

SWADESHI POLYTEX LIMITED

BALANCE SHEET AS AT 31st MARCH, 2020

(Rs. in '000)

Particulars	Note No	As at March 31, 2020	As at March 31, 2019
I ASSETS			
(1) Non-current asset			
(a) Property, Plant and Equipment	5	547	410
(b) Intangible Assets	6	333	-
(c) Deferred Tax Assets (Net)	7	43,634	43,197
(d) Other non-current assets	8	29,977	1,340
Total non-current assets		74,491	44,947
(2) Current Asset			
(a) Inventories	9	60,054	65,341
(b) Financial Assets:			
(i) Cash and cash equivalents	10	29,902	12,589
(ii) Loans	11	5,121	5,121
(iii) Others	12	114	77
(c) Other Current Assets	13	1,000	5,000
Total current assets		96,191	88,128
Total Assets		1,70,682	1,33,075
II EQUITY & LIABILITIES			
EQUITY			
(a) Equity share capital	14	39,000	39,000
(b) Other equity	15	(3,62,407)	(4,80,895)
Total Equity		(3,23,407)	(4,41,895)
LIABILITIES			
(1) Non current liabilities			
(a) Financial liabilities			
(i) Other financial liabilities	16	21,642	24,983
Total non-current liabilities		21,642	24,983
(2) Current liabilities			
(a) Financial liabilities:			
(i) Borrowings	17	17,915	1,63,023
(ii) Trade payables	18	-	-
(a) total outstanding dues of micro enterprises and small enterprises		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		7,652	9,372
(iii) Other Financial Liabilities	19	-	4,599
(b) Other current liabilities	20	4,46,880	3,72,131
(c) Provisions	21	-	862
Total current liabilities		4,72,447	5,49,987
Total Equity and Liabilities		1,70,682	1,33,075

Significant Accounting Policies

4

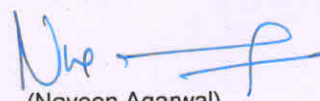
The accompanying notes form an integral part of the financial statements.

As per our Report of even date attached
For SPMR & Associates
CHARTERED ACCOUNTANTS

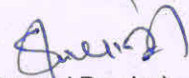

(M.S. Ladha)
Partner
FRN : 007578N, M.No. : 088221



For and on behalf of the Board of Directors


(Naveen Agarwal)
Director
DIN : 00936395


(B. Mehrotra)
Director
DIN : 03279399


(Promod Pandey)
Chief Financial Officer


(Surbhi Basantani)
Company Secretary


(Bhuwan Chaturvedi)
Chief Executive Officer

Place : Faridabad

Date : 26-6-2020

SWADESHI POLYTEX LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2020

(Rs. in '000)

Particulars	Note No.	Year Ended March 31, 2020	Year Ended March 31, 2019
INCOME			
Revenue from operations	22	1,59,867	1,31,571
Other Income	23	2,275	1,210
Total Income		1,62,142	1,32,781
EXPENSES			
Land Development Expenses		423	2,168
Changes in inventories	24	5,287	2,871
Finance Costs	25	7,004	28,587
Depreciation and amortization expense	26	114	81
Other expenses	27	30,606	23,334
Total Expenses		43,434	57,041
Profit / (Loss) before tax		1,18,708	75,740
Less : Tax Expenses			
- Current tax		20,747	16,246
- Deferred tax		(437)	(5,371)
- Earlier Years		(2)	-
Total Tax Expenses		20,308	10,875
Profit / (Loss) from continuing operations		98,400	64,865
Profit / (Loss) from discontinued operations	28	24,341	18,913
Tax expenses of discontinued operations		4,253	3,894
Profit / (Loss) from discontinuing operations after tax		20,088	15,019
Total Comprehensive Income for the year		1,18,488	79,884
Earnings per equity share of face value of Rs. 1/- each (P.Y. Rs. 10/- each)			
-Continued Business			
(i) Basic (in Rs.)	29	2.52	16.63
(ii) Diluted (in Rs.)	29	2.52	16.63
Earnings per equity share of face value of Rs. 1/- each (P.Y. Rs. 10/- each)			
- Discontinued Business			
(i) Basic (in Rs.)	29.1	0.52	3.85
(ii) Diluted (in Rs.)	29.1	0.52	3.85

Significant Accounting Policies

4

The accompanying notes form an integral part of the financial statements.

As per our Report of even date attached

For SPMR & Associates

CHARTERED ACCOUNTANTS

(M.S. Ladha)
Partner

FRN : 007578N, M.No. : 088221



For and on behalf of the Board of Directors

(Signature)
(Naveen Agarwal)
Director
DIN : 00936395

(Signature)
(B. Mehrotra)
Director
DIN : 03279399

(Signature)
(Promod Pandey)
Chief Financial Officer

(Signature)
(Surbhi Basantani)
Company Secretary

(Signature)
(Bhuvan Chaturvedi)
Chief Executive Officer

Place : Faridabad

Date : 26-6-2020

SWADESHI POLYTEX LIMITED

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31st MARCH, 2020

(Rs. in '000)

	Year Ended 31-03-2020 Amount (Rs)	Year Ended 31-03-2019 Amount (Rs)
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year before Tax from continuing operations	1,18,708	75,740
Profit for the year before Tax from discontinuing operations	24,341	18,913
<u>Adjustments for :</u>		
Depreciation and amortization expenses	114	81
Finance Costs	7,004	28,587
Interest received	(2,250)	(1,210)
Operating Profit before working capital changes	1,47,917	1,22,111
<u>Net Change in :</u>		
Other non-current assets	(28,637)	3,750
Inventories	5,287	2,871
Financial-Non-current assets	-	2,000
Other current assets	4,000	(4,583)
Other Financial Liabilities	(3,341)	-
Trade payables	(1,720)	1,923
Other-current Liabilities	74,749	83,965
Provisions	(862)	862
Cash generated from Operations	1,97,393	2,12,899
Direct Taxes Paid	(24,998)	(20,140)
Net Cash flow from Operating activities	1,72,395	1,92,759
	(A)	
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(584)	-
Interest received on Loans and Fixed Deposits with Banks	2,213	1,243
Net cash used in Investing activities	1,629	1,243
	(B)	
C CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment) of Borrowings	(1,45,108)	(91,213)
Finance Costs Paid	(11,603)	(1,04,446)
Net cash from / (used in) financing activities	(1,56,711)	(1,95,659)
	(C)	
Net increase / (Decrease) in Cash and Cash Equivalents (A + B + C)	17,313	(1,657)
Add: Cash and Cash Equivalents at the beginning of the year	12,589	14,246
Cash and Cash Equivalents at the end of the year	29,902	12,589
Cash on Hand	33	4
Balances with Banks in Current Accounts	525	2,350
Balances with Banks in Fixed Deposit Accounts	29,344	10,235
Total Cash and cash equivalents as per Financial Statements	29,902	12,589

The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Ind AS - 7 on Statement of Cash Flows.

The accompanying notes form an integral part of the financial statements.


As per our Report of even date attached
For SPMR & Associates
CHARTERED ACCOUNTANTS


 (M.S. Latha)
 Partner
 FRN : 007578N, M.No. : 088221

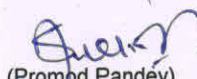


Place : Faridabad
Date : 26.6.2020

For and on behalf of the Board of Directors


 (Naveen Agarwal)
 Director
 DIN : 00936395


 (B. Mehrotra)
 Director
 DIN : 03279399


 (Promod Pandey)
 Chief Financial Officer


 (Surbhi Basantani)
 Company Secretary


 (Bhuwan Chaturvedi)
 Chief Executive Officer

SWADESHI POLYTEX LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2020

A. EQUITY SHARE CAPITAL

Particulars	(Rs. in '000)
	Amount
Balance as at 1st April, 2018	39,000
Changes in equity share capital during the year 2018-19	-
Balance as at 31st March, 2019	39,000
Changes in equity share capital during the year 2019-20	-
Balance as at 31st March, 2020	39,000

B. OTHER EQUITY

AS ON 31st MARCH, 2019

(Rs. in '000)

Particulars	Reserve and Surplus			
	General Reserve	Capital Redemption Reserve	Retained Earnings	Total
Balance as at 1st April, 2018	1,67,070	10,975	(7,38,824)	(5,60,779)
Total Comprehensive Income for the year	-	-	79,884	79,884
Balance as at 31st March, 2019	1,67,070	10,975	(6,58,940)	(4,80,895)

AS ON 31st MARCH, 2020

(Rs. in '000)

Particulars	Reserve and Surplus			
	General Reserve	Capital Redemption Reserve	Retained Earnings	Total
Balance as at 1st April, 2019	1,67,070	10,975	(6,58,940)	(4,80,895)
Total Comprehensive Income for the year	-	-	1,18,488	1,18,488
Balance as at 31st March, 2020	1,67,070	10,975	(5,40,452)	(3,62,407)

As per our Report of even date attached

For SPMR & Associates
CHARTERED ACCOUNTANTS

(Signature)
(M.S. Latha)
Partner

FRN : 007578N, M.No. : 088221



For and on behalf of the Board of Directors

(Signature)
(Naveen Agarwal)
Director
DIN : 00936395

(Signature)
(B. Mehrotra)
Director
DIN : 03279399

Place : Faridabad

Date : 26-6-2020

(Signature)
(Promod Pandey)
Chief Financial Officer

(Signature)
(Surbhi Basantani)
Company Secretary

(Signature)
(Bhuwan Chaturvedi)
Chief Executive Officer

SWADESHI POLYTEX LIMITED

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020

1 COMPANY OVERVIEW

Swadeshi polytex Limited is a listed company engaged in carrying the business of transacting in, owning, purchasing, selling, leasing, sub-leasing, letting, sub-letting, renting and developing and other related activity of any type of real estate including land, plot, buildings, factories, warehouses, infrastructures whether residential, commercial, agricultural, industrial, rural, urban or otherwise that may belong to company or to any other person or persons of whatever nature and to deal in real estate, land, immovable properties and other related assets of any description or nature as owners, syndicators, developers, advisors, service providers, brokers, agents and any other capacity and to do all such activities related to such business having its registered office at A-1, Sector - 17, New Kavi Nagar Industrial Area, Ghaziabad (U.P).

The financial statements were approved for issue by the Board of Directors in their meeting held on 26th June, 2020.

2 BASIS OF PREPARATION AND PRESENTATION

These financial statements are prepared under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair value or amortized cost at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction date. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. These financial statements comply with the 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).

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

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.

3 USE OF ESTIMATES

The preparation of financial statements in conformity with Ind AS requires management to make adjustments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expense and related disclosure concerning the items involved as well as contingent assets and liabilities at the balance sheet date. Estimates and underlying assumptions are reviewed on an ongoing basis and revised if management became aware of changes in circumstances surrounding the estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and, if material, their effects are disclosed in the notes to the financial statements. Application of accounting policies that require critical accounting estimates involving complex and critical judgment is disclosed in notes to accounts.

4 SIGNIFICANT ACCOUNTING POLICIES

4.1 Property, Plant & Equipment and Depreciation

- (a) The company has elected the option to continue the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the date of transition as per Ind AS 101. Property, plant and equipment are stated at original cost net of tax/duty credit availed, less accumulated depreciation and accumulated impairment losses, if any.
- (b) Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the costs to the item can be measured reliably.
- (c) Depreciation on Building, Plant & Machinery and Computer is being provided on Straight Line Method.

Property, plant and equipment	Useful Life of Asset (In year) as per Schedule-II	Useful Life of Asset (In year) as adopted
Building	60	60
Plant & Machinery	15	5 to 10
Furniture & Fixtures	10	5
Computer	3	3
Computer Server	6	6

- (d) Based on the technical experts assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.
- (e) Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income' or 'Other Expenses' as the case may be.



SWADESHI POLYTEX LIMITED

- (f) Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

4.2 Intangible Assets and Amortization

- (a) Software costs are included in the balance sheet as intangible assets when it is probable that associated future economic benefits would flow to the Company. In this case they are measured initially at purchase cost and then amortized on a straight-line basis over their estimated useful lives. All other costs on it are expensed in the statement of profit and loss as and when incurred.

- (b) Based on the technical experts assessment of useful life these are amortized over a period of six years.

4.3 Impairment of Assets

- (a) Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis. In such cases, the recoverable amount is determined for the Cash Generating units (CGU) to which the assets belongs. If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of asset.

- (b) Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exists or have decreased.

4.4 Revenue Recognition

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115 'Revenue from Contracts with Customers', which replaces Ind AS 11 'Construction Contracts' and Ind AS 18 'Revenue'.

The core principle of Ind AS 115 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

- (a) Revenue from transfer of rights in leasehold land alongwith penalty is recognized when the company receives full payment from buyer and there is relinquishment of right in favor of the buyer by the company.
- (b) Interest on receivables is accounted only when no significant uncertainty as to measurability or collectability exists. Other interest income is recognized on the time basis determined by the amount outstanding and the rate applicable and where no significant uncertainty as to measurability or collectability exists.
- (c) Revenue is recognized when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity. Revenue excludes Goods and Service Tax (GST) as applicable.

4.5 Inventories

Valuation of stocks is done as mentioned below:

Leasehold Plot Rights	At lower of book value or net realizable value
-----------------------	--

Cost of Leasehold Land is determined after including the proportionate expenditure incurred on the development thereof.

4.6 Taxation

(a) Current Tax

Current tax expense is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Current income taxes are recognized under "income tax payable" net of payments on account, or under "tax receivables" where there is a credit balance.



Handwritten signatures and initials in blue ink.

SWADESHI POLYTEX LIMITED

(b) **Deferred Tax**

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

4.7 **Refunds of Taxes and Duties**

Refund claims arising out of monies paid under protest or under appeals and charged to Revenue are accounted for at the time of receipt of orders or actual refunds whichever is earlier.

4.8 **Provisions, Contingent Liabilities and Contingent Assets**

Disclosure of contingencies as required by the Indian accounting standard is furnished in the Notes to accounts.

(a) Provisions are made when (a) the Company has a present obligation as a result of past events; (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate is made of the amount of the obligation.

(b) Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognized but are disclosed in notes. Contingent assets are not recognized. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, and is recognized as an asset. Information on contingent liabilities is disclosed in the notes to the financial statement. A contingent asset is disclosed where an inflow of economic benefits is probable.

4.9 **Financial Instruments**

A Financial Assets

(a) **Initial recognition and measurement**

The company recognizes financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Purchase and sale of financial assets are accounted for at trade date.

(b) **Subsequent Measurement : Non-derivative financial instruments**

(i) **Financial assets carried at amortized cost (AC)**

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

(ii) **Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) **Financial assets at fair value through profit or loss (FVTPL)**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(c) **Investment in subsidiaries/associates/joint ventures**

Investment in subsidiaries, if any, is carried at cost in the separate financial statements.



Handwritten signatures and initials in blue ink, including a large 'f', a circled 'A', and other scribbles.

SWADESHI POLYTEX LIMITED

(d) **Other Equity Investments**

All other equity investments are measured at fair value, with value changes recognized in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

(e) **Reclassification of financial assets**

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

B Financial liabilities

(a) **Initial recognition and measurement**

The Company's financial liabilities include trade and other payables, loans and borrowings etc. 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, if any.

(b) **Subsequent Measurement : Non-derivative financial instruments**

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

(c) **Offsetting of Financial Liabilities**

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 Derecognition of financial instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

4.10 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 capitalized 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.

4.11 Leases

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

4.11.2 At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

4.11.3 The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

4.11.4 The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

4.11.5 During the year the Company has not entered into any lease transaction.



Handwritten signatures and initials in blue ink, including a large 'J', a stylized 'A', and a signature that appears to be 'Boru' followed by 'a' and 'S'.

SWADESHI POLYTEX LIMITED

4.12 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 three 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.

4.13 Contract Liabilities

A contract liability is the obligation to transfer of goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

4.14 Cash Flow Statement

Cash flows are reported using indirect method as per Ind AS 7, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the Company is segregated.

4.15 Earning Per Share

Basic earnings (loss) per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

4.16 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Chief Operating Officer has decided that the company has only one segment i.e. real estate.

4.17 Fair Value Measurement

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above.



f

8

10-
a

88

SWADESHI POLYTEX LIMITED

5 Property, Plant and Equipment

(Rs. in '000)

The changes in the carrying value of property, plant and equipment for the year ended 31st March, 2020 are as follows:

Particulars	Building - Pushpak Bhawan	Plant & Machinery	Furniture & Fixtures	Computer	Total
Gross carrying value as at April 1, 2019	93	617	2,434	314	3,458
Additions	-	50	-	180	230
Deletions	-	-	1,918	-	1,918
Gross carrying value as at March 31, 2020	93	667	516	494	1,770
Accumulated depreciation as at April 1, 2019	16	422	2,316	294	3,048
Depreciation for the year	1	70	-	22	93
Accumulated depreciation on deletions	-	-	1,918	-	1,918
Accumulated depreciation as at March 31, 2020	17	492	398	316	1,223
Net Carrying value as at March 31, 2020	76	175	118	178	547

The changes in the carrying value of property, plant and equipment for the year ended 31st March, 2019 are as follows:

Particulars	Building - Pushpak Bhawan	Plant & Machinery	Furniture & Fixtures	Computer	Total
Gross carrying value as at April 1, 2018	93	617	2,438	314	3,462
Additions	-	-	-	-	-
Deletions	-	-	4	-	4
Gross carrying value as at March 31, 2019	93	617	2,434	314	3,458
Accumulated depreciation as at April 1, 2018	14	348	2,320	289	2,971
Depreciation for the year	2	74	-	5	81
Accumulated depreciation on deletions	-	-	4	-	4
Accumulated depreciation as at March 31, 2019	16	422	2,316	294	3,048
Net Carrying value as at March 31, 2019	77	195	118	20	410

6 Intangible Assets

(Rs. in '000)

The changes in the carrying value of Intangible Assets for the year ended 31st March, 2020 are as follows:

Particulars	Softwares	Total
Gross carrying value as at April 1, 2019	-	-
Additions	354	354
Deletions	-	-
Gross carrying value as at March 31, 2020	354	354
Accumulated depreciation as at April 1, 2019	-	-
Depreciation for the year	21	21
Accumulated depreciation on deletions	-	-
Accumulated depreciation as at March 31, 2020	21	21
Net Carrying value as at March 31, 2020	333	333

The changes in the carrying value of Intangible Assets for the year ended 31st March, 2019 are as follows:

Particulars	Softwares	Total
Gross carrying value as at April 1, 2018	-	-
Additions	-	-
Deletions	-	-
Gross carrying value as at March 31, 2019	-	-
Accumulated depreciation as at April 1, 2018	-	-
Depreciation for the year	-	-
Accumulated depreciation on deletions	-	-
Accumulated depreciation as at March 31, 2019	-	-
Net Carrying value as at March 31, 2019	-	-



[Handwritten signatures and initials]

SWADESHI POLYTEX LIMITED

7 **Deferred Tax Assets (Net)** (Rs. in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Assets due to Carried forward losses	34,636	34,447
	34,636	34,447
Deferred Tax Liability due to Depreciation	64	60
	64	60
MAT Credit	9,062	8,810
Deferred Tax Assets (Net)	43,634	43,197

7.1 **The movement on the deferred tax account is as follows:** (Rs. in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
At the start of the year	43,197	37,826
Credit/(Charge) during the year	185	(3,439)
MAT Credit	252	8,810
Total Credit/(Charge) to Statement of Profit and Loss	437	5,371
At the end of the year	43,634	43,197

7.2 **Amounts recognised in Profit or Loss**

Particulars	As at March 31, 2020	As at March 31, 2019
Current tax - Continued Operations		
Current year	20,747	16,246
Deferred Tax	(437)	(5,371)
Earlier Years	(2)	-
	20,308	10,875
Current tax - Discontinued Operations		
Current year	4,253	3,894
	4,253	3,894
Total	24,561	14,769

7.3 **Reconciliation of effective tax rate:** (Rs. in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Profit before tax	1,43,049	94,653
Applicable Tax Rate (U/s 115JB)	17.472%	20.590%
Income tax amount	24,994	19,486
Other Temporary difference	(437)	(5,371)
Other Permanent Differences	4	673
Tax effect of items deductible for tax	-	(19)
Effective Income tax expense	24,561	14,769



SWADESHI POLYTEX LIMITED

8 **Other Non-Current Assets** (Rs. in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
(Unsecured and Considered Good)		
Income tax receivable (net of provisions)*	28,633	-
Security deposit**	20	15
Statutory dues deposited under Protest	1,324	1,325
Total	29,977	1,340

*Includes Rs. 440/- (P.Y. Nil) deposited in respect of A.Y 2012-13 under Protest.

**At amortized cost.

9 **Inventories** (Rs. in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Leasehold Plot Rights*	60,054	65,341
Total	60,054	65,341

* Refer Note 4.5

10 **Cash & Cash Equivalents** (Rs. in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Cash on hand	33	4
Balances with schedule banks:		
In Current Accounts	525	2,350
In Fixed Deposit Accounts having maturity less than 3 months	29,344	10,235
Total	29,902	12,589

11 **Loans** (Rs. in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
(Unsecured and Considered Good)		
Loan due by an officer of the Company*	5,121	5,121
Total	5,121	5,121

*Refer Note 40.3.1 for details of Loan.

12 **Other financial assets-Current** (Rs. in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
(Unsecured and Considered Good)		
Interest accrued	114	77
Total	114	77

13 **Other Current Assets** (Rs. in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
(Unsecured and Considered Good)		
Others		
Recoverable from Parties	567	4,568
Sales tax refund receivable	394	394
Prepaid Expenses	39	38
Total	1,000	5,000



Handwritten signatures and initials in blue ink, including a large 'P' and several scribbles.

SWADESHI POLYTEX LIMITED

14 Equity Share Capital

(Rs. in '000)

Particulars	As at 31st March 2020		As at 31st March 2019	
	Number	Amount	Number	Amount
Authorized				
Equity Share of Rs. 1/- (P.Y. Rs. 10/-) each	225000000	2,25,000	225000000	2,25,000
9.5% Redeemable cumulative Preference Shares of Rs. 100/- each	250000	25,000	250000	25,000
		2,50,000		2,50,000
Issued, Subscribed & Fully Paid up				
Equity Shares of Rs 1/- (P.Y. Rs. 10/-) each fully paid up	390000000	39,000	390000000	39,000
		39,000		39,000

14.1 Reconciliation of share capital:

Particulars	As at 31st March 2020		As at 31st March 2019	
	Number	Amount	Number	Amount
Equity Shares at the beginning of the year	390000000	39,000	390000000	39,000
Add / (Less): Shares issued / (forfeited / buyback) during the year	-	-	-	-
Equity Shares at the end of the year	390000000	39,000	390000000	39,000

During the year Equity Share of the Company of Rs. 10/- each was Subdivided into Rupee 1/- each as approved by the Shareholders of the Company via postal ballot held on 25th December, 2019 with Record date for the Subdivision being 10th January, 2020.

14.2 The rights, preferences and restrictions attached to each class of shares:

The company has issued only one class of Equity Shares having the par value of Rs 1/- (P. Y. Rs. 10/-) per share. Each shareholder is entitled to one vote per share.

14.3 The details of shareholders holding more than 5% shares:

Name of the Shareholder	As at 31st March 2020		As at 31st March 2019	
	No. of Shares held	% of holding	No. of Shares held	% of holding
National Textile Corporation Ltd	13110000	33.61 %	13110000	33.61 %
MKJ Enterprises Ltd	4875250	12.50 %	4875250	12.50 %
Selecto Pac Private Ltd.	3432500	8.80 %	3432500	8.80 %
Paharpur Cooling Towers Ltd.	5281530	13.54 %	5281530	13.54 %
Doypack Systems Pvt Ltd.	2775000	7.12 %	2775000	7.12 %

15 Other Equity

(Rs. in '000)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
General Reserve		
Opening Balance	1,67,070	1,67,070
(+) Additions during the year	-	-
(-) Utilized / transferred during the year	-	-
	1,67,070	1,67,070
Capital Redemption Reserve		
Opening Balance	10,975	10,975
(+) Additions during the year	-	-
(-) Utilized / transferred during the year	-	-
	10,975	10,975
Retained Earnings		
As per last Balance Sheet	(6,58,940)	(7,38,824)
Add: Profit / (Loss) for the year	1,18,488	79,884
	(5,40,452)	(6,58,940)
	(3,62,407)	(4,80,895)



Handwritten signatures and initials in blue ink, including a large 'A' and 'B' with a flourish, and other scribbles.

SWADESHI POLYTEX LIMITED

16 Other financial liabilities-Non current (Rs. in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Other Payable*	21,642	24,983
Total	21,642	24,983

*Refer Note No. 36

17 Borrowings-Current (Rs. in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Secured*		
Loans from Related Parties	-	1,45,108
Unsecured**		
Loans from Related Parties	17,915	17,915
Total	17,915	1,63,023

*Secured loan taken by the company from Paharpur Cooling Towers Ltd on December 1, 2007 carrying interest @ 12% P.A. payable quarterly has since been repaid in full during current year and accordingly negative lien created upon the land of the Company situated at Kavi Nagar, Ghaziabad has been vacated.

**Company has taken interest free unsecured loan from National Textile Corporation Ltd which is repayable on demand.

18 Trade Payables (Rs. in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Total Outstanding dues of micro and small enterprises	-	-
Total Outstanding dues of other than micro and small enterprises	7,652	9,372
Total	7,652	9,372

Refer Note 34

19 Other Financial Liabilities-Current (Rs. in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Interest accrued on Borrowings	-	4,599
Total	-	4,599

20 Other Current liabilities (Rs. in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Contract Liabilities (Amount received from customers)*	4,45,851	3,70,886
Retention Money Payable	10	540
Statutory dues Payable	1,019	705
Total	4,46,880	3,72,131

Refer Note 4.13

21 Provisions (Rs. in '000)

Particulars	As at March 31, 2020	As at March 31, 2019
Others		
Provision for Income Tax (Net of Advance tax / TDS)	-	862
Total	-	862



Handwritten signature/initials

Handwritten mark

Handwritten mark

Handwritten signature/initials

SWADESHI POLYTEX LIMITED

22 Revenue from Operations (Rs. in '000)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Revenue from sale of leasehold plot rights	1,59,867	1,31,571
	1,59,867	1,31,571

23 Other Income (Rs. in '000)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest Income	2,250	1,210
Other Misc Income	25	-
	2,275	1,210

24 Changes in inventories (Rs. in '000)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Opening Stock		
Leasehold Plot Rights	65,341	68,212
	65,341	68,212
Closing Stock		
Leasehold Plot Rights	60,054	65,341
	60,054	65,341
(Increase) / Decrease in inventories	5,287	2,871

25 Finance Costs (Rs. in '000)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest on borrowings (Net)	7,004	28,587
	7,004	28,587

26 Depreciation and Amortisation Expenses (Rs. in '000)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Depreciation of property, plant and equipment	93	81
Amortisation of intangible assets	21	-
	114	81

27 Other Expenses (Rs. in '000)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Legal & Professional Expenses	14,964	12,878
Conveyance & Travelling Expense	5,112	5,365
CSR Expenditure	800	-
Fees to Stock Exchange	413	295
Power & Fuel	444	415
Repair Others	105	64
Business Promotion	2,071	949
Rates & Taxes	1,186	915
Directors' Sitting Fees	880	890
Payment To Auditors (Refer Note 27.1)	437	437
Communication Expenses	395	129
Advertisement	43	20
Printing & Stationary	607	325
Other Expenses	3,149	652
	30,606	23,334



f *S* *e* *Bm*

SWADESHI POLYTEX LIMITED

27.1 Payment to Auditors

(Rs. in '000)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Audit Fee	295	295
Tax Audit Fee	118	118
Reimbursement of Expenses	24	24
	437	437

28 Profit / (Loss) from discontinued operations

(Rs. in '000)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Income from discontinued Operations		
Interest on Excise and Custom Refund	21,248	-
Liabilities no longer required written back	3,164	-
Refund from Excise and Customs	-	14,567
Bad Debts Recovered	-	4,568
	24,412	19,135
Expenses related to discontinued Operations		
Professional Fee Paid	71	222
	71	222
	24,341	18,913

28.1 Cash flows from discontinued operations

(Rs. in '000)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Net Cash inflow / (outflow) from Operating activities	21,177	18,913
Net Cash inflow / (outflow) from Investing activities	-	-
Net Cash inflow / (outflow) from Financing activities	-	-
Net Cash inflow from discontinued operations	21,177	18,913





29 Earning per Share - Continued Business

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Profit / (Loss) attributable to Equity Shareholders	98,400	64,865
Weighted average number of Equity Shares of Rs. 1/- (P.Y Rs10/-)Each (No. of Shares)	3,90,00,000	39,00,000
Earning per Shares - Basic & Diluted (In Rs.)	2.52	16.63

29.1 Earning per Share - Discontinued Business

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Profit / (Loss) attributable to Equity Shareholders	20,088	15,019
Weighted average number of Equity Shares of Rs. 1/- Each (No. of Shares)	3,90,00,000	39,00,000
Earning per Shares - Basic & Diluted (In Rs.)	0.52	3.85



SWADESHI POLYTEX LIMITED

30 Discontinuing Operations

In view of the Economic/Financial non-viability and on-going labor problems etc., the Company had discontinued its operations of manufacturing of Polyester Fibers and Chips in 1998. In previous years, company had entered into a sale agreement for disposal of its entire Plant & Machinery and Building related to the discontinued operations and sold the entire part thereof .

30.1 The carrying amount of total assets and liabilities to be disposed off at the year end are as follows. Comparative information for the discontinuing operations is included in accordance with Ind AS-105, Discontinuing Operations:

Particulars	(Rs. in '000)	
	As at March 31, 2020	As at March 31, 2019
Total Assets		
Non-current asset		
Statutory dues deposited under Protest	1,325	1,325
Total Liabilities		
Other financial liabilities-Non current		
Other financial liabilities	21,642	24,983
Net Assets / (Liabilities)	(20,317)	(23,658)

31 Impact of COVID-19 (Global pandemic)

Pursuant to outbreak of Coronavirus disease (Covid-19) worldwide and its declaration as global pandemic, the Government of India declared lockdown on March 24, 2020 which led to the temporary disruption of operations of the Company and has impacted the overall business activities of the Company. On account of this, management has prepared future cash flow projections and also assessed the recoverability of its assets and factored assumptions used in the annual impairment assessment of its cash generating units, using various internal and external information up-to the date of approval of these financial results. Based on this assessment there is no material impact on non-current assets of the Company.

Further on the basis of this evaluation and current indicators of future economic conditions, the Company expects to recover the remaining carrying amounts of these assets and does not anticipate any reduction of its financial and non-financial assets. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future spread of the COVID-19 and its impact on the Company's business operations. The Company will continue to closely monitor any material changes to future economic conditions viz a viz its business operations.

32 Permission to transfer the leasehold rights in land of the Company was effective upto 31st December, 2019 and the Company had made a representation before the concerned Authorities for extension of the same, which is pending for disposal and for which the management is hopeful for the positive outcome.

33 Contingent Liabilities & Commitments (To the extent not provided for)

Claims against the Company not acknowledged as debts including excise, sales tax, Income Tax, Labour Disputes, Legal and other Disputes:

Particulars	(Rs. in '000)	
	Year Ended 31-03-2020	Year Ended 31-03-2019
(a) PF Cases pending at various forums	5,895	5,895
(b) Labor Matters relating settlement pending at various forums	4,742	5,025
(c) Custom Matters	1,711	1,786
(d) Excise Matters being refund claim of Interest	32,360	-
(e) Income Tax Matters	2,217	-
(f) Other Matters	9,246	6,046

Note: Interest and penalty, if any, is not computable at this point of time hence not considered in the above statement of contingent liability.

34 Based on the confirmations from the parties, who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), received so far with the company, no balance is due to Micro and Small Enterprises as defined under the MSMED Act, 2006 as at 31st March 2020 & 31st March 2019. Hence no further details as required by Notification dated 04-09-2015 issued by the Ministry of Corporate Affairs are applicable.

35 Balances appearing for Trade Payables & Corporation Bank are subject to confirmation, reconciliation and adjustments, if any.

36 Other payable, Note 16, includes alleged dues being contested before the Honorable High Court at Rs. 21,642/- (P.Y. 24,983/-). Hence it has not been fair valued.

37 Company has started developing the Plots as per the approved plan of UPSIDC and accordingly has incurred a net expenditure of Rs. 423/- (Previous year Rs 2,168/-), which is allocated proportionately on the saleable area and unallocated portion made a part of Stock in Trade and balance was charged to PVPL, giving affect to fourth addendum.



[Handwritten signatures and initials]

SWADESHI POLYTEX LIMITED

- 38 During the year, the Company has entered into Addendum to the Memorandum of Understanding between the Company, Pranjali Vyapar Private Limited and secured lender Paharpur Cooling Towers Limited, revising and extending the terms of One Time Settlement with respect to levy of penalty on unsold inventory recoverable on actual sales and recovering the reasonable maintenance and other expenses incurred for unsold land. Accordingly, accounting impact of the same has been considered in the books.
- 39 In the opinion of the Board and to the best of their knowledge and belief the value on realization of loans, advances and current assets in the ordinary course of business will not be less than the amount at which they are stated in Balance Sheet and provision for all known liabilities has been made.

40 Related Party Disclosure

40.1 List of Related Parties

40.1.1 Key Management Personnel of Reporting Entity:

Name	Designation
Mr. Bhuwan Chaturvedi	Chief Executive Officer
Mr. Promod Pandey	Chief Financial Officer
Ms. Stuti Thukral from 15.05.2018 to 13.02.2020	Company Secretary
Ms. Surbhi Basantani from 13.02.2020	Company Secretary
Mr. Hartaj Sewa Singh	Director
Mr. Gaurav Swarup	Director
Mr. Y. J. Dastoor	Director
Mr. N.K. Gupta	Director
Mr. Naveen Aggarwal	Director
Mr. S.S. Madan	Director
Mr. Shamsheer Bahadur Singh upto 31.01.2020	Director
Mr. Bipin Behari Mehrotra	Director
Mr. Rakesh Kumar Sinha upto 24.05.2019	Director
Mr. Sukumar Arunachalam	Director
Ms. Purni Marwaha	Director
Mr. Pankaj Agarwal from 30.05.2019	Director
Mr. Anil Gupta upto 19.12.2019	Director
Mr. Manoj Kumar KG from 19.12.2019	Director

40.1.2 Associates of Reporting Entity:

National Textile Corporation Ltd. (Holding more than 20% shareholding in the company)
Paharpur Cooling Towers Ltd. (Holding indirectly more than 20% shareholding in the co.)

40.2 Following transactions were carried out during the year ended March 31, 2020 with related parties in the ordinary course of business:

40.2.1 Transactions with Key Management Personnel:

(Rs. in '000)

Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
Remuneration paid to Ms. Stuti Thukral	180	210
Remuneration paid to Ms. Surbhi Basantani	56	-
Remuneration paid to Mr. Pramod Pandey	600	600
Remuneration paid to Mr. Bhuwan Chaturvedi*	-	-
Interest charged from Mr. Bhuwan Chaturvedi	500	500
Sitting Fees paid to Mr. Naveen Aggarwal	260	275
Sitting Fees paid to Mr. N.K. Gupta	195	240
Sitting Fees paid to Mr. S.S. Madan	180	170
Sitting Fees paid to Mr. Y.J. Dastoor	100	50
Retainership Charges Paid to Mr. Bipin Behari Mehrotra**	840	840
Sitting Fees paid to Ms. Purni Marwaha	145	155

* Considered Nil as being reimbursed to PCTL as deputation charges.

** Reimbursement of Actual Expenditure has not been considered in the above statement.

40.2.2 Transactions with Associates:

(Rs. in '000)

Nature of Transactions	Year Ended 31-03-2020	Year Ended 31-03-2019
Transactions with Paharpur Cooling Towers Ltd.		
Reimbursement for various expenses	5,312	5,312
Interest Paid	7,004	28,587
Secured Loan repaid	1,56,011	1,92,800



[Handwritten signatures and initials in blue ink]

SWADESHI POLYTEX LIMITED

40.3 Following were the balance outstanding at March 31, 2020 with related parties:

40.3.1 Balance outstanding from Key Management Personnel:

(Rs. in '000)

Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
In respect of Mr. Bhuwan Chaturvedi		
Closing balance of loan given*	5,121	5,121

*Loan had been given on interest @ 10% p.a. which is recoverable on quarterly basis and principal amount is recoverable on

40.3.2 Balance outstanding with Associates:

(Rs. in '000)

Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
In respect of National Textile Corporation Ltd.		
Unsecured Loan taken and outstanding	17,915	17,915
In respect of Paharpur Cooling Towers Ltd.		
Outstanding Balance of Secured Loan taken	-	1,45,108
Outstanding Balance of Interest Accrued & Due	-	4,331
Outstanding Balance of Interest Accrued & Not Due	-	268

41 Disclosure under Ind AS 108 – 'Operating Segments' is not given as, in the opinion of the Chief Operating Decision Maker, the entire business activity falls under one segment, viz, primarily engaged as real estates. The Company conducts its business only in one Geographical Segment, viz., India.

42 The figures reported in financial statements have been rounded off to the nearest thousand of rupees.

43 Previous year figures have been regrouped, rearranged or reclassified where ever necessary.

44 Information regarding Goods Traded

44.1 Description : Leasehold Plot Rights

(Rs. in '000)

Particulars	Year Ended 31-03-2020		Year Ended 31-03-2019	
	Qty (in Sqm)	Amount	Qty (in Sqm)	Amount
Opening Balance*	1,60,170	65,341	1,73,912	68,212
Purchase	-	-	-	-
Sales	15,182	1,59,867	13,742	1,31,571
Closing Balance*	1,44,988	60,054	1,60,170	65,341

* Excluding utility area of 13,577.53 Sqm.

45 Expected Credit Loss

For recognition of impairment loss on trade receivable and 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, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

46 Risk Management Framework

The Company's business is subject to various risk and uncertainties including financial risks. The Company's documented risk management polices act as an effective tool in mitigating the various financial risks to which the business is exposed to in the course of their daily operations. The risk management policies cover areas such as liquidity risk, market risk, interest rate risk, and capital management. Risks are identified through a formal risk management programme with active involvement of senior management personnel and business managers. The Company has in place risk management processes in line with the Company's policy. Each significant risk has a designated 'owner' within the Company at an appropriate senior level. The potential financial impact of the risk and its likelihood of a negative outcome are regularly updated.

46.1 Financial Risk

The Company's principal financial liabilities comprise of trade payables, borrowings and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash, fixed deposits, interest accrued on fixed deposits and loan advanced that derive directly from its operations.

The Company is exposed to primarily credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by Finance department that advises on financial risks and the appropriate financial risk governance framework for the Company. The Finance department provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.



[Handwritten signatures and initials]

SWADESHI POLYTEX LIMITED

46.2 Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The below table summarized the maturity profiles of the Companies financial liabilities based on the contractual undiscounted payments:

46.3 Maturity profile of financial Liabilities

The table below summarizes the maturity profile of the company's financial liabilities based on contractual undiscounted payments.

(Rs. in '000)

Particular	Less than 1 Year	1 to 5 Years	More than 5 years	Total
March 31, 2020				
Borrowings	17,915	-	-	17,915
Trade payables	7,652	-	-	7,652
Other financial liabilities	-	21,642	-	21,642
	25,567	21,642	-	47,209
March 31, 2019				
Borrowings	1,63,023	-	-	1,63,023
Trade payables	9,372	-	-	9,372
Other financial liabilities	4,599	24,983	-	29,582
	1,76,994	24,983	-	2,01,977

46.4 Market Risk

The Management does not envisage any major risks associated with pricing of its goods, since the same has already been fixed.

46.5 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument fluctuates because of changes in prevailing market interest rates. The Company has no exposure to the risk due to the fact that it does not have any interest bearing borrowing at the year end. The Company constantly monitors the credit markets and revisits its financing strategies to achieve an optimal maturity profile and financing cost.

(Rs. in '000)

Particulars	As At March 31, 2020		As At March 31, 2019	
	Fixed Rate Borrowings	Floating Rate Borrowings	Fixed Rate Borrowings	Floating Rate Borrowings
Inter Corporate Deposits	-	-	1,45,108	-
Interest Rate Sensitivities for Floating Rate Borrowings:				
Since there are no borrowings availed by the company on floating rate, therefore there is no requirement for calculating the interest rate sensitivity.				

46.6 Foreign Exchange Risk

Foreign exchange risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company has no exposure to foreign exchange risk.

46.7 Equity Price Risk

The Company doesn't have any Investment in equity. Therefore, the Company is not exposed to equity price risk arising from Equity Investments.

46.8 Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is not exposed to any credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

46.9 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, if any, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, borrowings, trade and other payables, less cash and cash equivalents.



Handwritten signatures and initials in blue ink, including a large 'Y' and several scribbled marks.

SWADESHI POLYTEX LIMITED

(Rs. in '000)

46.9.1

Particular	As at March 31, 2020	As at March 31, 2019
Short term Borrowings	17,915	1,63,023
Net debts	17,915	1,63,023
Capital components		
Share capital	39,000	39,000
Reserves and surplus	(3,62,407)	(4,80,895)
Total capital	(3,23,407)	(4,41,895)
Capital and net debt	(3,05,492)	(2,78,872)
Gearing ratio (%)	-6%	-58%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the lenders to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing during the period when they availed facilities from bank.

47 Fair value measurement

47.1 Valuation Principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained in Note below

47.2 Fair value hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

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

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year. There were no transfers between Level 1 and Level 2 during the year.



Handwritten signatures and initials: A vertical line, a stylized 'S', a '2', and 'Bm'.

SWADESHI POLYTEX LIMITED

47.3 Categories of financial instruments and fair value thereof: (Rs. in '000)

Particulars	March 31, 2020		March 31, 2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
A. Financial Assets -Measured at Amortized Cost				
Cash and cash equivalents	29,902	29,902	12,589	12,589
Loans	5,121	5,121	5,121	5,121
Other Financial assets	114	114	77	77
Total	35,137	35,137	17,787	17,787
B. Financial Liabilities- Measured at Amortized Cost				
Trade Payables	7,652	7,652	9,372	9,372
Borrowings	17,915	17,915	1,63,023	1,63,023
Other financial liabilities	21,642	21,642	29,582	29,582
Total	47,209	47,209	2,01,977	2,01,977

The management assessed that cash and cash equivalents and bank balances, other financial assets, trade payables, borrowings and other current liabilities is considered to be equal to the carrying amounts of these items largely due to the short-term maturities of these instruments. Difference between carrying amount and fair value of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortized cost is not significant in each of the year presented.

47.4 The Quantities disclosures of fair value measurement hierarchy for assets and liabilities as at 31st March, 2020 (Rs. in '000)

Particulars	Total (Carrying Value)	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
A. Financial Assets -Measured at Amortized Cost				
Cash and cash equivalents	29,902	-	-	29,902
Loans	5,121	-	-	5,121
Other Financial assets	114	-	-	114
Total	35,137	-	-	35,137
B. Financial Liabilities- Measured at Amortized Cost				
Trade Payables	7,652	-	-	7,652
Borrowings	17,915	-	-	17,915
Other financial liabilities	21,642	-	-	21,642
Total	47,209	-	-	47,209

47.5 The Quantities disclosures of fair value measurement hierarchy for assets and liabilities as at 31st March, 2019 (Rs. in '000)

Particulars	Total (Carrying Value)	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
A. Financial Assets -Measured at Amortized Cost				
Cash and cash equivalents	12,589	-	-	12,589
Loans	5,121	-	-	5,121
Other Financial assets	77	-	-	77
Total	17,787	-	-	17,787
B. Financial Liabilities- Measured at Amortized Cost				
Trade Payables	9,372	-	-	9,372
Borrowings	1,63,023	-	-	1,63,023
Other financial liabilities	29,582	-	-	29,582
Total	2,01,977	-	-	2,01,977



[Handwritten signatures and initials in blue ink]