individual parties concerned, due adjustments, if any will be made there on. The provisions for all known liabilities and for depreciation is adequate and not in excess of the amounts reasonably necessary.

Previous year's figures have been reclassified/regrouped, wherever applicable to conform to current year's classification.

CORPORATE INFORMATION	1
SIGNIFICANT ACCOUNTING POLICIES	2
NOTES ON ACCOUNTS	3-28

This is the balance sheet referred to in our report of even date.

For RAK CHAMPS & CO LLP
CHARTERED ACCOUNTANTS
Firm Registration No. 131094W

For and on behalf of the Board of Directors of
Aadi Industries Ltd

Ramanatha Shetty
Membership No: 218600
Partner

UDIN : 23218600BGQJTE4981

Mumbai, 26th May 2023

Rushabh Shah
Managing Director
DIN : 01944390

Gayathri Muttur Nagaraj
Director
DIN : 06742638

Sushil Surve
CFO

Mumbai, 26th May 2023