

# AVAX APPARELS AND ORNAMENTS LIMITED

(formerly known as Avax Soft Technologies Limited)

Regd. Office: 611, 6th Floor, Jaina Tower II, Distt Center, Janak Puri, New Delhi 110058

CIN No.: U14101DL2005PLC137127 E-mail: Info@avaxapparels.com

## NOTICE

Notice is hereby given that the **Eighteenth (18<sup>th</sup>) Annual General Meeting** of the Member of **Avax Apparels And Ornaments Limited** (formerly known as Avax Soft Technologies Limited) will be held on Tuesday, 26th Day of September, 2023 at 11.00 A.M. at the Registered Office of the Company situated at 611, 6th Floor, Jaina Tower II, Distt Center, Janak Puri, New Delhi 110058 to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the standalone financial statements of the company for the financial year ended March 31<sup>st</sup>, 2023 along with Reports of the Directors and Auditors thereon.
2. To appoint Mr. Harinderpal Singh Sodhi (DIN: 09283654), who retires by rotation and being eligible, offers himself for re-appointment.
3. Re-appointment of statutory auditor of the company

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

**“RESOLVED THAT** pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s Arvind Manoj and Associates, Chartered Accountants, having registration number-028167N from whom certificate pursuant to section 139 of the Companies Act has been received, be and is hereby appointed as the Statutory auditors of the company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting held in 2028 of the Company for the 5 Financial Years i.e. for the period from 01.04.2023 to 31.03.2028 at a remuneration as may be determined by the Board of Directors of the Company.

**RESOLVED FURTHER THAT** to give effect to above resolution, the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf.”

### **Registered Office :**

611, 6th Floor, Jaina Tower II, Distt  
Center, Janak Puri, New Delhi 110058

### **By Order of the Board**

**Avax Apparels And Ornaments Limited**

**Harinderpal Singh Sodhi**

**Managing Director**

**DIN 09283654**

Place : Delhi

Date : 25.06.2023

**NOTES:**

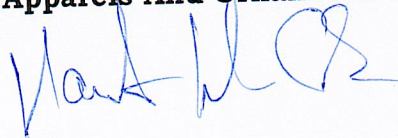
1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES TO BE EFFECTIVE SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. Pursuant to the provision of Section 105 of Companies Act, 2013 read with the applicable rules thereto, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent, of the total share capital of the company carrying voting rights may appoint a single person shall not act as proxy for any other person or shareholder.
4. Corporate Member(s) intending to send their Authorize Representative (s) to attend the meetings are requested to send to the company a certified true copy of the board resolution pursuant to Section 113 of the Companies Act, 2013 authorising their Representative(s) to attend and vote on their behalf at the meeting.
5. All document referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company during office hours on all working days except Saturdays and Sundays between 11:00 A.M. AND 1.00 P.M. up to the date of the Annual General Meeting.
6. Members are requested to make their requests/correspondence in this regard at the registered office of the company

**Registered Office :**

611, 6th Floor, Jaina Tower II, Distt  
Center, Janak Puri, New Delhi 110058

Place: Delhi  
Date: 25.06.2023

**By Order of the Board  
Avax Apparels And Ornaments Limited**



**Harinderpal Singh Sodhi  
Managing Director  
DIN 09283654**

# AVAX APPARELS AND ORNAMENTS LIMITED

(formerly known as Avax Soft Technologies Limited)

Regd. Office: 611, 6th Floor, Jaina Tower II, Distt Center, Janak Puri, New Delhi 110058

CIN No.: U14101DL2005PLC137127 E-mail: Info@avaxapparels.com

**INFORMATION REQUIRED TO BE FURNISHED UNDER SECRETARIAL STANDARD-2 TO APPOINT MR. HARINDERPAL SINGH SODHI (DIN: 09283654), WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT.**

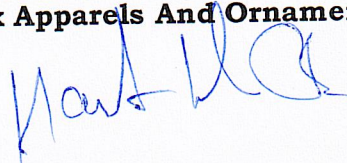
Particulars	Mr. Harinderpal Singh Sodhi
DIN	09283654
Date of Birth	22-11-1990
Age	33 years
Qualifications	Graduate
Experience (including expertise in specific functional area)/Brief Resume	Mr. Harinderpal Singh Sodhi has rich experience in the field of Marketing.
Terms & Conditions	As per the appointment letter
Remuneration last drawn in FY 2022-23 (including sitting fees, if any)	7.35 Lacs p.a.
Remuneration proposed to be paid in FY 2023-24	Upto Rs 21,00,000/- Per annum
Date of first appointment on the Board	16.08.2021
Shareholding in the Company as on 31.03.2023	218084
Relationship with other Directors/Key Managerial Personnel	N.A.
Number of meetings of the Board attended during the FY 2023-24	He has attended the 17 Board Meeting during the year
Directorships of other Boards as on 31.03.2023	N.A.
Membership / Chairmanship of Committees of other Boards as on 31.03.2023	N.A.

**Registered Office :**

611, 6th Floor, Jaina Tower II, Distt Center, Janak Puri, New Delhi 110058

Place: Delhi  
Date: 25.06.2023

**By Order of the Board  
Avax Apparels And Ornaments Limited**



**Harinderpal Singh Sodhi  
Managing Director  
DIN 09283654**

# AVAX APPARELS AND ORNAMENTS LIMITED

(formerly known as Avax Soft Technologies Limited)

Regd. Office: 611, 6th Floor, Jaina Tower II, Distt Center, Janak Puri, New Delhi 110058

CIN No.: U14101DL2005PLC137127 E-mail: Info@avaxapparels.com

## ATTENDANCE SLIP

Eighteenth Annual General Meeting of the Company Tuesday, 26<sup>th</sup> Day of September, 2023 at 11.00 A.M.

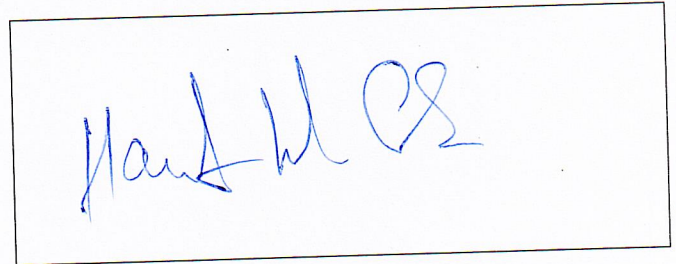
Name of the member (s):

Registered address:

E-mail Id:

Folio No/ Client Id: DP ID:

I certify that I am a registered shareholder/proxy for the registered Shareholder of the Company and hereby record my presence at the Eighteenth Annual General Meeting of the Company on Tuesday 26<sup>th</sup> Day of September, 2023 at 11.00 A.M. at the registered office of the company situated at 611 6th Floor Jaina Tower II Distt Centre Janak Puri Delhi DL 110058.



\_\_\_\_\_  
NAME IN BLOCK LETTERS

Signature of Member/ Proxy

Note: Please fill this attendance slip and hand it over at the entrance of the hall.

**Form No. MGT-11  
Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3)  
of the Companies (Management and Administration) Rules, 2014]

CIN: U14101DL2005PLC137127

Name of the company: Avax Apparels And Ornaments Limited

Registered office: 611 6th Floor Jaina Tower II Distt Centre Janak Puri Delhi DL 110058

Name of the member (s):

Registered address:

E-mail Id:

Folio No/ Client Id: DP ID:

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 18<sup>th</sup> Annual General Meeting of the Company Tuesday, 26<sup>th</sup> Day of September, 2023 at 11.00 A.M. 611 6th Floor Jaina Tower II Distt Centre Janak Puri Delhi DL 110058

and at any adjournment thereof in respect of such resolutions as are indicated below:

Item	For	Against	Abstain
1. To receive, consider and adopt the standalone financial statements of the company for the financial year ended March 31 <sup>st</sup> , 2023 along with Reports of the Directors and Auditors thereon.			
2. Re-Appointment of Statutory Auditor of The Company			
3. To appoint Mr. Harinderpal Singh Sodhi (DIN: 09283654), who retires by rotation and being eligible, offers himself for re-appointment			

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_

Signature of Member

Signature of Proxy

AFFIX  
REVENUE  
STAMP

# AVAX APPARELS AND ORNAMENTS LIMITED

(formerly known as Avax Soft Technologies Limited)

Regd. Office: 611, 6th Floor, Jaina Tower II, Distt Center, Janak Puri, New Delhi 110058

CIN No.: U14101DL2005PLC137127 E-mail: Info@avaxapparels.com

## ROUTE MAP

### Venue:

**611, 6<sup>th</sup> FLOOR JAINA TOWER II DISTT CENTRE JANAK PURI DELHI 110058**



*Handwritten signature in blue ink.*

# AVAX APPARELS AND ORNAMENTS LIMITED

(formerly known as Avax Soft Technologies Limited)

Regd. Office: 611, 6th Floor, Jaina Tower II, Distt Center, Janak Puri, New Delhi 110058

CIN No.: U14101DL2005PLC137127 E-mail: Info@avaxapparels.com

## DIRECTORS' REPORT

### **The Members of M/S Avax Apparels And Ornaments Limited**

Your Directors have pleasure in presenting the Eighteenth Annual Report of the Company together with the Audited Financial Statements of the Company for the year ended March 31, 2023.

### **COMPANY'S AFFAIRS & FINANCIAL RESULTS**

The Company is engaged in the business of buying, selling, reselling, importing, exporting, transporting, storing, promoting, marketing or supplying, trading, dealing in any manner whatsoever in all type of goods on retail as well as on wholesale basis in India or elsewhere.

The financial highlights for the Year under review are as under:

PARTICULARS	(Amount in Lacs)	
	Year ended 31.03.2023	Year ended 31.03.2022
Sales and Other Income	1470.21	28.87
Profit/(Loss) before Interest and Depreciation	99.22	13.47
Less: Depreciation	2.75	0
Less: Interest	1.94	0
Profit/(Loss) before Tax	94.53	1.35
Less: Provision for Income Tax	25.38	0.30
Add/(Less): Deferred Tax Assets/ (Liability)	(0.28)	0.03
Net Profit/ (Loss) after tax for the Year	<b>69.44</b>	<b>1.01</b>

### **OPERATIONAL REVIEW**

During the year under review, the Company has recorded a Net profit after tax of Rs. 69.44 Lacs the year ended 31<sup>st</sup> March 2023 as compared to the Net Profit after tax of Rs. 1.01 Lacs the year ended 31<sup>st</sup> March 2022.

### **TRANSFER TO RESERVE**

In order to conserve the resources of the company with response to future requirement of funds, your Directors, in their wisdom, find it prudent to transfer Rs. 69.44 Lacs to Reserves of the Company, out of profit earned by the Company during the current financial year ended on 31<sup>st</sup> March, 2023.

### **CAPITAL STRUCTURE**

During the year, the Company had consolidated all the 2,00,000 equity shares of Rs. 1/- each (Rupees One Each) into 20,000 equity shares of Rs. 10/- (Rupees Ten) each and a consequence of consolidation of the equity shares of the company, clause V (share capital clause) of the memorandum of association altered on 11<sup>th</sup> May, 2022.

Thereafter, the Company had increased the Authorised Share Capital from Rs. 2,00,000.00 (Rupees Two Lacs) divided into 20,000 (Twenty Thousand) equity Shares of Rs. 10.00 (Rupees Ten) each to Rs. 2,00,00,000 (Rupees Two Crore only) divided into 20,00,000 (Twenty Lacs) Equity Shares of Rs. 10.00 (Rupees Ten) each by creation of additional Rs. 1,98,00,000 (Rupees One Crore Ninety-Eight Lacs Only) divided into 19,80,000 (Nineteen Lacs Eighty Thousand only) equity shares of Rs. 10.00 (Rupees Ten) each ranking parri passu in all respect with the existing shares and a consequence of

increase the Authorized Share Capital of the company, clause V (share capital clause) of the memorandum of association altered again on 11<sup>th</sup> May, 2022.

Thereafter, the Company had allotted 1990 Equity shares of Rs.10.00 each, fully paid up, for cash, on a Preferential basis to the promoters & their relatives on 3<sup>rd</sup> June, 2022.

Thereafter, the Company had allotted 602070 bonus equity shares of Rs.10 each in ratio of 47:1 to the existing Shareholder on 11<sup>th</sup> November, 2022.

Thereafter, the Company had allotted 150278 (One Lac Fifty Thousand Two Hundred Seventy-Eight) equity shares of Rs. 70 (Rupees Seventy Only) each including a premium of Rs. 60(Rupees Sixty Only), for cash to the equity shareholders on right basis on 8<sup>th</sup> December, 2022.

At present, the Company has only one class of Equity Shares. The authorized share capital of the company is Rs. 2,00,00,000 divided into 2000000 equity shares of Rs. 10/- each. The paid-up share capital of the company is Rs. 76,51,580 divided into 765158 equity shares of Rs. 10/- each.

#### **DIVIDEND**

To consider the growth plan of the company, your director has decided not to recommend any dividend for this year.

#### **CLASS OF SHARES**

As on date, the Company has only one class of share capital i.e. Equity Shares of Rs. 10/-each.

#### **CONVERSION**

During the year under review, the Company had been converted into the Public Limited Company w.e.f. 18<sup>th</sup> day of November 2022 and also the name of the Company has been changed from Avax Soft Technologies Limited to Avax Apparels And Ornaments Limited w.e.f. 15<sup>th</sup> day of June, 2023.

#### **DEMATERIALISATION OF EQUITY SHARES**

The Company's all equity shares had been converted in Dematerialization form in the both depositories that is National Security Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL). The International Security Identification Number (ISIN) allotted by NSDL and CDSL to the Company is INE0NQ401016.

#### **CHANGE OF REGISTERED OFFICE**

During the year under review, the Company had shifted the registered office of the from 6926, Jaipuria Mills, Clock Tower, Subzi Mandi, Delhi 110007 to 611, 6TH Floor, Jaina Tower II, Distt Center, Janak Puri, New Delhi 110058.

#### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE-**

No such order has been passed by any Regulators or Courts or Tribunals.

#### **DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.-**

The Company has well established systems for internal financial controls as the Company had appointed M/s VGCA And Associates (Chartered Accountants) FRN-014283N as an Internal Auditor on 2<sup>nd</sup> day of February 2023 for conducting an internal audit of the account as per the provision applicable on the company.

The role of internal auditors includes but is not limited to review of internal systems, standard operating procedures, adherence to statutory laws & other operational norms,



as set by the management, monitoring of implementation of corrective actions required, reviewing of various policies and ensure its proper implementation, etc.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO-**

The particulars relating to conservation of energy and technology absorption are not applicable to the Company.

**EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE AUDITOR IN HIS REPORT**

The observations of the Statutory Auditors, when read together with the relevant notes to the accounts and accounting policies are self-explanatory and do not call for any further comment.

**STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY-**

The Company had approved a policy as a Risk Management Policy on 23<sup>rd</sup> December, 2022 for identification of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company and to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the Company's business.

**DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES-**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

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

Particulars of loans, guarantees or investments made under section 186 of the Companies act, 2013, if any, are given under notes to the Financial Statements.

**PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES-**

The particulars of every contract or 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 shall be disclosed in Form No. AOC -2 is attached herewith as Annexure B.

**SUBSIDIARY, ASSOCIATES COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS**

The Company does not have any Subsidiary, Joint Ventures and Associate Company.

**COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

Pursuant to Section 134(3) read with 178 of the Companies Act, 2013, the Nomination and Remuneration policy of the Company which lays down the criteria for determining qualifications, competencies, positive attributes and independence for appointment of Directors and Policies of the Company relating to remuneration to Directors, KMP and other employees is available on the Company's website at <http://www.avaxapparels.com>. The Company has constituted a committee of the Board of Directors to be called as "Nomination and Remuneration Committee" pursuant to the provisions of Section 178 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendments, modifications or re-enactment thereof, for the time being in force) with the following members:

Name of the Director	Status in the Committee	Nature of Directorship
----------------------	-------------------------	------------------------

Pradeep Srivastava	Chairperson	Non-Executive Independent Director
Amitabh Agrawal	Member	Non-Executive Independent Director
Gurvinder Singh Vohra	Member	Non-Executive Independent Director

The Company has conducted 1 Nomination and Remuneration Committee meetings during the financial year under review as on 02.02.2023.

#### **EXTRACT OF THE ANNUAL RETURN**

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in MGT-9 and is attached to this Report.

#### **WEB LINK OF ANNUAL RETURN, IF ANY.**

The company has posted all Annual Return & other information on its website i.e. [www.avaxapparels.com](http://www.avaxapparels.com).

#### **NUMBER OF THE BOARD MEETINGS**

The Company has conducted 17 Board meetings during the financial year under review as on: 11.04.2022, 28.05.2022, 03.06.2022, 30.06.2022, 01.08.2022, 05.09.2022, 10.10.2022, 07.11.2022, 11.11.2022, 01.12.2022, 03.12.2022, 08.12.2022, 23.12.2022, 30.12.2022, 13.01.2023, 02.02.2023 and 16.02.2023.

<b>Name of the Director</b>	<b>Attendance at Board Meetings during 2022-2023</b>
Amritpal Singh Gill	1
Amandeep Singh	1
Harinderpal Singh Sodhi	17
Harish Kumar	17
Deepika	15
Baljinder Singh	4
Gurvinder Singh Vohra	9
Rajinder Singh	4
Amitabh Agrawal	4
Pradeep Srivastava	4

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(3) (c) of the Companies Act, with respect to the Directors' Responsibility Statement, it is hereby confirmed that:

- (i) In the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March 2023, the applicable accounting standards had been followed along with proper explanation and no material departure have been made from the same.
- (ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the company and for preventing and detective fraud and other irregularities;
- (iv) the Director's had prepared the annual accounts on a 'going concern' basis.
- (v) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- (vi) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

## **FIXED DEPOSIT**

Your company has not accepted any deposit under section 73 and 76 of the Act read with Companies (Acceptance of Deposits) Rules, 2014.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Ms. Deepika (DIN 08730368) who was appointed as additional Director w.e.f. 28th May 2022. Pursuant to Section 161 of the Companies Act, 2013 read with applicable Articles of Association of the Company, Ms. Deepika (DIN 08730368) who has been re-appointed as Director in the seventeenth Annual General Meeting held on 20<sup>th</sup> September, 2022.

During the period, Mr. Amritpal Singh Gill (DIN 08410066) has resigned from the Board of the Company w.e.f. 28th May 2022. The Board places on record its gratitude for the services rendered by Mr. Amritpal Singh Gill during his tenure as member of the Board.

During the period, Mr. Amandeep Singh (DIN 09283627) has resigned from the Board of the Company w.e.f. 28th May 2022. The Board places on record its gratitude for the services rendered by Mr. Amandeep Singh during his tenure as member of the Board.

Mr. Baljinder Singh (DIN 08265263) who was appointed as Additional Independent Director w.e.f. 7<sup>th</sup> November 2022. Pursuant to Section 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 Mr. Baljinder Singh (DIN 08265263) who has been re-appointed as in the Extra-ordinary General Meeting held on 9<sup>th</sup> November, 2022 as an Independent Director of the Company.

Mr. Gurvinder Singh Vohra (DIN 09783549) who was appointed as Additional Independent Director w.e.f. 7<sup>th</sup> November 2022. Pursuant to Section 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 Mr. Gurvinder Singh Vohra (DIN 09783549) who has been re-appointed in the Extra-ordinary General Meeting held on 9<sup>th</sup> November, 2022 as an Independent Director of the Company.

Mr. Rajinder Singh (DIN 07204924) who was appointed as Additional Independent Director w.e.f. 7<sup>th</sup> November 2022. Pursuant to Section 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 Rajinder Singh (DIN 07204924) who has been re-appointed in the Extra-ordinary General Meeting held on 9<sup>th</sup> November, 2022 as an Independent Director of the Company.

During the year under review The Board of Directors redesignate Mr. Harinderpal Singh Sodhi (DIN 09283654), as a Managing Director of the Company w.e.f. 7th November 2022.

During the year under review The Board of Directors appoint Mr. Rajesh Singla as a Chief Financial Officer of the Company w.e.f. 7th November 2022.

During the year under review The Board of Directors appoint Ms. Shruti Jain as a Company Secretary and Compliance Officer of the Company w.e.f. 7th November 2022.

During the period, Mr. Baljinder Singh (DIN 08265263) has resigned from the Board of the Company w.e.f. 20th December 2022. The Board places on record its gratitude for the services rendered by Mr. Baljinder Singh during his tenure as member of the Board.

During the period, Mr. Rajinder Singh (DIN 07204924) has resigned from the Board of the Company w.e.f. 20th December 2022. The Board places on record its gratitude for the services rendered by Mr. Rajinder Singh during his tenure as member of the Board.

Mr. Amitabh Agrawal (DIN 00124966) who was appointed as Additional Independent Director w.e.f. 23<sup>rd</sup> December 2022. Pursuant to Section 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 Mr. Amitabh Agrawal (DIN 00124966) who has been re-appointed in the Extra-ordinary General Meeting held on 30<sup>th</sup> December 2022 as an Independent Director of the Company.

Mr. Pradeep Srivastava (DIN 08706824) who was appointed as Additional Independent Director w.e.f. 23<sup>rd</sup> December 2022. Pursuant to Section 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 Mr. Pradeep Srivastava (DIN 08706824) who has been re-appointed in the Extra-ordinary General Meeting held on 30<sup>th</sup> December 2022 as an Independent Director of the Company.

During the year under review The Board of Directors redesignate Mr. Harish Kumar (DIN 09283531), as a Whole Time Director of the Company w.e.f. 30<sup>th</sup> December 2022.

During the year under review The Board of Directors redesignate Ms. Deepika (DIN 08730368), as a Whole Time Director of the Company w.e.f. 30<sup>th</sup> December 2022.

#### **RETIREMENT BY ROTATION**

Independent directors hold office for a fixed term not exceeding five years from the date of their appointment and are not liable to retire by rotation.

The Act mandates that at least two-thirds of the total number of directors (excluding independent directors) shall be liable to retire by rotation.

Accordingly, Mr. Harinderpal Singh Sodhi (DIN 09283654), director, being the longest in the office among the directors liable to retire by rotation, retire from the Board this year and, being eligible, have offered himself for re-appointment.

Brief details of Mr. Harinderpal Singh Sodhi are given in the notice of annual general meeting.

#### **DECLARATION OF INDEPENDENT DIRECTORS**

As per the provisions of Section 149 pertaining to the appointment of Independent Directors, a declaration has been received from Independent Directors made U/s 149(6) of the Companies Act, 2013 and The Board of Directors of your Company state that all the Independent Directors meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

In opinion of the Board, Mr. Gurvinder Singh Vohra (DIN 09783549), Mr. Amitabh Agrawal (DIN 00124966) & Mr. Pradeep Srivastava (DIN 08706824) independent directors appointed during the year, all are eligible with regard to their integrity, expertise and experience (including the proficiency).

#### **FORMAL ANNUAL EVALUATION**

The Provision of Section 134(3)(p) is not applicable to our company.

#### **EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE AUDITOR IN HIS REPORT.**

The Auditors' Reports does not contain any qualification, reservation or adverse remarks. The notes on financial Statement referred to in the Auditors' Report are self-explanatory and do not require any further comments. No frauds reported by auditors under sub-section (12) of section 143 other than those which are reportable to the Central Government.

#### **STATUTORY AUDITORS**

During the year M/s M P Gupta & Associates, Chartered Accountant, had resigned as Statutory Auditors of the Company on 20<sup>th</sup> December 2022.

Thereafter M/s Arvind Manoj and Associates, Chartered Accountants. (Firm Registration No. (FRN)- 028167N), New Delhi was appointed as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s M P Gupta & Associates,

Chartered Accountants till the conclusion of upcoming Annual General Meeting for the Financial Year 2022-23.

In the Annual General Meeting for the Financial Year 2022-23, M/s Arvind Manoj and Associates, Chartered Accountants. (Firm Registration No. (FRN)- 028167N), New Delhi will be re-appointed as Statutory Auditors of the Company for for the 5 Financial Years i.e. for the period from 01.04.2023 to 31.03.2028.

Auditors' report is self-explanatory and therefore does not require further comments and explanation.

#### **TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

Since there was no unpaid/ unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

#### **DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM**

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 are applicable to the Company therefore a committee of the Board of Directors had been constituted to be called as "Audit Committee" on 23<sup>rd</sup> December, 2022 with the following members:

<b>Name of the Director</b>	<b>Status in the Committee</b>	<b>Nature of Directorship</b>
Amitabh Agrawal	Chairperson	Non-Executive Independent Director
Gurvinder Singh Vohra	Member	Non-Executive Independent Director
Harish Kumar	Member	Director

The Company has conducted 2 Audit committee meetings during the financial year under review as on 13.01.2023 and 02.02.2023.

#### **SHARES**

- The Company has not bought back any of its securities during the year under review
- The Company has not issued any Sweat Equity Shares during the year under review.
- The company, after passing of an Special Resolution by the shareholders in Extra Ordinary General Meeting held on Tuesday, 09th Day of November 2022, has issued bonus equity shares of Rs.10 each in ratio of 47:1 to the existing shareholders of the Company on 11<sup>th</sup> Day of November 2022.

#### **EMPLOYEES STOCK OPTION PLAN**

The Company has not provided any Stock Option Scheme to the employees

#### **MANAGERIAL REMUNERATION**

The company had taken approval of the members of the Company to increase the overall limit of managerial remuneration payable beyond specified limits under Section 197 of Companies Act 2013 in respect of any financial year as per notification issued by Ministry of Corporate Affairs (MCA) dated 12 September 2018 under notified provisions of the Companies (Amendment) Act, 2017 (Amendment Act, 2017) and amended schedule V of Companies Act, 2013 thereby Part I and Part II related to conditions to be fulfilled for the Appointments and Remuneration of a Managing or Whole-time director or a Manager without the approval of the Central Government but by the approval of members in the general meeting in accordance with the provisions of Section 197 of the Companies Act, 2013 as amended by the Companies (Amendment) Act, 2017, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013.

#### **SECRETARIAL AUDIT REPORT**

Section 204 of the Companies Act, 2013 is not applicable to the company.

## **CORPORATE GOVERNANCE CERTIFICATE**

The provision of the Companies Act, 2013 related to Corporate Governance Certificate is not applicable to the company.

### **GENERAL DISCLOSURE**

Your Directors state that there being no transactions with respect to following items during the year under review, no disclosure or reporting is required in respect of the same:

- Issue of equity shares with differential rights as to dividend, voting or otherwise;
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme;
- The Chairman & Managing Director of the Company has not received any remuneration or commission from any of the subsidiary of your Company;
- No application was made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016;
- No settlements have been done with banks or financial institutions.
- Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable to the Company and accordingly such accounts and records are not made and maintained
- There were four Extra-Ordinary General Meeting held during the financial year.

### **DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION PROHIBITION & REDRESSAL) ACT, 2013**

The Company has Zero Tolerance towards sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention Prohibition & Redressal) Act, 2013 and rules thereunder. During the Financial year 2022-23, there was no case filed under the said act and/or policy adopted by the company.

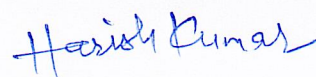
### **COMPLIANCE WITH SECRETARIAL STANDARDS**

The Company has complied with the applicable Secretarial Standards (SS) viz. SS-1 & SS-2 on Meetings of the Board of Directors and General Meetings respectively.

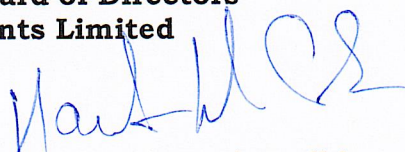
### **ACKNOWLEDGEMENTS:**

Your Directors wish to convey their appreciation to all of the Company's employees for their enormous personal efforts as well as their collective contribution to the Company's performance. Your Directors would also like to thank the employee unions, shareholders, customers, dealers, suppliers, bankers, Government and all the other business associates for the continuous support given by them to the Company and their confidence in its management.

**For and on behalf of the Board of Directors  
Avax Apparels And Ornaments Limited**



**Harish Kumar  
Whole Time Director  
DIN 09283531**



**Harinderpal Singh Sodhi  
Managing Director  
DIN 09283654**

**Date: 25.06.2023  
Place: Delhi**



# AVAX APPARELS AND ORNAMENTS LIMITED

(formerly known as Avax Soft Technologies Limited)

Regd. Office: 611, 6th Floor, Jaina Tower II, Distt Center, Janak Puri, New Delhi 110058

CIN No.: U14101DL2005PLC137127 E-mail: Info@avaxapparels.com

b) Central Govt, c) State Govt(s), e) Banks / FI, f) Any other	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A)</b>	-	58200	58200	53.78	436168	-	436168	57	3.22
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
Mutual Funds, Banks / FI, Central Govt, State Govt(s), Venture Capital Funds, Insurance Companies, FIIs, Foreign Venture Capital Funds, Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>									
<b>a) Bodies Corp.</b>	-	-	-	-	-	-	-	-	-
<b>i) Indian</b>	-	-	-	-	-	-	-	-	-
<b>ii) Overseas</b>	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>	-	-	-	-	-	-	-	-	-
<b>i) Individual shareholders holding nominal share capital up to Rs. 1 lakh</b>	-	-	-	-	-	-	-	-	-
<b>ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh</b>	-	50000	50000	46.22	328990	-	328990	43	-3.22
<b>c) Others (specify)</b>	-	-	-	-	-	-	-	-	-
Non Resident Indians, Overseas Corporate Bodies, Foreign Nationals, Clearing Members, Trusts Foreign Bodies - D RHUF	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	-	50000	50000	46.22	328990	-	328990	43	-3.22
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	-	50000	50000	46.22	328990	-	328990	43	-3.22
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	108200	108200	100	765158	765158	765158	100	-

## (ii) Shareholding of Promoter-

S. No.	Shareholder's Name	Shareholding at the beginning of the year (01-04-2022)			Shareholding at the end of the year (31.03.2023)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Harish Kumar	29100	26.89	-	218084	28.50	-	1.61



# AVAX APPARELS AND ORNAMENTS LIMITED

(formerly known as Avax Soft Technologies Limited)

Regd. Office: 611, 6th Floor, Jaina Tower II, Distt Center, Janak Puri, New Delhi 110058

CIN No.: U14101DL2005PLC137127 E-mail: Info@avaxapparels.com

2.	Harinderpal Singh Sodhi	29100	26.89	-	218084	28.50	-	1.61
	<b>Total</b>	<b>58200</b>	<b>53.78</b>	<b>-</b>	<b>436168</b>	<b>57</b>	<b>-</b>	<b>3.22</b>

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

SN	Shareholder's Name	Particulars	Reason	Shareholding at the beginning of the year (01.04.2022)		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
1.	Harish Kumar	At the beginning of the year		29100	26.89	29100	26.89
		Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	Decrease due to consolidation of shares w.e.f. 11.05.2022	2910	26.89	2910	26.89
			Increase due to allotment of shares w.e.f. 03.06.2022	295	25.02	295	25.02
			Increase due to allotment of Bonus shares w.e.f. 11.11.2022	150635	25.02	150635	25.02
			Increase due to allotment of Right shares w.e.f. 08.12.2022	64244	28.50	64244	28.50
		At the end of the year		218084	28.50	218084	28.50
2.	Harinderpal Singh Sodhi	At the beginning of the year		29100	26.89	29100	26.89
		Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	Decrease due to consolidation of shares w.e.f. 11.05.2022	2910	26.89	2910	26.89
			Increase due to allotment of shares w.e.f. 03.06.2022	295	25.02	295	25.02
			Increase due to allotment of Bonus shares w.e.f. 11.11.2022	150635	25.02	150635	25.02
			Increase due to allotment of Right shares w.e.f. 08.12.2022	64244	28.50	64244	28.50
		At the end of the year		218084	28.50	218084	28.50

# AVAX APPARELS AND ORNAMENTS LIMITED

(formerly known as Avax Soft Technologies Limited)

Regd. Office: 611, 6th Floor, Jaina Tower II, Distt Center, Janak Puri, New Delhi 110058

CIN No.: U14101DL2005PLC137127 E-mail: Info@avaxapparels.com

(iv) Shareholding Pattern of the Shareholder (Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	Shareholder's Name	Date	Reason	Shareholding at the beginning of the year 01.04.2022		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Amandeep Singh	At the beginning of the year		25000	23.11	25000	23.11
		Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	Decrease due to consolidation of shares w.e.f. 11.05.2022	2500	23.11	2500	23.11
			Increase due to allotment of Bonus shares w.e.f. 11.11.2022	117500	19.52	117500	19.52
			Decrease due to due to transfer of shares w.e.f. 01.12.2022	10798	1.76	10798	1.76
			At the end of the year		109202	14.27	109202
2.	Amritpal Singh Gill	At the beginning of the year		25000	23.11	25000	23.11
		Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	Decrease due to consolidation of shares w.e.f. 11.05.2022	2500	23.11	2500	23.11
			Increase due to allotment of Bonus shares w.e.f. 11.11.2022	117500	19.52	117500	19.52
			Decrease due to due to transfer of shares w.e.f. 01.12.2022	21955	3.57	21955	3.57
		At the end of the year		98045	12.81	98045	12.81
3.	Surinder Kaur	At the beginning of the year		-	-	-	-
		Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	Increase due to transfer of shares w.e.f. 01.12.2022	10798	1.76	10798	1.76
			At the end of the year		10798	1.76	10798
4.	Kuldeep	At the beginning of the		-	-	-	-

# AVAX APPARELS AND ORNAMENTS LIMITED

(formerly known as Avax Soft Technologies Limited)

Regd. Office: 611, 6th Floor, Jaina Tower II, Distt Center, Janak Puri, New Delhi 110058

CIN No.: U14101DL2005PLC137127 E-mail: Info@avaxapparels.com

Kaur Gill		year					
		Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Increase due to transfer of shares w.e.f. 01.12.2022	21955	3.57	21955	3.57
		At the end of the year		21955	3.57	21955	3.57

## (v) Shareholding of Directors and Key Managerial Personnel:

SN	Name of the Director	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year (01-04-2022)		Cumulative Shareholding during the year		
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1.	Harish Kumar	At the beginning of the year	29100	26.89	29100	26.89	
		Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Decrease due to consolidation of shares w.e.f. 11.05.2022	2910	26.89	2910	26.89
			Increase due to allotment of shares w.e.f. 03.06.2022	295	25.02	295	25.02
			Increase due to allotment of Bonus shares w.e.f. 11.11.2022	150635	25.02	150635	25.02
			Increase due to allotment of Right shares w.e.f. 08.12.2022	64244	28.50	64244	28.50
			At the end of the year	218084	28.50	218084	28.50
2.	Harinderpal Singh Sodhi	At the beginning of the year	29100	26.89	29100	26.89	
		Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Decrease due to consolidation of shares w.e.f. 11.05.2022	2910	26.89	2910	26.89
			Increase due to allotment	295	25.02	295	25.02

# AVAX APPARELS AND ORNAMENTS LIMITED

(formerly known as Avax Soft Technologies Limited)

Regd. Office: 611, 6th Floor, Jaina Tower II, Distt Center, Janak Puri, New Delhi 110058

CIN No.: U14101DL2005PLC137127 E-mail: Info@avaxapparels.com

			of shares w.e.f. 03.06.2022				
			Increase due to allotment of Bonus shares w.e.f. 11.11.2022	150635	25.02	150635	25.02
			Increase due to allotment of Right shares w.e.f. 08.12.2022	64244	28.50	64244	28.50
		At the end of the year		218084	28.50	218084	28.50
3.	Deepika	At the beginning of the year		-	-	-	-
		Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	Increase due to allotment of shares w.e.f. 03.06.2022	1400	10.93	1400	10.93
			Increase due to allotment of Bonus shares w.e.f. 11.11.2022	65800	10.93	65800	10.93
			Increase due to allotment of Right shares w.e.f. 08.12.2022	21790	11.63	21790	11.63
		At the end of the year		88990	11.63	88990	11.63

**(V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.**

(Amount in Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	30.00	-	30.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
* Addition	-	-	-	-
* Reduction	-	(30.00)	-	(30.00)
Net Change	-	(30.00)	-	(30.00)
Indebtedness at the end of the financial year			-	

# AVAX APPARELS AND ORNAMENTS LIMITED

(formerly known as Avax Soft Technologies Limited)

Regd. Office: 611, 6th Floor, Jaina Tower II, Distt Center, Janak Puri, New Delhi 110058  
CIN No.: U14101DL2005PLC137127 E-mail: Info@avaxapparels.com

i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Managing Director (Mr. Harinderpal Singh Sodhi)	Whole-time Directors (Mr. Harish Kumar)	Director (Mr. Amritpal Singh Gill)	Directors (Mr. Amandeep Singh)	Whole-time Directors (Ms. Deepika)	Total Amount (in Lacs)
1	Gross salary	7.35	7.35	0.75	0.75	6.00	22.20
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7.35	7.35	0.75	0.75	6.00	22.20
	(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	Stock Option	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-	-	-
5	Others, please specify	-	-	-	-	-	-
	<b>Total (A)</b>	7.35	7.35	0.75	0.75	6.00	22.20
	Ceiling as per the Act						

### B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors	Mr. Gurvinder Singh Vohra	Mr. Amitabh Agrawal	Mr. Pradeep Srivastava	-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	<b>Total (1)</b>	-	-	-	-
2	Other Non-Executive Directors	N.A.			-
	Fee for attending board committee meetings				-
	Commission				-
	Others, please specify				-
	<b>Total (2)</b>				-
	<b>Total (B)=(1+2)</b>				-

# AVAX APPARELS AND ORNAMENTS LIMITED

(formerly known as Avax Soft Technologies Limited)

Regd. Office: 611, 6th Floor, Jaina Tower II, Distt Center, Janak Puri, New Delhi 110058

CIN No.: U14101DL2005PLC137127 E-mail: Info@avaxapparels.com

Total Managerial Remuneration	
Overall Ceiling as per the Act	

## C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel (Amount in Lacs)			
		CEO	CS (Ms. Shruti Jain)	CFO (Mr. Rajesh Singla)	Total
1	Gross salary	-	2.00	1.52	3.52
	(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	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	2.00	1.52	3.52

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding			NONE		
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding			NONE		
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
			NONE		

For and on behalf of the Board of Directors  
Avax Apparels And Ornaments Limited

*Harish Kumar*

**Harish Kumar**  
Whole Time Director  
DIN 09283531

*Harinderpal Singh Sodhi*

**Harinderpal Singh Sodhi**  
Managing Director  
DIN 09283654

Date: 25.06.2023  
Place: Delhi

# AVAX APPARELS AND ORNAMENTS LIMITED

(formerly known as Avax Soft Technologies Limited)

Regd. Office: 611, 6th Floor, Jaina Tower II, Distt Center, Janak Puri, New Delhi 110058

CIN No.: U14101DL2005PLC137127 E-mail: Info@avaxapparels.com

## FORM NO. AOC-2

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

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

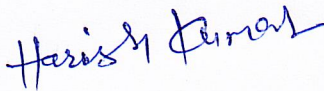
### 1. Details of contracts or arrangements or transactions not at arm's length basis:

Name(s) of the related party and nature of relationship	NIL
Nature of contracts/ arrangements/ transactions	NIL
Duration of the contracts / arrangements / transactions	NIL
Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
Justification for entering into such contracts or arrangements or transactions	NIL
Date(s) of approval by the Board, if any	NIL
Amount paid as advances, if any	NIL
Date on which the special resolution was passed in general meeting as required under first proviso to section 188	NIL

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

Name(s) of the related party and nature of relationship	NIL
Nature of contracts/ arrangements/ transactions	NIL
Duration of the contracts / arrangements / transactions	NIL
Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
Date(s) of approval by the Board, if any	NIL
Amount paid as advances, if any	NIL

**For and on behalf of the Board of Directors  
Avax Apparels And Ornaments Limited**



**Harish Kumar**  
Whole Time Director  
DIN 09283531



**Harinderpal Singh Sodhi**  
Managing Director  
DIN 09283654

Date: 25.06.2023  
Place: Delhi





# AVAX APPARELS AND ORNAMENTS LIMITED

(formerly known as Avax Soft Technologies Limited)

Regd. Office: 611, 6th Floor, Jaina Tower II, Distt Center, Janak Puri, New Delhi 110058

CIN No.: U14101DL2005PLC137127 E-mail: Info@avaxapparels.com

b) Central Govt, c) State Govt(s), e) Banks / FI, f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	-	58200	58200	53.78	436168	-	436168	57	3.22
B. Public Shareholding									
1. Institutions									
Mutual Funds, Banks / FI, Central Govt, State Govt(s), Venture Capital Funds, Insurance Companies, FIIs, Foreign Venture Capital Funds, Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	50000	50000	46.22	328990	-	328990	43	-3.22
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians, Overseas Corporate Bodies, Foreign Nationals, Clearing Members, Trusts Foreign Bodies - D RHUF	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	50000	50000	46.22	328990	-	328990	43	-3.22
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	50000	50000	46.22	328990	-	328990	43	-3.22
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	108200	108200	100	765158	765158	765158	100	-

## (ii) Shareholding of Promoter-

S. No.	Shareholder's Name	Shareholding at the beginning of the year (01-04-2022)			Shareholding at the end of the year (31.03.2023)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Harish Kumar	29100	26.89	-	218084	28.50	-	1.61

# AVAX APPARELS AND ORNAMENTS LIMITED

(formerly known as Avax Soft Technologies Limited)

Regd. Office: 611, 6th Floor, Jaina Tower II, Distt Center, Janak Puri, New Delhi 110058

CIN No.: U14101DL2005PLC137127 E-mail: Info@avaxapparels.com

2.	Harinderpal Singh Sodhi	29100	26.89	-	218084	28.50	-	1.61
	<b>Total</b>	<b>58200</b>	<b>53.78</b>	<b>-</b>	<b>436168</b>	<b>57</b>	<b>-</b>	<b>3.22</b>

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

SN	Shareholder's Name	Particulars	Reason	Shareholding at the beginning of the year (01.04.2022)		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
1.	Harish Kumar	At the beginning of the year		29100	26.89	29100	26.89
		Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	Decrease due to consolidation of shares w.e.f. 11.05.2022	2910	26.89	2910	26.89
			Increase due to allotment of shares w.e.f. 03.06.2022	295	25.02	295	25.02
			Increase due to allotment of Bonus shares w.e.f. 11.11.2022	150635	25.02	150635	25.02
			Increase due to allotment of Right shares w.e.f. 08.12.2022	64244	28.50	64244	28.50
		At the end of the year		218084	28.50	218084	28.50
2.	Harinderpal Singh Sodhi	At the beginning of the year		29100	26.89	29100	26.89
		Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	Decrease due to consolidation of shares w.e.f. 11.05.2022	2910	26.89	2910	26.89
			Increase due to allotment of shares w.e.f. 03.06.2022	295	25.02	295	25.02
			Increase due to allotment of Bonus shares w.e.f. 11.11.2022	150635	25.02	150635	25.02
			Increase due to allotment of Right shares w.e.f. 08.12.2022	64244	28.50	64244	28.50
		At the end of the year		218084	28.50	218084	28.50

# AVAX APPARELS AND ORNAMENTS LIMITED

(formerly known as Avax Soft Technologies Limited)

Regd. Office: 611, 6th Floor, Jaina Tower II, Distt Center, Janak Puri, New Delhi 110058

CIN No.: U14101DL2005PLC137127 E-mail: Info@avaxapparels.com

(iv) Shareholding Pattern of the Shareholder (Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	Shareholder's Name	Date	Reason	Shareholding at the beginning of the year 01.04.2022		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Amandeep Singh	At the beginning of the year		25000	23.11	25000	23.11
		Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Decrease due to consolidation of shares w.e.f. 11.05.2022	2500	23.11	2500	23.11
			Increase due to allotment of Bonus shares w.e.f. 11.11.2022	117500	19.52	117500	19.52
			Decrease due to due to transfer of shares w.e.f. 01.12.2022	10798	1.76	10798	1.76
			At the end of the year		109202	14.27	109202
2.	Amritpal Singh Gill	At the beginning of the year		25000	23.11	25000	23.11
		Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Decrease due to consolidation of shares w.e.f. 11.05.2022	2500	23.11	2500	23.11
			Increase due to allotment of Bonus shares w.e.f. 11.11.2022	117500	19.52	117500	19.52
			Decrease due to due to transfer of shares w.e.f. 01.12.2022	21955	3.57	21955	3.57
		At the end of the year		98045	12.81	98045	12.81
3.	Surinder Kaur	At the beginning of the year		-	-	-	-
		Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Increase due to transfer of shares w.e.f. 01.12.2022	10798	1.76	10798	1.76
			At the end of the year		10798	1.76	10798
4.	Kuldeep	At the beginning of the		-	-	-	-

# AVAX APPARELS AND ORNAMENTS LIMITED

(formerly known as Avax Soft Technologies Limited)

Regd. Office: 611, 6th Floor, Jaina Tower II, Distt Center, Janak Puri, New Delhi 110058

CIN No.: U14101DL2005PLC137127 E-mail: Info@avaxapparels.com

Kaur Gill		year					
		Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Increase due to transfer of shares w.e.f. 01.12.2022	21955	3.57	21955	3.57
		At the end of the year		21955	3.57	21955	3.57

## (v) Shareholding of Directors and Key Managerial Personnel:

SN	Name of the Director	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year (01-04-2022)		Cumulative Shareholding during the year		
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1.	Harish Kumar	At the beginning of the year	29100	26.89	29100	26.89	
		Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Decrease due to consolidation of shares w.e.f. 11.05.2022	2910	26.89	2910	26.89
			Increase due to allotment of shares w.e.f. 03.06.2022	295	25.02	295	25.02
			Increase due to allotment of Bonus shares w.e.f. 11.11.2022	150635	25.02	150635	25.02
			Increase due to allotment of Right shares w.e.f. 08.12.2022	64244	28.50	64244	28.50
			At the end of the year	218084	28.50	218084	28.50
2.	Harinderpal Singh Sodhi	At the beginning of the year	29100	26.89	29100	26.89	
		Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Decrease due to consolidation of shares w.e.f. 11.05.2022	2910	26.89	2910	26.89
			Increase due to allotment	295	25.02	295	25.02

# AVAX APPARELS AND ORNAMENTS LIMITED

(formerly known as Avax Soft Technologies Limited)

Regd. Office: 611, 6th Floor, Jaina Tower II, Distt Center, Janak Puri, New Delhi 110058

CIN No.: U14101DL2005PLC137127 E-mail: Info@avaxapparels.com

			of shares w.e.f. 03.06.2022				
			Increase due to allotment of Bonus shares w.e.f. 11.11.2022	150635	25.02	150635	25.02
			Increase due to allotment of Right shares w.e.f. 08.12.2022	64244	28.50	64244	28.50
		At the end of the year		218084	28.50	218084	28.50
3.	Deepika	At the beginning of the year		-	-	-	-
		Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	Increase due to allotment of shares w.e.f. 03.06.2022	1400	10.93	1400	10.93
			Increase due to allotment of Bonus shares w.e.f. 11.11.2022	65800	10.93	65800	10.93
			Increase due to allotment of Right shares w.e.f. 08.12.2022	21790	11.63	21790	11.63
		At the end of the year		88990	11.63	88990	11.63

**(V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.**

(Amount in Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	30.00	-	30.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
* Addition	-	-	-	-
* Reduction	-	(30.00)	-	(30.00)
Net Change	-	(30.00)	-	(30.00)
Indebtedness at the end of the financial year			-	

# AVAX APPARELS AND ORNAMENTS LIMITED

(formerly known as Avax Soft Technologies Limited)

Regd. Office: 611, 6th Floor, Jaina Tower II, Distt Center, Janak Puri, New Delhi 110058

CIN No.: U14101DL2005PLC137127 E-mail: Info@avaxapparels.com

i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of Directors					Total Amount (in Lacs)
		Managing Director (Mr. Harinderpal Singh Sodhi)	Whole-time Directors (Mr. Harish Kumar)	Director (Mr. Amritpal Singh Gill)	Directors (Mr. Amandeep Singh)	Whole-time Directors (Ms. Deepika)	
1	Gross salary	7.35	7.35	0.75	0.75	6.00	22.20
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7.35	7.35	0.75	0.75	6.00	22.20
	(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	Stock Option	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-	-	-
5	Others, please specify	-	-	-	-	-	-
	Total (A)	7.35	7.35	0.75	0.75	6.00	22.20
	Ceiling as per the Act						

### B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Gurvinder Singh Vohra	Mr. Amitabh Agrawal	Mr. Pradeep Srivastava	
1	Independent Directors				-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors	N.A.			-
	Fee for attending board committee meetings				-
	Commission				-
	Others, please specify				-
	Total (2)				-
	Total (B)=(1+2)				-

# AVAX APPARELS AND ORNAMENTS LIMITED

(formerly known as Avax Soft Technologies Limited)

Regd. Office: 611, 6th Floor, Jaina Tower II, Distt Center, Janak Puri, New Delhi 110058

CIN No.: U14101DL2005PLC137127 E-mail: Info@avaxapparels.com

Total Managerial Remuneration	
Overall Ceiling as per the Act	

## C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel (Amount in Lacs)			
		CEO	CS (Ms. Shruti Jain)	CFO (Mr. Rajesh Singla)	Total
1	Gross salary	-	2.00	1.52	3.52
	(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	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	2.00	1.52	3.52

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding			NONE		
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding			NONE		
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
			NONE		

For and on behalf of the Board of Directors  
Avax Apparels And Ornaments Limited

*Harish Kumar*

**Harish Kumar**  
Whole Time Director  
DIN 09283531

*Harinderpal Singh Sodhi*

**Harinderpal Singh Sodhi**  
Managing Director  
DIN 09283654

Date: 25.06.2023  
Place: Delhi

# AVAX APPARELS AND ORNAMENTS LIMITED

(formerly known as Avax Soft Technologies Limited)

Regd. Office: 611, 6th Floor, Jaina Tower II, Distt Center, Janak Puri, New Delhi 110058

CIN No.: U14101DL2005PLC137127 E-mail: Info@avaxapparels.com

## FORM NO. AOC-2

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

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

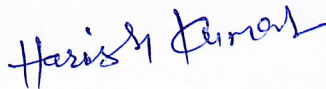
### 1. Details of contracts or arrangements or transactions not at arm's length basis:

Name(s) of the related party and nature of relationship	NIL
Nature of contracts/ arrangements/ transactions	NIL
Duration of the contracts / arrangements / transactions	NIL
Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
Justification for entering into such contracts or arrangements or transactions	NIL
Date(s) of approval by the Board, if any	NIL
Amount paid as advances, if any	NIL
Date on which the special resolution was passed in general meeting as required under first proviso to section 188	NIL

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

Name(s) of the related party and nature of relationship	NIL
Nature of contracts/ arrangements/ transactions	NIL
Duration of the contracts / arrangements / transactions	NIL
Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
Date(s) of approval by the Board, if any	NIL
Amount paid as advances, if any	NIL

**For and on behalf of the Board of Directors  
Avax Apparels And Ornaments Limited**



**Harish Kumar**  
Whole Time Director  
DIN 09283531



**Harinderpal Singh Sodhi**  
Managing Director  
DIN 09283654

Date: 25.06.2023  
Place: Delhi



---

**INDEPENDENT AUDITORS' REPORT**  
**TO THE MEMBERS OF AVAX APPARELS AND ORNAMENTS LIMITED**

**Opinion**

We have audited the accompanying Standalone Ind AS financial Statements of **Avax Apparels and Ornaments Limited** formerly known as **Avax Soft Technologies Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid Standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India,

- (a) in the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2023,
- (b) in the case of the Statement of Profit and Loss and Comprehensive Income, of the Loss and including other Comprehensive Income for the year ended on that date, ,
- (c) in the case of Cash Flow Statement of, cash flows for the year ended on that date and
- (d) in the case of Statement of Change in Equity, of Change In Equity for the year ended on that date.

**Basis for Opinion**

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



## **Emphasis of Matter**

As explained in Note 22 to the Standalone financial Statements to assess the recoverability of certain assets, the Company has considered internal and external sources of information, up to the date of approval of these standalone financial statements in respect of the current and estimated future global economic indicators consequent to the global health pandemic. The actual impact of the pandemic may be different from that considered in assessing the recoverability of these assets.

Our report is not modified in respect of this matter.

## **Other Matters**

We have been represented by the management of the Company that the data provided for our audit purposes is correct, complete, reliable and are directly generated by the accounting system of the Company without any further manual modifications.

We bring to the attention of the users that the audit of the financial statements has been performed in the aforesaid conditions.

Our audit opinion is not modified in respect of the above.

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

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

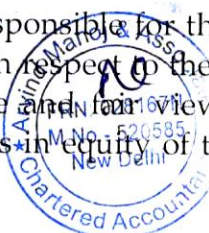
Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows and changes in equity of the Company in accordance with the



accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists



- c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Change in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2023, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and operating of such controls, refer to our separate report in Annexure "A".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- h) with respect to other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has not pending litigations, which may have impact on its financial position in its standalone Ind AS financial statement as of March 31, 2023;
  - ii. The Company did not have any long term contracts including derivatives contracts and
  - iii. There were no amounts which are required to be transferred to Investor's Education and Protection Fund by the company.

**For Arvind Manoj & Associates**  
**Firm Registration No.: 028167N**  
**Chartered Accountants**



**Manoj Kumar**  
**Proprietor**  
**Membership No.: 520585**  
**UDIN Number: 23520585BGYPWX5181**  
**Place: New Delhi**  
**Date: 25.06.2023**



**Annexure 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”)** In conjunction with our audit of the Financial Statements of the Company as of **Avax Apparels and Ornaments Limited** formerly known as **Avax Soft Technologies Private Limited** for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of, as of that date.

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

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

**Auditors’ Responsibility**

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



financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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

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

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any



evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

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

**For Arvind Manoj & Associates**  
**Firm Registration No.: 028167N**  
**Chartered Accountants**



**Manoj Kumar**  
**Proprietor**  
**Membership No.: 520585**  
**UDIN Number: 23520585BGYPWX5181**  
**Place: New Delhi**  
**Date: 25.06.2023**

---

## Annexure-1 to the Independent Auditors' Report

Referred to in **paragraph 1** under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2023:

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
  
(b) According to the Information and explanation given to us, fixed assets have been physically Verified by the management during the year. No material discrepancies were noticed on such verification. To the best of our knowledge, no discrepancies have been noticed on such verification.  
  
(c) According to the Information and explanation given to us and on the basis of our examination of the records of the company, the deeds of the immovable properties are held in the name of the company.
- ii. According to the information & explanation given to us, physical verification of inventory has been conducted at reasonable intervals by the management. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the book of accounts.
- iii. According to the information & explanation given to us, the Company has not given any loan secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. According to the information & Explanation given to us, in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of section 185 and 186 of the Act, to the extent applicable.
- v. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from public to which the directives issued by Reserve Bank of India and provisions of sections 73 to 76 of the Companies Act, 2013, including rules framed there under, apply. Further, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any other tribunal.
- vi. To the best of our knowledge and as explained to us, the Central Government has not prescribed maintenance of cost records under clause of sub section (1) of section 148 of the Companies Act, 2013 for the company.
- vii. (a) According to the books and records produced before us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including goods & service tax, and any other statutory dues except provident fund, employees' state insurance, income-tax & in payment of advance income tax installments on due dates.  
  
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, goods & service tax, cess were in arrear for a period of more than six months from the date they become payable.  
  
(b) According to the books and records produced before us, there are no dues of income tax or sales tax or service tax or goods & service tax, value added tax or cess which have not been deposited on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank, government or debenture holders..





- ix. According to the information and explanations given to us and our examination of the records of the Company, the term loans have been applied for the purposes for which they were obtained. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments).
- x. Based on our audit procedures and on the basis of the information and explanations given to us, no fraud by the Company or by its officer or employees has been noticed or reported during the course of our audit.
- xi. Based on our audit procedure and according to the information and explanation given to us, all transaction with the related parties are in compliance with section 177 & section 188 of Companies Act, 2013 and details of the same is disclosed in the financial statement as required by the applicable accounting standards.
- xii. Based on our audit procedures and on the basis of the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under Audit.
- xiii. According to the information and explanation given to us, the company has not entered into any non cash transaction with directors or persons under the provisions of section 192 of Companies Act-2013.
- xiv. According to the information and explanations given to us, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.
- xv. There has been no resignation of the statutory auditors of the Company during the year and accordingly paragraph 3(xviii) of the Order is not applicable to the Company.
- xvi. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



- xvii. The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
- xviii. This audit report is for a standalone entity and there are no subsidiaries of the Company, hence clause 3(xxi) of the order is not applicable to the Company.

**For Arvind Manoj & Associates**  
**Firm Registration No.: 028167N**  
**Chartered Accountants**



**Manoj Kumar**  
**Proprietor**

**Membership No.: 520585**

**UDIN Number: 23520585BGYPWX5181**

**Place: New Delhi**

**Date: 25.06.2023**

---



**Avax Apparels and Ornaments Limited**  
(Formerly known as Avax Soft Technologies Limited)  
**Statement of Cash Flow Statement**

(All amounts are ₹ in Lacs, unless stated otherwise)

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
<b>Cash flow from operating activities</b>		
Profit/(Loss) before tax		1.35
Adjustments to reconcile profit before tax to cash generated from operations	94.53	
Depreciation and amortisation expense	2.75	0.00
Interest income	(0.01)	
Finance costs	1.94	
<b>Operating profit before working capital changes</b>	<b>99.21</b>	<b>1.35</b>
<b>Adjustments for (increase)/decrease in operating assets</b>		
Inventories		-
Trade receivables	(61.71)	
Other financial assets	(185.15)	(25.79)
Other current assets	(1.01)	
Other non current asset	(4.85)	(5.40)
	(1.23)	(9.75)
<b>Adjustments for increase/(decrease) in operating liabilities</b>		
Trade payables		
Other non-financial liabilities	119.27	25.48
<b>Cash (used in)/generated from operations</b>	<b>25.15</b>	<b>0.14</b>
	<b>(10.30)</b>	<b>(13.98)</b>
Less: Income tax paid (net of refunds)		
<b>Net cash flow (used in)/generated from operating activities (A)</b>	<b>(25.38)</b>	<b>-</b>
	<b>(35.67)</b>	<b>(13.98)</b>
<b>Cash flows from investing activities</b>		
Proceeds from/(payments for) PPE and intangible assets		
Interest income	(17.92)	(2.58)
	0.01	
<b>Net cash flow from investing activities (B)</b>	<b>(17.91)</b>	<b>(2.58)</b>
<b>Cash flows from financing activities</b>		
Payment to/Proceeds from borrowings		
Issue of equity shares	(30.00)	30.00
Finance costs	75.43	
Security premium of equity shares	(1.94)	
Bonus shares issued	90.17	
	(60.21)	
<b>Net cash inflow from/(used in) financing activities (C)</b>	<b>73.45</b>	<b>30.00</b>
<b>Net increase (decrease) in cash and cash equivalents (A+B+C)</b>	<b>19.87</b>	<b>13.44</b>
Cash and cash equivalents at the beginning of the year	14.13	0.69
<b>Cash and cash equivalents at the end of the year</b>	<b>34.00</b>	<b>14.13</b>

Notes to Statement of cash flows:

(i). Components of cash and bank balances (refer annexure 10)	For the year ended	
	31-Mar-23	31-Mar-22
Cash and cash equivalents	34.00	14.13
<b>Cash and bank balances at end of the year</b>	<b>34.00</b>	<b>14.13</b>

(ii). The above Cash Flow Statement has been prepared in accordance with the "Indirect Method" as set out in the Ind AS - 7 on "Cash Flow Statement" Section 133 of the Companies Act, 2013.

As per our report of even date

For Arvind Manoj & Associates  
Chartered Accountants  
Firm Registration No. 028167N

Manoj Kumar  
Proprietor  
Membership No. : 520585  
ICAI UDIN No. 23520585BGPWX5181



For and on behalf of the Board of Directors of  
Avax Apparels and Ornaments Limited

Harish Kumar  
Director  
DIN-09283531

Rajesh Singla  
CFO  
PAN No. CNOPS7915R

Harinderpal Singh Sodhi  
Director  
DIN-09283654  
Shruti Jain  
Company Secretary  
M.No. 52018

Place: Delhi  
Date: 25.06.2023

Place: Delhi  
Date: 25.06.2023

**Avax Apparels and Ornaments Limited**  
(Formerly known as Avax Soft Technologies Limited)  
**Statement of Assets and Liabilities**  
(All amounts are ₹ in Lacs, unless stated otherwise)

Particulars	Annexure	As at	
		31-Mar-23	31-Mar-22
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant & equipment	3	17.28	2.58
Intangible asset	4	0.47	-
Financial assets			
(i) Other financial assets	5	1.01	-
Deferred tax Asset	6	0.25	-
Other non current asset	7	10.98	9.75
		<b>29.98</b>	<b>12.33</b>
<b>Current assets</b>			
Inventories	8	61.71	-
Financial assets			
(ii) Trade receivables	9	210.94	25.79
(iii) Cash and cash equivalents	10	34.00	14.13
Other current assets	11	10.25	5.40
		<b>316.90</b>	<b>45.33</b>
<b>Total Assets</b>		<b>346.88</b>	<b>57.66</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity share capital	12	76.52	1.08
Other equity	13	99.96	0.56
		<b>176.48</b>	<b>1.65</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings	14	-	30.00
(ii) Trade payables	15	-	-
- total outstanding dues to micro and small enterprises		-	-
- total outstanding dues of creditors other than micro and small enterprises		144.75	25.48
Deferred tax liability	16	-	0.03
Other current liabilities	17	0.28	0.20
Current tax liabilities	18	25.38	0.30
		<b>170.41</b>	<b>56.01</b>
<b>Total Equity and Liabilities</b>		<b>346.88</b>	<b>57.66</b>

Summary of significant accounting policies

2

The accompanying notes form an integral part of these financial statements.  
As per our report of even date.

For **Arvind Manoj & Associates**  
Chartered Accountants  
Firm Registration No. 028167N

**Manoj Kumar**  
Proprietor  
Membership No.: 520585  
ICAI UDIN No. 23520585BGYPWX5181



For and on behalf of the Board of Directors of  
**Avax Apparels and Ornaments Limited**

**Harish Kumar**  
Director  
DIN-09283531

**Harinderpal Singh Sodhi**  
Director  
DIN-09283654

**Rajesh Singla**  
CFO  
PAN No. CNOPS7915R

**Shruti Jain**  
Company Secretary  
M.No. 52018

Place: Delhi  
Date: 25.06.2023

Place: Delhi  
Date: 25.06.2023

**Avax Apparels and Ornaments Limited**  
(Formerly known as Avax Soft Technologies Limited)  
**Statement of Profit and Loss**

(All amounts are ₹ in Lacs, unless stated otherwise)

Particulars	Annexure	For the year ended	
		31-Mar-23	31-Mar-22
<b>Income</b>			
Revenue from operations			
Other income	19	1,470.20	28.87
	20	0.01	-
<b>Total Income</b>		<b>1,470.21</b>	<b>28.87</b>
<b>Expenses</b>			
Purchases of stock-in-trade	21	1,366.51	27.17
Changes in inventories	22	(61.71)	-
Employee benefit expense	23	33.89	-
Finance cost	24	1.94	-
Depreciation and amortisation expense	25	2.75	0.00
Other expenses	26	32.29	0.35
<b>Total Expenses</b>		<b>1,375.68</b>	<b>27.52</b>
<b>Profit/(Loss) before exceptional items and tax</b>		<b>94.53</b>	<b>1.35</b>
<b>Profit/(Loss) before tax</b>		<b>94.53</b>	<b>1.35</b>
<b>Tax expense</b>			
Current tax			
Deferred tax (benefit)/charge	35	25.38	0.30
	35	(0.28)	0.03
<b>Total tax expense</b>		<b>25.09</b>	<b>0.33</b>
<b>Profit/(Loss) after tax</b>		<b>69.44</b>	<b>1.01</b>
<b>Other comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
- Remeasurement of defined benefit plans		-	-
- Income tax relating to these items		-	-
		-	-
		-	-
<b>Total Comprehensive Income, net of Tax</b>		<b>69.44</b>	<b>1.01</b>
<b>Earnings/(Loss) per equity share</b>			
- Basic and diluted earnings/(loss) per share	27	9.07	0.94

This is the statement of profit and loss referred to in our report of even date.  
The accompanying notes form an integral part of these financial statements.

As per our report of even date.

For Arvind Manoj & Associates  
Chartered Accountants  
Firm Registration No. 028167N



Manoj Kumar

Proprietor

Membership No : 520585

ICAI UDIN No. 23520585BGYPWX5181

For and on behalf of the Board of Directors of  
Avax Apparels and Ornaments Limited

*Harish Kumar*

Harish Kumar  
Director  
DIN-09283531

*Harinderpal Singh Sodhi*

Harinderpal Singh Sodhi  
Director  
DIN-09283654

*Rajesh Singla*

Rajesh Singla  
CFO  
PAN No. CNOPS7915R

*Shruti Jain*

Shruti Jain  
Company Secretary  
M.No. 52018

Place: Delhi

Date: 25.06.2023

Place: Delhi

Date: 25.06.2023

**Statement of Changes in Equity**

(All amounts are ₹ in Lacs, unless stated otherwise)

**A. statement of equity share capital**

Opening balance as at 1-Apr-2021	1.08
Change in equity share capital	-
Balance as at 31-Mar-2022	1.08
Change in equity share capital	75.43
Balance as at 31-Mar-2023	76.52

**B. Statement of Other Equity**

Particulars	Other Equity		Total
	General reserve	Retained earnings	
Balance as at 1-Apr-2021	4.02	(4.47)	(0.45)
Adjustments during the year	-	1.01	1.01
Balance as at 31-Mar-2022	4.02	(3.45)	0.56
Adjustments during the period	-	69.44	69.44
Less: Transfer for Bonus Issue	(4.02)	(56.19)	(60.21)
Add: Rights Issue	90.17	-	90.17
Balance as at 31-Mar-2023	90.17	9.79	99.96

As per our report of even date.

For Arvind Manoj & Associates  
Chartered Accountants  
Firm Registration No. 028167N



Manoj Kumar  
Proprietor  
Membership No.: 520585  
ICAI UDIN No. 23520585BGYPWX5181

For and on behalf of the Board of Directors of  
Avax Apparels and Ornaments Limited

Harish Kumar  
Harish Kumar  
Director  
DIN-09283531

Harinderpal Singh Sodhi  
Director  
DIN-09283654

Rajesh Singla  
Rajesh Singla  
CFO  
PAN No. CNOPS7915R

Shruti Jain  
Shruti Jain  
Company Secretary  
M.No. 52018

Place: Delhi  
Date : 25.06.2023

Place: Delhi  
Date : 25.06.2023

Annexure 3 - Statement of Property, Plant & Equipment

Current year	Gross block (at cost)		As at 1-Apr-22		As at 31-Mar-23		Accumulated depreciation		As at 31-Mar-23		Net block		
	As at 1-Apr-22	Additions during the year	Disposal/ Adjustment	As at 1-Apr-22	As at 31-Mar-23	As at 1-Apr-22	Depreciation during the year	Disposal/ Adjustment	As at 31-Mar-23	As at 1-Apr-22	Depreciation during the year	Disposal/ Adjustment	As at 31-Mar-23
Electrical fittings	2.58	4.98	-	7.56	7.56	0.00	1.23	-	1.24	0.00	1.23	-	6.33
Furniture and Fitting	-	11.25	-	11.25	11.25	-	0.96	-	0.96	-	0.96	-	10.29
Laptop	-	0.80	-	0.80	0.80	-	0.33	-	0.33	-	0.33	-	0.47
Website server	-	0.32	-	0.32	0.32	-	0.12	-	0.12	-	0.12	-	0.20
	2.58	17.34	-	19.93	19.93	0.00	2.64	-	2.65	0.00	2.64	-	17.28
Previous year	Gross block (at cost)		As at April 1, 2021		As at 31-Mar-22		Accumulated depreciation		As at 31-Mar-22		Net block		
	As at April 1, 2021	Additions during the year	Disposal/ Adjustment	As at April 1, 2021	As at 31-Mar-22	As at 1-Apr-21	Depreciation during the year	Disposal/ Adjustment	As at 31-Mar-22	As at 1-Apr-21	Depreciation during the year	Disposal/ Adjustment	As at 31-Mar-22
Electrical fittings	-	2.58	-	2.58	2.58	-	0.00	-	0.00	-	0.00	-	2.58
	-	2.58	-	2.58	2.58	-	0.00	-	0.00	-	0.00	-	2.58

Footnotes:

- The Company has not carried out any revaluation of property, plant and equipment for the year ended March 31, 2023, March 31, 2022 & March 31, 2021.
- There are no impairment losses recognised for the period/year ended March 31, 2023, March 31, 2022 & March 31, 2021.
- There are no exchange differences adjusted in Property, plant & equipment.
- The company do not own any Property, Plant & Equipment as at 31 March 2021.

...Space intentionally left blank ...



**Annexure 4 - Statement of Intangible Assets**

Current year	Gross block (at cost)		Accumulated Amortisation		Net block As at 31-Mar-23
	As at 1-Apr-22	Additions during the year Disposal/ Adjustment	As at 1-Apr-22	Amortisation during the year Disposal/ Adjustment	
Website	-	0.57	-	0.11	0.47
	-	<b>0.57</b>	-	<b>0.11</b>	<b>0.47</b>

**Footnotes:**

- (i). There are no internally generated intangible assets.
- (ii). The Company has not carried out any revaluation of intangible assets.
- (iii). There are no other restriction on title of intangible assets.
- (iv). There are no exchange differences adjusted in intangible assets.
- (v). The Company has not acquired intangible assets free of charge, or for nominal consideration, by way of a government grant.
- (vi). The company do not own any Property, Plant & Equipment as at 31 March 2021.

... Space intentionally left blank...





## Annexures to the Financial Statements

(All amounts are ₹ in Lacs, unless stated otherwise)

## Annexure 4(2) - Statement of Material Adjustments

Summarised below are the Restatement adjustments made to the profit after tax of the Audited Financial Statements of the Company for the year ended March 31, 2023, March 31, 2022 and March 31, 2021 and their consequential impact on the profit/ (loss) of the Company:

Particulars	For the Year ending		
	31-Mar-23	31-Mar-22	31-Mar-21
A) Net profit/(loss) after tax as per audited financials statements	69.44	1.01	0.11
B) Adjustments			
(i) Audit qualifications	-	-	-
(ii) Adjustments due to prior period items / other adjustments	-	-	-
(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable	(0.25)	0.03	-
<b>Total adjustments before tax</b>	<b>(0.25)</b>	<b>0.03</b>	<b>-</b>
<b>profit/(loss) before tax adjustments (A+C)</b>	<b>69.19</b>	<b>1.05</b>	<b>0.11</b>

Summarised below are the Restatement adjustments made to the profit after tax of the Audited Financial Statements of the Company for the year ended March 31, 2023, March 31, 2022 and March 31, 2021 and their consequential impact on the profit/ (loss) of the Company:

Particulars	For the Year ending		
	31-Mar-23	31-Mar-22	31-Mar-21
A) Total Equity as per audited financials statements	176.48	1.65	0.63
B) Adjustments			
(i) Audit qualifications	-	-	-
(ii) Adjustments due to prior period items / other adjustments	-	-	-
(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable	(0.25)	0.03	-
<b>Total adjustments before tax</b>	<b>(0.25)</b>	<b>0.03</b>	<b>0.00</b>
<b>profit/(loss) before tax adjustments (A+C)</b>	<b>176.23</b>	<b>1.68</b>	<b>0.63</b>



**Annexures to the Financial Statements***(All amounts are ₹ in Lacs, unless stated otherwise)***Annexure 5 - Statement of Other Financial Assets (non-current)**

Particulars	As at	
	31-Mar-23	31-Mar-22
Security deposits	1.01	-
<b>Total</b>	<b>1.01</b>	<b>-</b>

**Footnote:**

(i). For explanation on the Company's risk management process, refer annexure 31.

**Annexure 6 - - Statement of Deferred tax assets**

Particulars	As at	
	31-Mar-23	31-Mar-22
Deferred tax assets	0.25	-
<b>Total</b>	<b>0.25</b>	<b>-</b>

**Annexure 7 - - Statement of Other Non Current Assets**

Particulars	As at	
	31-Mar-23	31-Mar-22
Capital advance	10.98	9.75
<b>Total</b>	<b>10.98</b>	<b>9.75</b>

**Annexure 8 - Statement of Inventories**

Particulars	As at	
	31-Mar-23	31-Mar-22
Valued at lower of cost and net realisable value		
Stock-in-trade	61.71	-
<b>Total</b>	<b>61.71</b>	<b>-</b>



**Annexure 9 - Statement of Trade Receivables**

Particulars	As at	
	31-Mar-23	31-Mar-22
(i) Undisputed trade receivables — considered good	210.94	25.79
(ii) Undisputed trade receivables — which have significant increase in credit risk	-	-
<b>Less: Impairment loss allowance</b>	-	-
<b>Total</b>	<b>210.94</b>	<b>25.79</b>

**Footnotes:**

- (i). No trade receivables are hypothecated as securities for borrowings taken from banks.
- (ii). For explanation on the Company risk management process, refer annexure 31.
- (iii). Trade receivables are non-interest bearing and are normally received in the Company's operating cycle.
- (iv). No trade receivables are due from director or other officer of the Company and firms or private companies in which any director is a partner, a director or a member either jointly or severally with other persons.

**(v). Trade Receivables Ageing**

Particulars	As at	
	31-Mar-23	31-Mar-22
<b>Unsecured - at amortised cost</b>		
<b>Undisputed trade receivables — considered good</b>		
0-6 months	157.87	25.79
6-12 months	53.06	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
<b>Undisputed trade receivables - which have significant increase in credit risk</b>		
0-6 months	-	-
6-12 months	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
<b>Less: Impairment loss allowance</b>	-	-
<b>Total</b>	<b>210.94</b>	<b>25.79</b>



**Avax Apparels and Onaments Limited**

(Formerly known as Avax Soft Technologies Limited)

**Annexures to the Financial Statements**

(All amounts are ₹ in Lacs, unless stated otherwise)

**Annexure 10 - Statement of Cash and Cash Equivalents**

Particulars	As at	
	31-Mar-23	31-Mar-22
Cash in hand	0.18	3.88
Balances with banks	33.82	10.26
<b>Total</b>	<b>34.00</b>	<b>14.13</b>

**Footnote:**

(i). The company exposure to Credit risk are disclosed in annexure 31.

**Annexure 11 - Statement of Other Current Assets**

Particulars	As at	
	31-Mar-23	31-Mar-22
Balance with government authorities	2.78	0.40
Advance to employees	-	4.50
Advance to others	7.20	-
Advance rent	-	0.50
Prepaid expenses	0.27	-
<b>Total</b>	<b>10.25</b>	<b>5.40</b>



**Annexure 12 - Statement of Equity Share Capital**

(i). The Company has only one class of share capital having a par value of ₹ 10 per share, referred to herein as equity shares.

Particulars	31-Mar-23		31-Mar-22		31-Mar-21	
	Number	Amount	Number	Amount	Number	Amount
<b>Authorised shares</b>						
Equity Shares	2,000,000	200.00	200,000	2.00	200,000	2.00
Note 1: On 11-May-22 equity shares were consolidated from Rs. 1 each to Rs. 10 each per Share						
	<b>2,000,000</b>	<b>200.00</b>	<b>200,000</b>	<b>2.00</b>	<b>200,000</b>	<b>2.00</b>
<b>Issued, subscribed and fully paid-up shares</b>						
Equity Shares	765,158	76.52	108,200	1.08	108,200	1.08
Note 1: On 11-May-22 equity shares were consolidated from Rs. 1 each to Rs. 10 each per Share						
<b>Total</b>	<b>765,158</b>	<b>76.52</b>	<b>108,200</b>	<b>1.08</b>	<b>108,200</b>	<b>1.08</b>

(ii). Reconciliation of the shares outstanding at the beginning and end of the year

Particulars	31-Mar-23		31-Mar-22		31-Mar-21	
	Number	Amount	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	108,200	1.08	108,200	1.08	108,200	1.08
Shares Consolidated from Rs. 1 to Rs. 10 each	(97,380)	-	-	-	-	-
Issued during the year*	754,338	75.43	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>765,158</b>	<b>76.52</b>	<b>108,200</b>	<b>1.08</b>	<b>108,200</b>	<b>1.08</b>

\*During the year ended March 31, 2023, the Company has preferential allotted 1,990 fully paid-up equity shares of face value of ₹ 10/- each at issue price of ₹ 10 per share on June 03, 2022.

On 11 November 2022, the Board has approved the issue of bonus shares in the ratio of 47:1 and hereby allotted 602,070 shares of Rs. 10 each. Pursuant to rights issue, the Company has allotted 150,278 shares of face value of Rs. 10 each at Rs. 70 per share. Further, the Company has neither issued any shares with differential voting rights nor issued any sweat equity shares during the six month period ended March 31, 2023.

(iii). Terms/rights attached to equity shares

**Voting**  
Each shareholder is entitled to one vote per share held.

**Dividends**  
The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting except in the case where interim dividend is distributed. The Company has not distributed any dividend in the current and previous year.

**Liquidation**  
In the event of liquidation of the Company, the shareholders shall be entitled to receive all of the remaining assets of the Company after distribution of all preferential amounts, if any. Such distribution amounts will be in proportion to the number of equity shares held by the shareholders.

(iv). The Company has no holding company.

(v). Detail of shareholders holding more than 5% of equity share of the Company

Name of shareholders	31-Mar-23		31-Mar-22		31-Mar-21	
	Holding in numbers	% of Total equity shares	Holding in numbers	% of Total equity shares	Holding in numbers	% of Total equity shares
Amritpal Singh Gill	98,045	12.81%	25,000	23.11%	-	0.00%
Harsh Kumar	218,084	28.50%	29,100	26.89%	-	0.00%
Amandeep Singh	109,202	14.27%	25,000	23.11%	-	0.00%
Hannderpal Singh Sodhi	218,084	28.50%	29,100	26.89%	-	0.00%
Deepika	88,990	11.63%	-	0.00%	-	0.00%
Mr. Shailesh Kumar Gupta	-	0.00%	-	0.00%	20,000	18.48%
Raghunath Holding and Finlease Pvt Ltd	-	0.00%	-	0.00%	80,000	73.94%
Prabhu Dhan Travels Pvt Ltd	-	0.00%	-	0.00%	8,200	7.58%
	<b>732,405</b>	<b>95.72%</b>	<b>108,200</b>	<b>100.00%</b>	<b>108,200</b>	<b>100.00%</b>

Continued on next page



Continued from previous page

(vi) No class of shares have been allotted as fully paid up pursuant to contract(s) without payment being received in cash, allotted as fully paid up by way of bonus shares or bought back during the period of 5 years immediately preceding the Balance Sheet date.

(vii) Details of share held by Promoters at the end of year

Particular	Promoter Name	No. of Share at the beginning of the year	Change during the year	No of share at the end of year	% of Total Shares	% Change during the year
<b>As at March 31, 2023</b>						
Equity shares of INR 10 each fully paid	Harinderpal Singh Sodhi	29,100	188,984	218,084	50.00%	649.43%
Equity shares of INR 10 each fully paid	Hansh Kumar	29,100	188,984	218,084	50.00%	649.43%
<b>Total</b>		<b>58,200</b>	<b>377,968</b>	<b>436,168</b>	<b>100.00%</b>	
<b>As at March 31, 2022</b>						
Equity shares of INR 1 each fully paid	Harinderpal Singh Sodhi	-	29,100	29,100	50.00%	100.00%
Equity shares of INR 1 each fully paid	Hansh Kumar	-	29,100	29,100	50.00%	100.00%
<b>Total</b>		<b>-</b>	<b>58,200</b>	<b>58,200</b>	<b>100.00%</b>	
<b>As at March 31, 2021</b>						
Equity shares of INR 1 each fully paid	Harinderpal Singh Sodhi	-	-	-	0.00%	0.00%
Equity shares of INR 1 each fully paid	Hansh Kumar	-	-	-	0.00%	0.00%
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	

**Annexure 13 - Statement of Other Equity**

Particulars	As at		
	31-Mar-23	31-Mar-22	31-Mar-21
<b>(i) Security premium account</b>			
Opening balance			4.02
Loss: Transfer on bonus issue	4.02	4.02	-
Add: Security premium on right issue	(4.02)	-	-
<b>Closing balance</b>	<b>90.17</b>	<b>4.02</b>	<b>4.02</b>
<b>(ii) Retained earnings</b>			
Opening balance			(4.57)
Add: Profit/(Loss) for the year	(3.45)	(4.47)	(4.57)
Less: Transfer on bonus issue	66.44	1.01	0.11
	(56.19)	-	-
Add: Transferred from accumulated other comprehensive income	-	-	-
<b>Closing balance</b>	<b>9.79</b>	<b>(3.45)</b>	<b>(4.47)</b>
<b>Total Other equity</b>	<b>99.96</b>	<b>0.56</b>	<b>(0.45)</b>

**Nature and purpose of Other equity:**

(i) **General reserve**

The general reserve is a free reserve which is used from time to time to transfer profits from / to retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

(ii) **Retained earnings**

Retained earnings represents the surplus in profit and loss account and appropriations.



**Annexures to the Financial Statements**

(All amounts are ₹ in Lacs, unless stated otherwise)

**Annexure 14 - Statement of Borrowings (current)**

Particulars	As at	
	31-Mar-23	31-Mar-22
<b>Unsecured - at amortised cost</b>		
Loan from Directors	-	30.00
<b>Total</b>	-	<b>30.00</b>

**Footnote:**

- (i) Loan from Directors interests free and are repayable at demand.  
(ii) For loan taken from related parties refer annexure 29.

**Annexure 15 - Statement of Trade Payables**

Particulars	As at	
	31-Mar-23	31-Mar-22
Trade payables due		
- to micro and small enterprises	-	-
- to others	144.75	25.48
<b>Total</b>	<b>144.75</b>	<b>25.48</b>

**Footnotes:**

- (i) Trade payables other than due to MSMEs are non-interest bearing and are normally settled in the Company's operating cycle.  
(ii) The Company's exposure to currency and liquidity risks are disclosed in note 31.  
(iii) Trade payables ageing

Particulars	As at	
	31-Mar-23	31-Mar-22
<b>Trade payables due to micro and small enterprises</b>		
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
<b>Trade payables due to others</b>		
Less than 1 year	144.75	25.48
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>144.75</b>	<b>25.48</b>

**Annexure 16 - Statement of Deferred Tax Liability**

Particulars	As at	
	31-Mar-23	31-Mar-22
Deferred tax liability (refer annexure 35)	-	0.03
<b>Total</b>	-	<b>0.03</b>



**Avax Apparels and Ornaments Limited**  
 (Formerly known as Avax Soft Technologies Limited)  
**Annexures to the Financial Statements**  
 (All amounts are ₹ in Lacs, unless stated otherwise)

**Annexure 17 - Statement of Other Current Liabilities**

Particulars	As at	
	31-Mar-23	31-Mar-22
Expense payable	-	0.20
Advance from customer	-	-
Duties & Taxes	-	-
Statutory payables	0.28	-
<b>Total</b>	<b>0.28</b>	<b>0.20</b>

**Annexure 18 - Statement of Current Tax Liabilities (net)**

Particulars	As at	
	31-Mar-23	31-Mar-22
Provision for income tax [net of advance tax Rs.- nil (previous year Rs. nil)]	25.38	0.30
<b>Total</b>	<b>25.38</b>	<b>0.30</b>





**Avax Apparels and Ornaments Limited**

(Formerly known as Avax Soft Technologies Limited)

**Annexures to the Financial Statements**

(All amounts are ₹ in Lacs, unless stated otherwise)

**Annexure 19 - Statement of Revenue From Operations**

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Sale of products		
Trading goods	1,470.20	28.87
<b>Total</b>	<b>1,470.20</b>	<b>28.87</b>

**Information required as per Ind AS 115:**

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Disaggregated revenue information as per geographical markets		
Revenue from customers based in India	1,470.20	28.87
Revenue from customers based outside India	-	-
Timing of revenue recognition		
Transferred at a point in time	1,470.20	28.87
Trade receivables and contract assets/(liabilities)		
Trade receivables	210.94	25.79

**Performance obligation and remaining performance obligation**

There are no remaining performance obligations for the year ended March 31, 2023, as the same is satisfied upon delivery of goods/services.

**Annexure 20 - Statement of Other Income**

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Other income	-	-
Interest income	0.01	-
<b>Total</b>	<b>0.01</b>	<b>-</b>

**Annexure 21 - Statement of Purchases of Stock-in-Trade**

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Purchases of stock-in-trade	1,366.51	27.17
<b>Total</b>	<b>1,366.51</b>	<b>27.17</b>



**Avax Apparels and Ornaments Limited**  
(Formerly known as Avax Soft Technologies Limited)  
**Annexures to the Financial Statements**  
*(All amounts are ₹ in Lacs, unless stated otherwise)*

**Annexure 22 - Statement of Changes in Inventories**

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
<b>Inventories at beginning of the year</b>		
Stock-in-trade	-	-
	-	-
<b>Inventories at end of the year</b>		
Stock-in-trade	61.71	-
	<b>61.71</b>	-
<b>Decrease/(increase) in inventories</b>	<b>(61.71)</b>	-

**Annexure 23 - Statement of Employee Benefit Expense**

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Director remuneration	22.20	-
Salary, wages, bonus and other benefits	11.69	-
<b>Total</b>	<b>33.89</b>	-

**Footnotes**

(i). For salary/remuneration paid to related parties refer note 29.

**Annexure 24 - Statement of Finance Costs**

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Interest Expense on late of statutory dues	1.94	-
<b>Total</b>	<b>1.94</b>	

**Annexure 25 - Statement of Depreciation and Amortisation Expense**

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Depreciation on property, plant and equipment (refer annexure 3)	2.64	0.00
Amortisation on intangible asset	0.11	-
<b>Total</b>	<b>2.75</b>	<b>0.00</b>



**Avax Apparels and Ornaments Limited**  
(Formerly known as Avax Soft Technologies Limited)  
**Annexures to the Financial Statements**  
(All amounts are ₹ in Lacs, unless stated otherwise)

**Annexure 26 - Statement of Other Expenses**

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Tour & travelling expenses	4.03	-
Advertisement expense	0.30	-
Legal and professional expenses	11.39	0.20
Bank charges	0.03	0.00
Rent expenses	5.81	0.09
Business promotion	7.71	0.01
Office expenses	2.06	-
Trademark expenses	0.14	-
Insurance	0.09	-
Software expenses	0.72	-
Miscellaneous expenses	0.00	0.04
<b>Total</b>	<b>32.29</b>	<b>0.35</b>

**Footnote:**

(i) **Payment of remuneration to auditors (excluding GST)**

	For the year ended	
	31-Mar-23	31-Mar-22
- Statutory audit	0.58	0.20
<b>Total</b>	<b>0.58</b>	<b>0.20</b>

**Annexure 27 - Statement of Earnings Per Share**

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
<b>(a). basic and diluted earnings per share</b>		
From continuing operations attributable to the equity holders of the Company	9.07	0.94
<b>(b). Reconciliations of earnings used in calculating earnings per share</b>		
<b>basic earnings per share</b>		
Profit from continuing operation attributable to the equity share holders	69.44	1.01
Profit attributable to the equity holders of the company used in calculating basic and diluted earnings per share	69.44	1.01
<b>(c) Weighted average number of shares used as the denominator</b>		
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	765,158	108,200
At present, the Company does not have any dilutive potential equity share		



**Annexures to the Financial Statements**

(All amounts are ₹ in Lacs, unless stated otherwise)

**Annexure 28 - In terms of Section 22 of Chapter V of Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006), the disclosures of payments due to any supplier are as follows:**

Particulars	As at	
	31-Mar-23	31-Mar-22
The principal amount and the interest due thereon remaining unpaid to any MSME supplier as at the end of each accounting year included in:		
- Trade payables	-	-
- Interest due on above	-	-
	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED ACT 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting period.	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointment day during the year) but without adding the Interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further 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 enterprise for the purpose of disallowance as a deductible under section 23 of the MSMED Act 2006.	-	-

The Company is in the process of identifying Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Enterprise Development Act, 2006. Therefore, it is not possible for the Company to ascertain whether payment to such enterprises has been done days from the date of acceptance of supply of goods or services rendered by such enterprises and to make requisite disclosure except above



**Avax Apparels and Ornaments Limited**  
(Formerly known as Avax Soft Technologies Limited)  
**Annexures to the Financial Statements**  
(All amounts are ₹ in Lacs, unless stated otherwise)

**Annexure 29 - statement of Related Party Disclosures**

**A. List of related parties where control exists and/or with whom transactions have taken place**

In accordance with the requirements of Ind AS 24 on Related party disclosures, the names of the related parties where control exists and/or with whom transactions have taken place during the year and description of relationships, as identified and certified by the management are:

Relationship	Name of related party
<b>Key Management Personnel (KMP)</b> Director	Mr. Amritpal Singh Gill (Till May 28, 2022) Mr. Ajay Kumar Jain (Till September 27, 2021) Mr. Vijay Mishra (Till September 27, 2021) Mr. Amandeep Singh (Till May 28, 2022) Mr. Harinderpal Singh Sodhi (From 16 August 2021) Mr. Harish Kumar (From 16 August 2021) Mrs. Deepika (w.e.from May 28, 2022)
<b>Relatives of KMPs</b>	Harvinder Kaur (Wife of Harinderpal Singh Sodhi (Director)) Kuldeep Kaur (Wife of Amritpal Singh Gill Till May 28, 2022)

**B. Details of related party transactions are as below:**

Particulars	For the year ended		
	31-Mar-23	31-Mar-22	31-Mar-21
<b>1. Loan taken from</b>			
Amandeep Singh	-	10.00	-
Amritpal Singh Gill	-	10.00	-
Harinderpal Singh	-	5.00	-
Harish Kumar	-	5.00	-
<b>Total</b>	-	<b>30.00</b>	-
<b>2. Loan repaid to</b>			
Amandeep Singh	10.00	-	-
Amritpal Singh Gill	10.00	-	-
Harinderpal Singh	5.00	-	-
Harish Kumar	5.00	-	-
<b>Total</b>	<b>30.00</b>	-	-
<b>3. Salary/ remuneration given to KMPs</b>			
Harinderpal Singh Sodhi	7.35	-	-
Harish Kumar	7.35	-	-
Deepika	6.00	-	-
Amandeep Singh	0.75	-	-
Amritpal Singh Gill	0.75	-	-
<b>Total</b>	<b>22.20</b>	-	-



**Avax Apparels and Ornaments Limited**  
 (Formerly known as Avax Soft Technologies Limited)  
**Annexures to the Financial Statements**  
 (All amounts are ₹ in Lacs, unless stated otherwise)

**C. Balance outstanding with or from related parties as at:**

Particulars	As at		
	31-Mar-23	31-Mar-22	31-Mar-21
<b>1. Director Remuneration Payables</b>			
Amandeep Singh	-	0.75	-
Amritpal Singh Gill	-	0.75	-
Deepika	0.50	0.50	-
Harinderpal Singh Sodhi	0.60	0.75	-
Harish Kumar	0.60	0.75	-
	<b>1.70</b>	<b>3.50</b>	-
<b>2. Salary payable of Related party</b>			
Harvinder Kaur	0.50	0.50	-
Kuldeep Kaur	-	0.50	-
	<b>0.50</b>	<b>0.50</b>	-
<b>3. Borrowings (Current)</b>			
Amandeep Singh	-	10.00	-
Amritpal Singh Gill	-	5.00	-
Harinderpal Singh	-	5.00	-
Harish Kumar	-	30.00	-
<b>Total</b>	-	<b>50.00</b>	-



**Annexure 30- Statement of Operating Segments**

**A. Basis for Segmentation**

Segment information is presented in respect of the Company's key operating segments. The operating segments are based on the Company's management and internal reporting structure. The chief operating decision maker identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly. All operating segments' operating results are reviewed regularly by the Board of Directors to make decisions about resources to be allocated to the segments and assess their performance.

The Board of Directors examines the Company's performance from business activities perspective and have identified the following reportable segments of its business:

**Reportable segments**

Knitted Clothes  
 Online Retail Sale- Silver Ornaments

**Operations**

The Company operates in the wholesale trading of knitted cloth  
 The Company operates in the online retail business of silver ornaments

**B. Information about reportable segments**

Segment assets, segment liabilities and Segment profit and loss are measured in the same way as in the financial statements.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Company's Board of Directors. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing, if any, is determined on an arm's length basis.

For the year ended March 31, 2023	Reportable Segments			Total
	Knitted Clothes	Ornaments	Unallocable	
Segment revenue - revenue from external customers	1,223.31	246.89	-	1,470.20
Segment results	98.94	66.45	-	165.39
Segment assets	229.22	43.43	74.24	346.88
Segment liabilities	144.45	0.31	25.65	170.41

For the year ended March 31, 2022	Reportable Segments			Total
	Knitted Clothes	Ornaments	Unallocable	
Segment revenue - revenue from external customers	24.56	4.31	-	28.87
Segment results	0.29	1.40	-	1.69
Segment assets	25.79	-	31.87	57.66
Segment liabilities	25.48	-	30.53	56.01

For the year ended March 31, 2021	Reportable Segments			Total
	Knitted Clothes	Ornaments	Unallocable	
Segment revenue - revenue from external customers	-	-	-	-
Segment results	-	-	-	-
Segment assets	-	-	0.69	0.69
Segment liabilities	-	-	0.06	0.06

**Reconciliations of information on reportable segments**

(i) Revenues	As at		
	31-Mar-23	31-Mar-22	31-Mar-21
Total revenue for reportable segments			
Knitted Clothes		24.56	-
Ornaments	246.89	4.31	-
Total	1,470.20	28.87	-



Continued from previous page

(ii) Total comprehensive income	As at		
	31-Mar-23	31-Mar-22	31-Mar-21
<b>Total profit before tax for reportable segments</b>			
Knitted Clothes			
Ornaments	98.94	0.29	-
<b>Unallocated expenses:</b>			
Finance costs	66.45	1.40	-
Other income	165.39	1.69	-
Employee benefit expense	0.01	-	-
Depreciation and amortisation expense	33.89	-	-
Other expenses	1.94	-	-
	2.75	0.00	-
	32.29	0.35	-
<b>Profit before exceptional items and tax</b>			
Less: Exceptional items	94.53	1.34	-
<b>Profit before tax</b>			
Tax expenses	94.53	1.34	-
<b>Profit after tax</b>			
	25.08	0.33	-
	69.44	1.01	-
<b>Other comprehensive income/(loss)</b>			
<b>Items that will not be reclassified to profit or loss</b>			
- Remeasurement of equity instruments	-	-	-
- Remeasurement of defined benefit plans	-	-	-
- Income tax relating to these items	-	-	-
<b>Total comprehensive income</b>	<b>69.44</b>	<b>1.01</b>	<b>-</b>

(iii) Assets	As at		
	31-Mar-23	31-Mar-22	31-Mar-21
<b>Total assets for reportable segments</b>			
Knitted Clothes			
Ornaments	229.22	25.79	-
<b>Unallocated assets</b>			
Property plant and equipments	43.43	-	-
Intangible asset	17.28	2.58	-
Other financial asset	0.47	-	-
Deferred tax assets	1.01	-	-
Other non current asset	0.25	-	-
Cash and cash equivalent	10.98	9.75	-
Other current asset	34.00	14.13	0.69
Trade receivable	10.25	5.40	-
Investments	-	-	-
<b>Total assets</b>	<b>346.88</b>	<b>57.66</b>	<b>0.69</b>

(iv) Liabilities	As at		
	31-Mar-23	31-Mar-22	31-Mar-21
<b>Total liabilities for reportable segments</b>			
Knitted Clothes			
Ornaments	144.45	25.48	-
<b>Unallocated liabilities</b>			
Borrowings	0.31	-	-
Deferred tax liability	-	30.00	-
Other current liabilities	-	0.03	-
Current tax liabilities	0.28	0.20	-
Trade Payable	25.38	0.30	0.08
<b>Total</b>	<b>170.41</b>	<b>56.01</b>	<b>0.06</b>

For the year ended 31-March-2023

(v) Customers having reportable sale more than 10%	Reportable Segments			
	Knitted Clothes	Ornaments	Unallocable	Total
Customer 1				
Customer 2		233.19	-	233.19
<b>Total</b>	<b>261.05</b>	<b>233.19</b>	<b>-</b>	<b>494.24</b>





**Avax Apparels and Ornaments Limited**

(Formerly known as Avax Soft Technologies Limited)

**Annexures to the Financial Statements**

(All amounts are ₹ in Lacs, unless stated otherwise)

**Annexure 31 - Statement of Fair Value Measurement and Financial Instruments****a). Financial instruments – by category and fair values hierarchy**

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

**As at 31-Mar-2023**

Particulars	Carrying value			Fair value measurement using		
	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3
<b>Financial assets</b>						
<b>Current</b>						
Cash and cash equivalents	-	34.00	34.00	-	-	-
Trade receivables	-	210.94	210.94	-	-	-
Other financial assets	-	1.01	1.01	-	-	-
<b>Total</b>	-	<b>245.95</b>	<b>245.95</b>	-	-	-
<b>Financial liabilities</b>						
<b>Current</b>						
Trade payables	-	144.75	144.75	-	-	-
<b>Total</b>	-	<b>144.75</b>	<b>144.75</b>	-	-	-

**As at 31-Mar-2022**

Particulars	Carrying value			Fair value measurement using		
	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3
<b>Financial Assets</b>						
<b>Current</b>						
Cash and cash equivalents	-	14.13	14.13	-	-	-
Trade receivables	-	25.79	25.79	-	-	-
<b>Total</b>	-	<b>39.92</b>	<b>39.92</b>	-	-	-
<b>Financial liabilities</b>						
<b>Current</b>						
Trade payables	-	25.48	25.48	-	-	-
Borrowings	-	30.00	30.00	-	-	-
<b>Total</b>	-	<b>55.48</b>	<b>55.48</b>	-	-	-

**As at 31-Mar-2021**

Particulars	Carrying value			Fair value measurement using		
	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3
<b>Financial Assets</b>						
<b>Current</b>						
Cash and cash equivalents	-	0.69	0.69	-	-	-
<b>Total</b>	-	<b>0.69</b>	<b>0.69</b>	-	-	-
<b>Financial liabilities</b>						
<b>Current</b>						
Other financial liabilities	-	0.06	0.06	-	-	-
<b>Total</b>	-	<b>0.06</b>	<b>0.06</b>	-	-	-



**Avax Apparels and Ornaments Limited**  
 (Formerly known as Avax Soft Technologies Limited)  
**Annexures to the Financial Statements**  
 (All amounts are ₹ in Lacs, unless stated otherwise)

Continued from previous page

**Fair value hierarchy**

**Level 1:** It includes financial instruments measured using quoted prices.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The fair value of financial assets and liabilities included in Level 3 is determined in accordance with generally accepted pricing models based on flow analysis using prices from observable current market transactions and dealer quotes of similar instruments.

The carrying amounts of trade receivables, cash and cash equivalents and other financial assets and liabilities, approximates the fair value due to their short-term nature. Fair value of financial assets and financial liabilities is similar to the carrying value as there is no significant difference between carrying value and fair value.

**b). Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

**(i). Credit risk**

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the Balance Sheet:

Particulars	As at	
	31-Mar-23	31-Mar-22
Trade receivables	210.94	25.79
Cash and cash equivalents	34.00	14.13

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 Company's credit risk is primarily to the amount due from customers and loans. The Company maintains a defined credit policy to manage the exposures to these credit risks on an ongoing basis. Credit risk on cash and cash equivalents is limited as the Company generally deposits with scheduled commercial banks with high credit ratings assigned by domestic credit rating agencies.

The Company has not applied expected credit loss model as per Ind AS 109 used to assess the impairment loss or gain on trade receivables. However the Company based upon historical experience determines an impairment allowance for loss on receivables.

When a trade receivable is credit impaired, it is written off against trade receivables and the amount of the loss is recognised in the income statement. Subsequent recoveries of amounts previously written off are credited to the income statement.

The gross carrying amount of trade receivables is 210.94 Lacs (FY: 31 March 22: Rs.25.79 Lacs). Trade receivables are generally on credit period.

The Company's exposure to credit risk for trade receivables are as follows:

Particulars	As at	
	31-Mar-23	31-Mar-22
Not due	-	-
0-90 days past due	131.10	25.79
90 to 180 days past due	26.77	-
180-365 days	53.06	-
365-730 days	-	-
More than 730 days	-	-
<b>Total</b>	<b>210.94</b>	<b>25.79</b>



**Avax Apparels and Ornaments Limited**  
 (Formerly known as Avax Soft Technologies Limited)  
**Annexures to the Financial Statements**  
 (All amounts are ₹ in Lacs, unless stated otherwise)

Continued from previous page

Movement in the allowance for impairment in respect of trade receivables:	For the year end	
	31-Mar-23	31-Mar-22
Balance at the beginning	-	-
Impairment loss recognised	-	-
<b>Balance at the end</b>	-	-

(ii). **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities if delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it w liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable damage to the Company's reputation.

The Company believes that its liquidity position of Rs. 34. Lacs (PY: 31 March 2022: Rs. 14.13 Lacs) and the anticipated future int funds from operations will enable it to meet its future known obligations in the ordinary course of business.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding thro amount of credit facilities to meet obligations when due. The Company's policy is to regularly monitor its liquidity requirements maintains sufficient reserves of cash and funding from Company companies to meet its liquidity requirements in the short and long

The Company's liquidity management process as monitored by management, includes the following:

- Day to day funding, managed by monitoring future cash flows to ensure that requirements can be met.
- Maintaining rolling forecasts of the Company's liquidity position on the basis of expected cash flows.

**Exposure to liquidity risk**

Following are the remaining contractual maturities of financial liabilities at the reporting date.

**As at 31-Mar-2023**

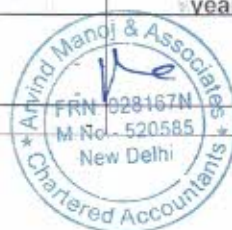
Particulars	Carrying amount	Contractual cash flows		
		Less than one year	Between one to five years	More than five years
Borrowings	-	-	-	-
Trade payables	144.75	144.75	-	-
<b>Total</b>	<b>144.75</b>	<b>144.75</b>	-	-

**As at 31-Mar-2022**

Particulars	Carrying amount	Contractual cash flows		
		Less than one year	Between one to five years	More than five years
Borrowings	30.00	30.00	-	-
Trade payables	25.48	25.48	-	-
<b>Total</b>	<b>55.48</b>	<b>55.48</b>	-	-

**As at 31-Mar-2021**

Particulars	Carrying amount	Contractual cash flows		
		Less than one year	Between one to five years	More than five years
Borrowings	-	-	-	-
Trade payables	-	-	-	-
<b>Total</b>	-	-	-	-



(iii). **Market risk**

**Avax Apparels and Ornaments Limited**

(Formerly known as Avax Soft Technologies Limited)

**Annexures to the Financial Statements**

*(All amounts are ₹ in Lacs, unless stated otherwise)*

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk includes three types of risk: interest rate risk, currency risk and other price risk. Since the company does not have any Loan from Banks, it does not have market risk.



**Avax Apparels and Ornaments Limited**

(Formerly known as Avax Soft Technologies Limited)

**Annexures to the Financial Statements**

(All amounts are ₹ in Lacs, unless stated otherwise)

**Annexure 32 - Statement of Capital Management**

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves & equity holders of the Company.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure. The Company monitors capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

To maintain or adjust the capital structure, the Company may return capital to shareholders, raise new debt or issue new shares. The Company monitors capital on the basis of the debt to capital ratio, which is calculated as interest-bearing debts divided by total capital (equity attributable to owners of the parent plus interest-bearing debts).

Particulars	As at	
	31-Mar-23	31-Mar-22
Borrowings	-	30.00
Less: Cash and bank balances	(34.00)	(14.13)
<b>Adjusted net debt (A)</b>	<b>(34.00)</b>	<b>15.87</b>
<b>Total equity (B)</b>	<b>176.48</b>	<b>1.65</b>
<b>Adjusted net debt to adjusted equity ratio (A/B)</b>	<b>-19.27%</b>	<b>963.40%</b>



**Avax Apparels and Ornaments Limited**

(Formerly known as Avax Soft Technologies Limited)

**Statement of Assets and Liabilities**

(All amounts are ₹ in Lacs, unless stated otherwise)

**Annexure 33 - Statement of Accounting Ratios**

Sr. No.	Particulars	Calculation	As at	
			31-Mar-23	31-Mar-22
1	Return on Equity	net income/ shareholder equity	39.35%	61.59%
2	Debt Equity Ratio	total debts/ total equity	-	18.22
3	Earning per share	Earning available for Equity Shareholder/ Weighted average no. of Share outstanding during the period	9.07	0.94
6	Current Ratio	current asset/ current liability	1.86	0.81
7	Liquid Ratio	(Total current asset- inventory- prepaid expense)/ current liabilities	1.50	0.81
8	Return on Capital employed	EBIT/ capital employed	53.56%	81.76%
9	Net Profit to Sales	profit after tax/ sale	4.72%	-23.56%
13	Debtors turnover Ratio	credit sales/ average trade receivables	12.42	-0.24
14	Creditors turnover Ratio	credit purchase/ average trade payables	16.05	-0.24



**Avax Apparels and Ornaments Limited**

(Formerly known as Avax Soft Technologies Limited)

**Statement of Assets and Liabilities**

(All amounts are ₹ in Lacs, unless stated otherwise)

**Annexure 34 - Statement of Capitalisation**

Particulars	Pre offer as at 31-Mar-2023	Post Issue
Debt:		
Long-term Borrowings	-	-
Short-term Borrowings	-	-
Current maturities of long term borrowing	-	-
<b>Total Debt (A)</b>	-	-
Shareholders Fund:		
Equity shares	76.52	103.92
Reserves and Surplus	99.96	264.36
<b>Total Shareholders Fund (B)</b>	<b>176.48</b>	<b>368.28</b>
<b>Total Debt / Shareholders Fund (A/B)</b>	-	-



**Annexure 35 - Statement of Income Taxes**

A. Particulars	For the year ended		
	31-Mar-23	31-Mar-22	31-Mar-21
<b>Income tax expense</b>			
Current tax	25.38	0.30	-
Income tax for earlier years	-	-	-
<b>Deferred tax expense</b>			
Change in recognised temporary differences	(0.28)	0.03	-
	<b>25.09</b>	<b>0.33</b>	

**B. Reconciliation of effective tax rate**

Particulars	For the year ended			
	31-Mar-23		31-Mar-22	
	Rate	Amount	Rate	Amount
<b>Profit before tax</b>		94.53		1.35
Tax using the Company's domestic tax rate (A)	31.62%	<b>29.89</b>	25.17%	<b>0.34</b>
<b>Tax effect of:</b>				
Temporary differences		0.28		-
Income tax for earlier years		(0.01)		(0.01)
Total (B)		<b>0.27</b>		<b>(0.01)</b>
(A)+(B)		<b>30.16</b>		<b>0.33</b>

**C. Movement in deferred tax balances**

Particulars	As at 31-Mar-2022	Recognised in P&L	Recognised in OCI	As at 31-Mar-2023
<b>Deferred tax assets</b>				
Unabsorbed losses	-	-	-	-
Trade receivables	-	-	-	-
Total	-	-	-	-
<b>Deferred tax liabilities</b>				
Property, plant and equipments and Intangibles	0.03	(0.03)	-	-
Employee benefits	-	-	-	-
Investments (non-current)	-	-	-	-
Total	<b>0.03</b>	<b>(0.03)</b>	-	-
<b>Deferred tax assets (net)</b>	<b>(0.03)</b>	<b>0.03</b>	-	-

Particulars	As at March 31, 2021	Recognised in P&L	Recognised in OCI	As at 31-Mar-2022
<b>Deferred tax assets</b>				
Unabsorbed losses	-	-	-	-
Trade receivables	-	-	-	-
Total	-	-	-	-
<b>Deferred tax liabilities</b>				
Property, plant and equipments and Intangibles	-	0.03	-	0.03
Borrowings	-	-	-	-
Security deposits	-	-	-	-
Investments (non-current)	-	-	-	-
Total	-	<b>0.03</b>	-	<b>0.03</b>
<b>Deferred tax assets (net)</b>	-	<b>(0.03)</b>	-	<b>(0.03)</b>



..Continued on next page



Continued from previous page

**Annexure -36 Statement of Other Statutory Compliances**

**Details with respect to the Benami Properties:**

No proceedings have been initiated or pending against the entity under the Benami Transactions (prohibition) Act, 1988.

**Undisclosed income:**

The Company does not have transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

**Crypto currency:**

The Company have not traded or invested in Crypto currency or Virtual Currency.

**Struck off companies:**

The Company do not have any transactions with companies struck off.

**Charge Registered with Regitrar of Charges (ROC):**

The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period

The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall

- a directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- b provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

The Company does not receive any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall

- a directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- b provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

**Previous year's figures**

Previous year's figures have been regrouped/reclassified as per the current year's presentation for the purpose of comparability.

As per our report of even date.

For Arvind Manoj & Associates  
Chartered Accountants  
Firm Registration No. 028167N

  
Manoj Kumar  
Proprietor  
Membership No.: 520585  
ICAI UDIN No. 23520585BGYPWX5181



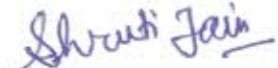
For and on behalf of the Board of Directors of  
Avax Apparels and Ornaments Limited

  
Harish Kumar  
Director  
DIN-09283531  
  
Rajesh Singla  
CFO  
PAN No. CNOPS7915R

Place: Delhi  
Date : 25.06.2023



Harinderpal Singh Sodhi  
Director  
DIN-09283654



Shrutika Jain  
Company Secretary  
M.No. 52018

Place: Delhi  
Date : 25.06.2023

# Avax Apparels and Ornaments Limited

Formerly known as AVAX SOFT TECHNOLOGIES LIMITED

611 6TH FLOOR JAINA TOWER II DISTT CENTRE JANAK PURI NA DELHI West Delhi DL 110058 IN

NOTES TO ACCOUNTS FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

## 1. Company Overview

- ↳ Ethnic Designers Private Limited (referred to "the Company" hereinafter) was incorporated on June 02, 2005 under the Company Act, 1956. The Name of the Company was changed from Ethnic Designers Private Limited to Avax Soft Technologies Private Limited on 11.10.2021 and the name of M/s Avax Soft Technologies Private Limited has been changed to M/s Avax Soft Technologies Limited on 18.11.2022. The Company is a Limited Company. The registered office of the Company is located at 611, 6<sup>th</sup> Floor, Jaina Tower II, Distt Centre Janak Puri, West Delhi, Delhi 110058.

## 2. Basis of preparation and compliance with Ind AS

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities which have been measured at fair value, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified), and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

- ↳ Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### Functional and presentation currency

These Ind AS Financial Statements are prepared in Indian Rupee which is the Company's functional. All financial information presented in Rupees.

## 3) Recent Accounting Pronouncement

- (i) In March 2021, Ministry of Corporate Affairs has notified the following new Amendments, to Ind ASs effective for annual periods beginning on or after April 01, 2021

- (a) Ind AS 12- Income Taxes
- (b) Ind AS 19- Employee Benefits

The company does not have any impact on account of this amendment.

- (ii) In March 2021, Ministry of Corporate Affairs has notified Ind AS 116-Leases. Ind AS 116 will replace the existing leases Standard in AS 17-Leases and related interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value.



# Avax Apparels and Ornaments Limited

Formerly known as AVAX SOFT TECHNOLOGIES LIMITED

611 6TH FLOOR JAINA TOWER II DISTT CENTRE JANAK PURI NA DELHI West, Delhi DL 110058 IN

NOTES TO ACCOUNTS FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2022. The standard permits two possible methods of transition:

- Full retrospective - Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective • Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.

The company does not have any impact on account of this amendment

## 4. Significant Accounting Policies

The Company has applied following accounting policies to all periods presented in the Ind AS Financial Statement.

### a. Revenue Recognition

#### Sale of Goods:

Revenue from sale is measures at the fair value of the consideration received or receivable, net of Discount, Rebate, Service Tax, Goods and Service Tax and Other Indirect Taxes.

#### Interest:

Interest on fixed deposits is recognized on accrual basis on a time proportion basis taking in to account the amount outstanding and the rate applicable.

### b. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### Financial assets Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through statement of profit and loss, transaction costs that are



# Avax Apparels and Ornaments Limited

Formerly known as AVAX SOFT TECHNOLOGIES LIMITED

611 6TH FLOOR JAINA TOWER II DISTT CENTRE JANAK PURI NA DELHI West Delhi DL 110058 IN

NOTES TO ACCOUNTS FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require 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 asset.

## Subsequent measurement

Subsequent measurement of financial assets is described below -

Debt instruments at amortized cost

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

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows 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 on acquisition and fees or costs 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. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has designated its investments in debt instruments as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.



# Avax Apparels and Ornaments Limited

Formerly known as AVAX SOFT TECHNOLOGIES LIMITED

61 6TH FLOOR JAINA TOWER II DISTT CENTRE JANAK PURI NA DELHI West Delhi DL 110058 IN

NOTES TO ACCOUNTS FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Company has designated its investments in debt instruments as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

## Financial Assets - Derecognition

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

- (i) The rights to receive cash flows from the asset have expired, or
- (ii) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects 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 the maximum amount of consideration that the Company could be required to repay.

## Equity Instruments

All Investment in equity Instruments classified under assets are initially measured at fair value, the company may, on initial recognition, irrevocably elect to measure to same either at OCI or FVTPL

The company makes such election on instruments' -by -instruments basis. Fair value changes on an equity instrument is recognized as other income in the statement of profit and loss unless the company has elected to measure such instrument at OCI. Fair value changes excluding dividends, on an equity instrument measured at OCI are recognized in OCI. Amounts recognized in OCI are not subsequently reclassified to the statement of profit and loss. Dividend income on the investments in equity instruments are recognized as "Other Income" in the statement of profit and loss.

## Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss model for



# Avax Apparels and Ornaments Limited

Formerly known as AVAX SOFT TECHNOLOGIES LIMITED

611 6TH FLOOR JAINA TOWER II DISTT CENTRE JANAK PURI NA DELHI West Delhi DL 110058 IN

NOTES TO ACCOUNTS FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

measurement and recognition of impairment loss on the financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits and trade receivables or any contractual right to receive cash, or another financial asset that result from transactions that are within the scope of Ind AS 18.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between 'all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

**(i) Financial assets measured as at amortized cost:** ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

**(ii) Debt instruments measured at FVTPL:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. The change in fair value is taken to the statement of Profit and Loss.

**(iii) Debt instruments measured at FVTOCI:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.



# Avax Apparels and Ornaments Limited

Formerly known as AVAX SOFT TECHNOLOGIES LIMITED

611 6TH FLOOR JAINA TOWER II DISTT CENTRE JANAK PURI NA DELHI West Delhi DL 110058 IN

NOTES TO ACCOUNTS FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

## Financial liabilities - Recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

The measurement of financial liabilities depends on their classification, as described below:

- Financial liabilities at fair value through statement of profit and loss Financial liabilities at fair value through statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

- Gains or losses on liabilities held for trading are recognized in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through statement of profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Company has not designated any financial liability as at fair value through statement of profit and loss.

- Loans and Borrowings After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (hereinafter referred as EIR) method. Gains and losses are recognized in statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

## Financial liabilities - Derecognition

A financial liability is derecognized when the obligation under the liability is cancelled or expires. When an existing financial liability is replaced by another



# Avax Apparels and Ornaments Limited

Formerly known as AVAX SOFT TECHNOLOGIES LIMITED

611 6TH FLOOR JAINA TOWER II DISTT CENTRE JANAK PURI NA DELHI West-Delhi DL 110058 IN

NOTES TO ACCOUNTS FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

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 a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

## Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

## c. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of twelve months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

## d. Borrowing Costs

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

## e. Taxation

### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future.





# Avax Apparels and Ornaments Limited

Formerly known as AVAX SOFT TECHNOLOGIES LIMITED

611 6TH FLOOR JAINA TOWER II DISTT CENTRE JANAK PURI NA DELHI West Delhi DL 110058 IN

NOTES TO ACCOUNTS FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

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 utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized 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 measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The Company does not have plans to sell-off the land in the near-future, therefore, it will be difficult to assert that it is probable that sufficient taxable profit will be available in the year in which the deferred tax asset are reversed. Hence, deferred tax asset on land is not recognized.

Sales/ value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognized net of the amount of sales/ value added taxes paid, except:

- a) When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- b) When receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that



# Avax Apparels and Ornaments Limited

Formerly known as AVAX SOFT TECHNOLOGIES LIMITED

611 6TH FLOOR JAINA TOWER II DISTT CENTRE JANAK PURI NA DELHI West Delhi DL 110058 IN

NOTES TO ACCOUNTS FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

future economic benefit associated with it will flow to the Company.

## Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

## f. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue are accounted for based on the cost price. Revenue, expenses, assets and liabilities which are not allocable to segments on a reasonable basis, are included under "Unallocated revenue/ expenses/ assets/ liabilities".

## g. Cash Flow Statement

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

## h. Use of Estimates and Judgments

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions.

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



# Avax Apparels and Ornaments Limited

Formerly known as AVAX SOFT TECHNOLOGIES LIMITED

611 6TH FLOOR JAINA TOWER II DISTT CENTRE JANAK PURI NA DELHI West Delhi DL 110058 IN

NOTES TO ACCOUNTS FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

## 16. Earnings per share (EPS)

Sl No.	Particulars	2022-2023	2021-2022
(i)	Net profit/(loss) after tax for the year ( In Rupees)	6,943,603.97	101,426.18
(ii)	Weighted number of ordinary shares for basic EPS	765158	1,08,200
(iii)	Nominal value of ordinary share (in Rs. per share)	10.00	1.00
(iv)	Basic and Diluted earnings for ordinary shares (in Rs. per share)	9.07	0.94

## 17. RELATED PARTY DISCLOSURES

Following are Related Parties:

Holding Companies	
Key management Personnel	Harinderpal Singh Sodhi
	Harish Kumar
	Deepika
	Shruti Jain
	Rajesh Singla
Other Enterprises Under The Control of The Key Management Personnel And Their Relatives	

## 18. Transaction during the Year: Nil

## 19. Auditor Remuneration (excluding GST and Service Tax)

Description	2022-2023 (Rs.)	2021-2022 (Rs.)
Audit Fee	25,000	20,000
Total	25,000	20,000



# Avax Apparels and Ornaments Limited

Formerly known as AVAX SOFT TECHNOLOGIES LIMITED

611 6TH FLOOR JAINA TOWER II DIST CENTRE JANAK PURI NA DELHI West Delhi DL 110058 IN

NOTES TO ACCOUNTS FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

20. There were no Micro and Small enterprises to whom amounts are outstanding for more than 45 days, as at March 31, 2023 (Previous Year Rs. Nil). As at March 31, 2022, no supplier has intimated the company about its status as Micro and Small enterprises or its registration with the appropriate authority under The Micro, Small and Medium Enterprises Development Act, 2006.

## 21. Financial Instruments

### Financial risk management objective and policies

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial assets and financial liabilities are disclosed in Note 3(d.)

### 21(a). Financial Instruments

The carrying value / fair value of financial instruments (excluding investments in subsidiaries) by categories is as follows:

31-Mar-23	Amortised Cost	Fair value through profit and loss	Fair value through other Comprehensive Income	Derivative instrument in hedging relationship	Total carrying/ fair value
Cash and cash equivalents	3,400,210.21	-	-	-	3,400,210.21
Sundry Debtors	21,093,689.39	-	-	-	21,093,689.39
Loans And Advances	1,024,980.79	-	-	-	1,024,980.79
Fixed Assets	1,774,826.25	-	-	-	1,774,826.25

## 22. Segment Reporting

As the Company is operating one segment therefore, segment reporting as per Ind AS-108, "Operating Segment" (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015) are not required to be given.

23. The Company has accumulated profit of Rs.979396/- (Previous year loss was Rs.-345307/-).

24. During the year, Provision for Deferred Tax Asset/liabilities (net) of Rs.25025 (Previous Year Rs. (3232)) has been made.

25. Critical estimates and judgments in applying accounting policies



# Avax Apparels and Ornaments Limited

Formerly known as AVAX SOFT TECHNOLOGIES LIMITED

611 6TH FLOOR JAINA TOWER II DISTT CENTRE JANAK PURI NA DELHI West Delhi DL 110058 IN

NOTES TO ACCOUNTS FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Information about estimates and judgments made in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

i) **Provisions and contingencies**

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with the applicable Ind AS. A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

26. The Company has been preparing the accounts on going concern basis and all accounting Policies are consistently followed by the company

27. **Previous Year's Comparatives**

Previous Year's figures have been regrouped/ re-classified, wherever necessary, to conform to Current Year's Classification.

28. These financial statements were approved for issue by the Board of Directors.

29. Notes to Accounts form an integral part of the Ind AS Financial Statements and have been duly authenticated.

For Avind Manoj & Associates

Chartered Accountants

Firm Registration No.: 028167N

Manoj Kumar

Proprietor

Membership No.: 520585

UDIN Number: 23520585BGYPWX5181

Place: New Delhi

Date: 25.06.2023



Harish Kumar

(Harish Kumar)

Director

DIN-09283531

Harinderpa Singh Sodhi

Director

DIN-09283654