

# SWADESHI POLYTEX LIMITED

## BOARD OF DIRECTORS AS ON DATE

<b>Mr. Gaurav Swarup</b>	Chairman
<b>Mr. Hartaj Sewa Singh</b>	Vice Chairman
<b>Mr. P. C. Vaish</b>	Director
<b>Dr. Anil Gupta</b>	Director
<b>Mr. Rakesh Kumar Sinha</b>	Director
<b>Mr. S. B. Singh Khathpal</b>	Director
<b>Mr. B. Mehrotra</b>	Director
<b>Mr. S. S. Madan</b>	Independent Director
<b>Mr. N. K. Gupta</b>	Independent Director
<b>Mr. Naveen Aggrawal</b>	Independent Director
<b>Mr. Y. J. Dastoor</b>	Independent Director
<b>Ms. Purti Marwaha</b>	Independent Director

## KEY MANAGERIAL PERSONNELS

Mr. Bhuwan Chaturvedi	Chief Executive Officer
Ms. Sunita Gujar	Company Secretary
Mr. Promod Pandey	Chief Financial Officer

## REGISTERED OFFICE

**CIN:** L25209UP1970PLC003320

New Kavi Nagar, Industrial Area Ghaziabad - 201002 (U.P.)

## REGISTRAR AND SHARE TRANSFER AGENT

**M/s RCMC Share Registry Private Limited**

B-25/1, Okhla Industrial Area,

Phase-II, Near Rana Motors, New Delhi - 110 020

Phone : 011-26387320/21/23

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## NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 47<sup>th</sup> Annual General Meeting of the Members of Swadeshi Polytex Limited will be held on Thursday 28<sup>th</sup> September, 2017 at 11:30 am at the Registered Office of the Company at A-1, Sector-17, New Kavi Nagar, Industrial Area, Ghaziabad - 201002 (Uttar Pradesh) to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2017 together with the reports of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Hartaj Sewa Singh having Director's Identification Number 00173286, who retires by rotation and being eligible, offers himself for re- appointment.
3. To appoint a Director in place of Shri Rakesh Kumar Sinha having Director's Identification Number 03391787, who retires by rotation and being eligible, offers himself for re- appointment.
4. To appoint a Director in place of Shri Shamsher Bahadur Singh Kathpal having Director's Identification Number 03225016, who retires by rotation and being eligible, offers himself for re- appointment.
5. To consider and if thought fit to pass with or without modification(s) the following resolution as **Special Resolution**:

**“RESOLVED THAT** pursuant to provision of section 139, 142 and other applicable provisions, if any, of the Companies Act, the 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification (s) or re-enactment(s) thereof for the time being in force), based on the recommendation of the Audit Committee of the Company and the Board M/s SPMR & Associates, Chartered Accountants (Firm Registration No. 007578N) be and are hereby appointed as Statutory Auditors of the Company in place of the retiring auditors M/s SANMARKS & Associates, Chartered Accountants (Firm Registration No. 003343N) for the Consecutive term of 5 years, from the accounting year 2017-2018 onwards subject to ratification of their appointment at every intervening Annual General Meeting on such remuneration as may be mutually agreed upon by the Board of Directors / Audit Committee and Statutory Auditors.”

### SPECIAL BUSINESS

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

**“RESOLVED THAT** pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 (the “Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014, Dr. Anil Gupta (DIN- 07319209) who was appointed as a Nominee Director of the Company with effect from 19<sup>th</sup> May, 2017, by the Board of Directors in terms of Section 161(3) of the Act be and is hereby appointed as Director of the Company.”

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

**“RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to the requisite approvals, consents, permissions and/or sanctions as may be required, if any, the existing Articles of Association of the Company be substituted with a new set of Articles of Association of the Company.”

## SWADESHI POLYTEX LIMITED

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“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be required, considered necessary or incidental thereto, and to settle any question(s), difficulty(s) or matter(s) that may arise in interpretation, implementation or execution of the intent of the aforesaid resolution, as the Board of Directors may deem fit and appropriate, to give effect to the above.”

By order of the Board  
For **Swadeshi Polytex Limited**

Sd/- <b>(Shamsher Bahadur Singh Kathpal)</b> Director (DIN: 03225016)	Sd/- <b>(Bipin Behari Mehrotra)</b> Director (DIN No: 03279399)
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Place : New Delhi

Dated : 10th August, 2017

### NOTES: -

1. The Statement under Section 102 of the Companies Act, 2013 (the Act), setting out the material facts concerning the special business listed at Item Nos. 6 and 7 is enclosed and forms part of this Notice.
2. Additional information pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) and Secretarial Standard on General Meetings (SS-2) in respect of the Directors seeking appointment / re-appointment at the ensuing annual general meeting, viz. brief resume detailing age, qualifications, nature of expertise in specific functional areas, directorships and membership of committees held in other companies, shareholding, interest in the Company and inter-se relationship amongst directors / key managerial personnel is appended and should be construed as a part of this Notice and the accompanying Statement under Section 102 of the Act.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The Admission Slip cum E-voting Advice is appended to the Annual Report 2016-17. The Proxy Form is also annexed towards the end of the Annual Report

4. Pursuant to the provisions of section 105 of the Companies Act, 2013 and the underlying rules viz. Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of Members not exceeding fifty (50) and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. Members holding more than 10% of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument appointing the proxy, as per the format included in the Annual Report, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less/after than **FORTY-EIGHT HOURS** before the commencement of the meeting.
5. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company, a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
6. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
7. The Register of Members and Transfer Books of the Company will be closed from 21st September, 2017 to 28th September, 2017 both days inclusive.
8. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting and number of shares held by them.
9. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address,

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contact numbers etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically recorded in the Company's records, which will help the Company and the Company's Registrars and Transfer Agents M/s RCMC Share Registry Private Limited (RCMC), B-25/1, Okhla Industrial Area, Phase-2, Near Rana Motors, New Delhi-110020, to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to RCMC directly.

10. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or RCMC for assistance in this regard.
11. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or M/s RCMC Share Registry Private Limited, B-25/1, Okhla Industrial Area, Phase-2, Near Rana Motors, New Delhi-110020, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
12. Shareholders desiring any information as regards the Accounts are required to write to the Company at least seven days in advance of the meeting, so that the information, to the extent practicable, can be made available at the meeting.
13. The Notice of the AGM along with the Annual Report 2016-17 and instructions for e-voting, Attendance slip and Proxy form is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that the Notice of the AGM and the Annual Report 2016-17 will be available on the Company's website [www.splindia.co.in](http://www.splindia.co.in)
14. Regulation 44 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, provides for the mandatory electronic voting facility to all the members of the Company to exercise their right to vote at the general meeting through electronic means. The Company in compliance of the provisions is providing the electronic voting facility to all the members at the cutoff date for transacting the businesses at the Annual General Meeting by electronic means by following the e-voting process. The Complete details of the instructions for e-voting are annexed to this notice as additional attachment.

By order of the Board  
For Swadeshi Polytex Limited

Sd/- (Shamsher Bahadur Singh Kathpal)	Sd/- (Bipin Behari Mehrotra)
Director	Director
(DIN: 03225016)	(DIN No: 03279399)

Place : New Delhi  
Dated : 10th August, 2017

### **STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, IN RESPECT OF SPECIAL BUSINESS FORMING PART OF THE NOTICE**

#### **ITEM NO. 2, 3 & 4**

#### **PROFILE OF DIRECTORS AS MENTIONED IN ITEM NO. 2, 3 & 4**

Shri Hartaj Sewa Singh, Shri Rakesh Kumar Sinha and Shri Shamsher Bahadur Singh Kathpal, Directors retire by rotation and, being eligible, offer for re-appointment at the Annual General Meeting. A brief resume of the said Directors are given below:

## SWADESHI POLYTEX LIMITED

Details of Directors seeking re-appointment at the Annual General Meeting scheduled to be held on 28th September, 2017 Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

Name	Shri Hartaj Sewa Singh	Shri Rakesh Kumar Sinha	Shri Shamsher Bahadur Singh Kathpal
Directors Identification Number (DIN)	00173286	03391787	03225016
Age	56	55	55
Qualification	M.B.A. (Finance)	MSW, LLB	B.Sc. ICWA, CS
Expertise in Specific Area	Management Consultancy	Specialization Personnel Management and Labour Welfare,	Costing, Strategic Planning
Date of first Appointment on the Board of the Company	26/09/2003	05/08/2013	26/08/2010
Shareholding in Swadeshi Polytex Limited	250 shares	—	—
List of Directorship held in other companies (excluding foreign and private Companies)	<ol style="list-style-type: none"> <li>1) Adya Infracon Private Limited</li> <li>2) Europa Properties Private Limited</li> <li>3) Satabdi Infracon Private Limited</li> <li>4) Spot Light Flooring Private Limited</li> <li>5) Tivoli Properties Private Limited</li> <li>6) Vatika Supplier Private Limited</li> <li>7) SPN Lefin Private Limited</li> <li>8) Diamond Apartments Private Limited</li> <li>9) Magnum Realcon Private Limited</li> <li>10) Sky Corp Minerals Private Limited</li> <li>11) Sonata Properties Private Limited</li> <li>12) Topmost Merchandise Private Limited</li> </ol>	<ol style="list-style-type: none"> <li>1) National Textile Corpn Limited</li> <li>2) The Cotton Corporation Of India Limited;</li> <li>3) Aurangabad Textiles And Apparel Parks limited;</li> <li>4) Apollo Design Apparel Parks Limited;</li> <li>5) Goldmohur Design And Apparel Park limited;</li> <li>6) India United Textile Mill Limited;</li> <li>7) New City Of Bombay Mfg. Mills Limited;</li> </ol>	<ol style="list-style-type: none"> <li>1) Apollo Design Apparel Parks Limited;</li> <li>2) Goldmohur Design And Apparel Park limited;</li> <li>3) Aurangabad Textiles And Apparel Parks Limited;</li> <li>4) New City Of Bombay Mfg. Mills Limited;</li> <li>5) India United Textile Mill Limited;</li> </ol>
Membership/Chairmanship of Audit and stake holders relationship committees	NIL	National Textile Corpn Limited - (Audit Committee – Member w.e.f. 6.3.2017)	<ol style="list-style-type: none"> <li>1) Apollo Design Apparel Parks Limited;</li> <li>2) Goldmohur Design And Apparel Park limited;</li> <li>3) Aurangabad Textiles And Apparel Parks Limited;</li> <li>4) New City Of Bombay Mfg. Mills Limited;</li> <li>5) India United Textile Mill Limited;</li> </ol>

**ITEM NO. 6**

Dr. Anil Gupta (DIN- 07319209) was appointed on the Board of Director of the Company on 19th May, 2017 as Nominee/ Additional Director. Shareholder consent of the Company is required to confirm and approve his appointment as Director of the Company.

The directors recommend the resolutions at Item no. 6 of the accompanying Notice for the approval of the Members of the Company.

None of the directors other than Dr. Anil Gupta or their respective relatives is concerned or interested in the passing of Resolutions at Item no. 6.

**ITEM NO. 7**

The existing Articles of Association of the Company are based on the Companies Act, 1956 and several regulations in the existing Articles contain reference to the Sections of the Companies Act, 1956. Some regulations in the existing Articles are no longer in conformity with the provisions of the Companies Act, 2013. With the enactment of the Companies Act, 2013, several regulations of the existing Articles of the Company require alteration and/or deletion. Given this position, it is considered expedient to wholly replace the existing Articles by a new set of Articles No. 1 to 128. The draft Articles shall be open for inspection by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturdays, Sundays and Public Holidays between 11.00 am to 1.00 pm up to the date of this Annual General Meeting.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the said Resolution.

The Board of Directors recommends the Special Resolution set out at Item No.7 of the Notice for approval by the members

By order of the Board  
For **Swadeshi Polytex Limited**

Sd/-  
**(Shamsher Bahadur Singh Kathpal)**  
Director  
(DIN: 03225016)

Sd/-  
**(Bipin Behari Mehrotra)**  
Director  
(DIN No: 03279399)

Place : New Delhi  
Dated : 10th August, 2017

# SWADESHI POLYTEX LIMITED

## DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure to present 47<sup>th</sup> Annual Report and Financial Statements for the financial year ended March 31, 2017.

### FINANCIAL HIGHLIGHTS

(Rs. in Lakhs)

Particulars	Year Ended on 31.03.2017	Year Ended on 31.03.2016
Total Income	768.34	394.22
Total Expenditure	559.43	569.79
Profit (Loss) before exceptional items and tax	208.90	(175.56)
Deferred Tax Assets /current tax/income tax provision	95.65	509.27
Profit (Loss) from continuing operation.	113.25	(684.83)
Profit/(Loss) from discontinuing operations	-	-
Profit (Loss) after tax	113.25	(684.83)

Profit of Rs. 113.25 lakh is being transferred to the General Reserves as retained earnings. Further, the Company has not recommended any dividend in the financial year 2016-17.

### RESULTS OF OPERATION

There were no production activities during the year; the Company has not made any manufacturing profit during the year. The Company has entered into the Real Estate sector in the earlier years. The Company has earned revenue of Rs. 203.34 lakh from selling of lease plot rights of the Company during the year. Your directors are hopeful of achieving better results in the current financial year.

### STATE OF COMPANY'S AFFAIRS

Gross revenues increased to Rs. 768.34 lakh against Rs. 394.22 lakh in the previous year. Profit before taxation was Rs. 208.90 lakh against loss of Rs. 175.56 lakh in the previous year. The profit of the Company for the year under review after tax was Rs. 113.25 lakh as against loss of Rs. 684.82 lakh in the previous year.

### FINANCE AND ACCOUNTS

As mandated by the Ministry of Corporate Affairs vide its notification in the official gazette dated 16<sup>th</sup> February, 2015, the Company has adopted the Ind-AS for the financial year commencing from 1<sup>st</sup> April, 2016 which has replaced the existing GAAP prescribed under section 133 of the Companies, Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The estimates and judgments relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profit and cash flows for the year ended 31<sup>st</sup> March, 2017.

### EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure A".

### MANAGEMENT DISCUSSION AND ANALYSIS (MDA):

Management discussion and analysis, for the year, as stipulated under Regulation 34(2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section, which forms a part of the Annual Report.

### NUMBER OF MEETINGS OF THE BOARD

During the year Four (04) Board Meetings and Four (04) Audit Committee Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

## SWADESHI POLYTEX LIMITED

Sl. No.	Type of Meeting	No. of meetings	Date of Meeting	Directors attended the meeting
1	Board Meeting	2/2016	27.05.2016	<ol style="list-style-type: none"> <li>1. Shri Gaurav Swarup</li> <li>2. Shri H.S. Singh</li> <li>3. Shri R. K. Sinha</li> <li>4. Shri Alokendra Banerjee</li> <li>5. Shri P.C. Vaish</li> <li>6. Shri N.K. Gupta</li> <li>7. Shri Naveen Aggarwal</li> <li>8. Shri B.Mehrotra</li> <li>9. Shri S.B. Singh</li> <li>10. Ms. Perti Marwaha</li> <li>11. Shri Y.J. Dastoor</li> </ol>
2	Board Meeting	3/2016	05.08.2016	<ol style="list-style-type: none"> <li>1. Shri H.S. Singh</li> <li>2. Shri P.C. Vaish</li> <li>3. Shri R. K. Sinha</li> <li>4. Shri N.K. Gupta</li> <li>5. Shri Naveen Aggarwal</li> <li>6. Shri S.B. Singh</li> <li>7. Ms. Perti Marwaha</li> </ol>
3	Board Meeting	4/2016	11.11.2016	<ol style="list-style-type: none"> <li>1. Shri H.S. Singh</li> <li>2. Shri P.C. Vaish</li> <li>3. Shri R. K. Sinha</li> <li>4. Shri Alokendra Banerjee</li> <li>5. Shri S.B. Singh</li> <li>6. Shri N.K. Gupta</li> <li>7. Shri Naveen Aggarwal</li> <li>8. Shri S.S. Madan</li> <li>9. Ms. Perti Marwaha</li> <li>10. Shri Y.J. Dastoor</li> <li>11. Shri B.Mehrotra</li> </ol>
4	Board Meeting	1/2017	02.02.2017	<ol style="list-style-type: none"> <li>1. Shri H.S. Singh</li> <li>2. Shri P.C. Vaish</li> <li>3. Shri Alokendra Banerjee</li> <li>4. Shri S.B. Singh</li> <li>5. Shri S.S. Madan</li> <li>6. Shri N.K. Gupta</li> <li>7. Shri Naveen Aggarwal</li> <li>8. Ms. Perti Marwaha</li> <li>9. Shri B.Mehrotra</li> </ol>
5	Annual General Meeting for the FY 2015-16	46 <sup>th</sup>	29.09.2016	<ol style="list-style-type: none"> <li>1. Shri H. S. Singh</li> <li>2. Shri P.C. Vaish</li> <li>3. Shri R. K. Sinha</li> <li>4. Shri N.K. Gupta</li> <li>5. Shri Naveen Aggarwal</li> <li>6. Shri B. Mehrotra</li> </ol>



# SWADESHI POLYTEX LIMITED

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## DIRECTOR'S RESPONSIBILITY STATEMENT

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of section 134(3)(c) and Section 134 (5) (c) of the Companies Act, 2013, in the preparation of the annual accounts for the financial year ended 31st March, 2017 and state that:

- (a) in the preparation of the financial statements, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the financial statements on a going concern basis;
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149 (6) OF COMPANIES ACT, 2013

All independent directors have given declarations that they meet the criteria of independence as laid down under section 149 of the Companies Act, 2013 and regulations 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, and were placed at the Board meeting held on 25<sup>th</sup> May, 2017.

### Retirement by rotation

In terms of section 152 of the Companies Act, 2013, following Directors of the Company, retire by rotation and, being eligible, offer themselves for re-appointment.

1. Shri Hartaj Sewa Singh having Director's Identification Number 00173286;
2. Shri Rakesh Kumar Sinha having Director's Identification Number 03391787;
3. Shri Shamsheer Bahadur Singh Kathpal having Director's Identification Number 03225016;

### Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Rules made there under and as provided under Schedule IV of the Act and the Listing Regulations, the Board has carried out the annual performance evaluation of itself, the Directors individually as well as the evaluation of the working of its Committees.

## COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

Functions and Terms of Reference of the Nomination and Remuneration Committee of the Company are as per the Companies Act 2013 and SEBI (LODR) Regulations, 2015. As on date there was no executive director appointed in the Company.

**AUDITOR'S REPORT/ SECRETARIAL AUDIT REPORT:****a. STATUTORY AUDITORS:**

Pursuant to the provisions of section 139 of the Companies Act, 2013 and rules made thereunder, the term of office M/s SANMARKS & Associates, Chartered Accountants, (Firm Registration No. 003343N) as the Statutory Auditors of the Company will conclude from the close of ensuing Annual General Meeting of the Company as the existing Statutory Auditor cannot continue beyond the relaxation period provided in the second proviso of sub section (2) of Section 139 of the Companies Act, 2013 and as a result the Auditor has expressed its unwillingness to be appointed as the Statutory Auditors of the Company.

The Board of Directors placed on record its appreciation to the services rendered by M/s SANMARKS & Associates, Chartered Accountants, as the Statutory Auditors of the Company during its tenure.

Subject to the approval of the members and based on the recommendations of the Audit Committee of the Company, the Board of Directors of the Company has recommended the appointment of M/s SPMR & Associates, Chartered Accountants (Firm Registration No. 007578N) as the Statutory Auditors of the Company (in place of M/s SANMARKS & Associates, Chartered Accountants, retiring Auditors) for a term of five years commencing from the Company's financial year ending 31<sup>st</sup> March, 2018 (subject to ratification of their appointment by the members at every intervening Annual General Meeting held after this Annual General Meeting) pursuant to section 139 of the Companies Act, 2013.

Accordingly, the Board recommends the resolution in relation to appointment of Statutory Auditors, for the approval of the shareholders of the Company.

There is no audit qualification for the year under review.

**b. SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT:**

Pursuant to provisions of section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed Mr. Naveen K. Rastogi of M/s. N.K. Rastogi & Associates, a firm of Company Secretaries in practice to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2017. The Secretarial Audit Report is annexed herewith as "Annexure B". The Board has duly reviewed the Auditor's Report and noted that there was no adverse remark given by the Auditor in their report.

**DETAILS OF LOAN/ GUARANTEES / INVESTMENTS MADE**

The Company has not given any loans or guarantees and has not made any investments under section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, during the year.

**DETAILS OF RELATED PARTY TRANSACTIONS UNDER 188 OF THE COMPANIES ACT, 2013**

All the transactions entered by the Company during the financial year with related parties were on arm's length basis and were in the ordinary course of the business. During the year, the Company had not entered into any transactions with related parties, which could be considered as material in accordance with the policy of the Company on materiality of related party transactions

**DEPOSITS**

The Company has not accepted any deposits during the financial year under review in terms of section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014, and also no amount was outstanding on account of principal or interest thereon, as on the date of the Balance Sheet.

# SWADESHI POLYTEX LIMITED

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## **MATERIAL CHANGES AND COMMITMENTS, IF ANY**

During the financial under review there are no material changes and commitments noticed by the Board.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUT-GO:**

In pursuance to section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules 2014, Company has taken required steps for conservation of energy. However, Technology Absorption is not applicable to the Company as the Company is not using any technology as per the business of the Company. Further, there were no foreign exchange earnings and outgo during the year under review.

## **BUSINESS RISK MANAGEMENT:**

A well- defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process is in place. The objective is to minimize the impact of risks identified and taking advance actions to mitigate them. The Company regularly maintains a proper check in normal course of its business regarding Risk Management as required under section 134 (3) (n) of the Companies Act, 2013.

At present the Company has not identified any element of risk, which may threaten the existence of the company.

## **CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

In terms of Section 135 of Companies Act, 2013, the Company does not fulfill the criteria of net worth or turnover for Corporate Social Responsibility; hence the same is not applicable to the Company.

## **SUBSIDIARY COMPANIES:**

The Company does not have any subsidiary.

## **VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

The Company has established Vigil Mechanism and framed whistle blower policy for Directors and employees to report concerns about the unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct or Ethics Policy.

## **CORPORATE GOVERNANCE REPORT**

Reports on Corporate Governance is not applicable to the Company as per Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Hence, the same is not part of the Board's report.

## **INTERNAL FINANCIAL CONTROL SYSTEM**

The Board has adopted an Internal Financial Control Policy to be followed by the Company and such policies and procedures adopted by the Company for ensuring the orderly and efficient conducts 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. The Company has a well placed, proper and adequate IFC system which ensures that all assets are safeguard and protected and that the transactions are authorised, recorded and reported correctly. The Company's Internal Control System is commensurate with its size, scale and complexities of its operations. The Internal Auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms. The Audit Committee actively reviews and evaluates the internal financial control system periodically and suggests improvements to strengthen the same. The observations and comments of the Audit Committee are placed before the Board.

### CODE OF CONDUCT

The Board of Directors has approved a Code of Conduct, which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Company believes in “Zero Tolerance” against bribery, corruption and unethical dealings / behaviors of any form and the Board has laid down the directives to counter such acts. All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

### PARTICULARS OF EMPLOYEES

None of the employees were in receipt of remuneration of more than that as prescribed under the Companies Act, 2013 and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

During the year under review, no significant or material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

### ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation towards all associates including Banker, Suppliers, Shareholders, and others who have reposed their confidence in the Company at all levels for their continuous co-operation and support.

By order of the Board  
For **Swadeshi Polytex Limited**

Sd/-  
**(Shamsher Bahadur Singh Kathpal)**  
Director  
(DIN: 03225016)

Sd/-  
**(Bipin Behari Mehrotra)**  
Director  
(DIN No: 03279399)

Place : New Delhi  
Dated : 10th August, 2017

**Form No. MGT-9**
**Extract of Annual Return as on the financial year ended on 31st March, 2017**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

i)	<b>CIN:</b>	L25209UP1970PLC003320
ii)	<b>Registration Date:</b>	21.03.1970
iii)	<b>Name of the Company:</b>	Swadeshi Polytex Limited
iv)	<b>Category / Sub-Category of the Company:</b>	Company Limited by Shares
v)	<b>Address of the Registered office and contact details:</b>	New Kavi Nagar, Industrial Area, Ghaziabad-201002, U.P e -mail: <a href="mailto:ceo@splindia.co.in">ceo@splindia.co.in</a>
vi)	<b>Whether listed company:</b>	Yes
vii)	<b>Name, Address and Contact details of Registrar and Transfer Agent:</b>	RCMC Share Registry Private Limited, B-25/1, Okhla Industrial Area, Phase-2, Near Rana Motors, New Delhi-110020 Ph.:011-26387320

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Real Estate activities	7010	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl. No.	Name and address of the Company	CIN/GLN	Holding/Subsidiary Associate	% of shares held	Applicable Section
—NIL—					

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**(i) Category -Wise- Shareholding**

Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters(1) Indian</b>									
(a) Individual/ HUF	Nil	5250	5250	0.13	Nil	5250	5250	0.13	Nil
b) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	2459403	500	2459903	63.08	2459403	500	2459903	63.08	Nil
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub Total (A)(1)</b>	<b>2459403</b>	<b>5750</b>	<b>2465153</b>	<b>63.21</b>	<b>2459403</b>	<b>5750</b>	<b>2465153</b>	<b>63.21</b>	<b>Nil</b>

## SWADESHI POLYTEX LIMITED

Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) Foreign</b>									
NRI Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Other Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Bodies Corporate	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Banks/FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Any Other.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub Total (A) (2)</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Total Shareholding of Promoter(A)= [A(1)+A(2)]</b>	<b>2459403</b>	<b>5750</b>	<b>2465153</b>	<b>63.21</b>	<b>2459403</b>	<b>5750</b>	<b>2465153</b>	<b>63.21</b>	<b>Nil</b>
<b>(B)Public Shareholding</b>									
<b>(1) Institutions</b>									
Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Banks /FI									
Central Govt	Nil	250	250	0.01	Nil	250	250	0.01	Nil
State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Venture capital funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Insurance Companies	525	425	950	0.02	825	425	1250	0.03	0.01
Financial Institutions/ Banks	Nil	2125	2125	0.05	Nil	2125	2125	0.05	Nil
Foreign Venture Capital Funds									
Any Other (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub Total B(1)</b>	<b>525</b>	<b>2800</b>	<b>3325</b>	<b>0.08</b>	<b>825</b>	<b>2800</b>	<b>3625</b>	<b>0.09</b>	<b>0.01</b>
<b>(2)Non- Institutions</b>									
a)Bodies Corporate	90730	504547	595277	15.26	90455	504547	595002	15.26	Nil
i)Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 Lakh	62541	752630	815171	20.91	70957	743905	814862	20.89	(0.02)
ii)Individual shareholders holding nominal share capital in excess of Rs. 1 lakhs.	14864	nil	14864	0.38	14864	Nil	14864	0.35	Nil
c) Other Specify									
i)Clearing Members	100	Nil	100	0	Nil	Nil	Nil	0	Nil
ii)Non Residents	1400	4710	6110	0.16	1784	4710	6494	0.17	0.01
<b>Sub Total (B) (2)</b>	<b>169635</b>	<b>1261887</b>	<b>1431522</b>	<b>36.71</b>	<b>178060</b>	<b>1253162</b>	<b>1431222</b>	<b>36.70</b>	<b>(0.01)</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>170160</b>	<b>1264687</b>	<b>1434847</b>	<b>36.79</b>	<b>178885</b>	<b>1255962</b>	<b>1434847</b>	<b>36.79</b>	<b>Nil</b>
<b>(C) Shares held by Custodian for GDRs &amp; ADRs</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Grand Total (A+B+C)</b>	<b>2629563</b>	<b>1270437</b>	<b>3900000</b>	<b>100</b>	<b>2638288</b>	<b>1261712</b>	<b>3900000</b>	<b>100</b>	<b>Nil</b>

## SWADESHI POLYTEX LIMITED

### (ii) Shareholding of Promoters

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year	Additions, if any	Shareholding at the end of the year	% of total shareholding
1	M/s National Textile Corporation Limited	1311000	Nil	1311000	33.62
2	M/s Paharpur Cooling Towers Ltd.	528153	Nil	528153	13.54
3	M/s Selecto Pac Pvt Ltd	343250	Nil	343250	8.8
4	M/s Doypack Systems Pvt Ltd	277500	Nil	277500	7.12
5	Mr. Mahendra Swarup	5250	Nil	5250	0.13

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

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
Nil					

### (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year	Additions, if any	Shareholding at the end of the year	% of total shareholding
1	M/s M K J Enterprises Ltd	487525	Nil	487525	12.50
2	Melvin Powel Vanaspati & Engg. Industries Ltd.	82425	Nil	82425	2.11
3	Prashant Kumar Bothra	14864	Nil	14864	0.38
4	V D Maniar Share And Stock Brokers Pvt. Ltd.	Nil	8005	8005	0.20
5	Yatin S Shah	5725	Nil	5725	0.15
6	Rajesh Chhabildas Kansara	5300	Nil	5300	0.14
7	Mr Dwarkadas Shrinivas Morarka	5000	Nil	5000	0.12
8	Mrs Jamuna Devi Jaipuria	Nil	5000	5000	0.12
9	M/S Liberty Silk Mills Pvt Ltd	5000	Nil	5000	0.13
10	Mr Jugal Kishore Bhagat	Nil	3800	3800	0.097
	<b>TOTAL</b>	<b>605839</b>	<b>16805</b>	<b>622644</b>	

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

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year	Additions, if any	Shareholding at the end of the year
1	Mr. Gaurav Swarup	350	Nil	350
2	Mr. Hartaj Sewa Singh	250	Nil	250
3	Mr. S S Madan	250	Nil	250
4	Mr. N.K. Gupta	250	Nil	250
5	Mr. Naveen Aggarwal	250	Nil	250

**V. INDEBTEDNESS**

**(Rs. In Lakhs)**

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

	Secured Loans Excluding Deposits	Unsecured Loans	Deposits *	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	2,363.21	230.21	NIL	2,593.42
ii) Interest due but not paid	333.66		NIL	333.66
iii) Interest accrued but not due	4.79	-	NIL	4.79
<b>Total (i+ii+iii)</b>	<b>2,701.66</b>	<b>230.21</b>	<b>NIL</b>	<b>2,931.87</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	316.22	-	NIL	316.22
Reduction	77.99	-	NIL	77.99
<b>Net Change Indebtedness</b>	<b>238.23</b>	<b>-</b>	<b>NIL</b>	<b>238.23</b>
<b>At the end of the financial year</b>				
i) Principal Amount	2,363.21	230.21	NIL	2,593.42
ii) Interest due but not paid	571.47	-	NIL	571.47
iii) Interest accrued but not due	5.21	-	NIL	5.21
<b>Total (i+ii+iii)</b>	<b>2,701.66</b>	<b>230.21</b>	<b>NIL</b>	<b>3,170.10</b>

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

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Rs In Lakhs)**

Sl. No.	Particulars of Remuneration	Name	Designation	Amount
-----NIL-----				



## SWADESHI POLYTEX LIMITED

### B. Remuneration to other directors:

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Name	Designation	Amount
-----NIL-----				

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

Sl. No.	Name	Designation	Amount
1	Bhuwan Chaturvedi	CEO	3,387,072
2	Promod Pandey	CFO	6,00,000
3	Sunita Gujar	Company Secretary	1,80,000

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

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made, if any (give details)
<b>A. COMPANY</b> Penalty Punishment Compounding	Nil	Nil	Nil	Nil	Nil
<b>B. DIRECTORS</b> Penalty Punishment Compounding	Nil	Nil	Nil	Nil	Nil
<b>C. OTHER OFFICERS IN DEFAULT</b> Penalty Punishment Compounding	Nil	Nil	Nil	Nil	Nil

## FORM NO MR 3

## SECRETARIAL AUDIT REPORT

For The Financial Year Ended On 31<sup>st</sup> March, 2017

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

To,  
The Members,  
Swadeshi Polytex Limited  
**GHAZIABAD-201009 (U.P.)**

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

Based on our verification of the Swadeshi Polytex Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering **the financial year ended on 31st March, 2017, (AUDIT PERIOD)** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Swadeshi Polytex Limited for the financial year ended on 31<sup>st</sup> March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (The Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the company during the audit period)**
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(Not applicable to the Company during the audit period):**
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the company during the Audit Period);**
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(Not applicable to the company during the Audit Period);**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the company during the Audit Period);**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(Not applicable to the company during the Audit Period);**

## SWADESHI POLYTEX LIMITED

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- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009(**Not applicable to the company during the Audit Period**): and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998(**Not applicable to the company during the Audit Period**).
- (vi) OTHER APPLICABLE ACTS,
- (a) Factories Act, 1948
  - (b) Payment Of Wages Act, 1936, and rules made there under(**Not applicable to the company during the Audit Period as there is no employee in the company**),
  - (c) The Minimum Wages Act, 1948, and rules made there under(**Not applicable to the company during the Audit Period as there is no employee in the company**) ,
  - (d) Employees' State Insurance Act, 1948, and rules made there under (**Not applicable to the company during the Audit Period as there is no employee in the company**),
  - (e) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made there under(**Not applicable to the company during the Audit Period as there is no employee in the company**),
  - (f) The Payment of Bonus Act, 1965, and rules made there under (**Not applicable to the company during the Audit Period as there is no employee in the company**),
  - (g) Payment of Gratuity Act, 1972, and rules made there under(**Not applicable to the company during the Audit Period as there is no employee in the company**),
  - (h) The Water (Prevention & Control of Pollution) Act, 1974, Read with Water (Prevention & Control of Pollution) Rules, 1975,
- (vi) We have also examined compliance with the applicable clauses of the following:
- (i) Secretarial Standards issued by The Institute of Company Secretaries of India .
  - (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange.

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

We further report that,

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

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

As per the Minutes of the meeting duly recorded and signed by the Chairman the decisions of the Board were unanimous and no dissenting members' views have been recorded.

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

**Sd/-**  
**NAVEEN KUMAR RASTOGI**  
**PRACTISING COMPANY SECRETARY**  
**COP NO 3785**

**Place: Delhi**

**Date: 03<sup>rd</sup> August 2017**

**MANAGEMENT DISCUSSION & ANALYSIS REPORT**

**ECONOMIC AND INDUSTRIAL REVIEW/ INDUSTRY STRUCTURE AND DEVELOPMENTS**

In addition to being the second major contributor to the GDP, the Real Estate sector is also amongst the fastest growing sectors in the Indian economy. Real Estate as a matter of fact has always been an attractive investment option and with the additional support of the new rules and regulations by the Government, it has resulted in significant growth in the Industrial, residential and commercial area.

**REAL ESTATE**

The Indian economy had its own sets of challenges during the year under review. The government enacted the Real Estate (Regulation & Development) Act 2016 and all the sections of the Act have come into force with effect from May 1, 2017, while GST (Goods And Services Tax) came into effect from July 1, 2017. The GST and the RERA are touted as game changers converting unorganized real estate into an organized sector. While Demonetization has shook up the older ways of working, the Benami Property Act will also have a major impact on the real estate businesses.

Having said that, with the advent of GST and RERA, developers would now have to adopt higher standards of performance compelling them to invest in project management.

**OPPORTUNITIES, THREATS, RISK AND CONCERNS**

Driven by long term vision for real estate, we have always been optimistic on the promising future outlook of this industry and the advent of RERA is being heralded as a game-changer and a great enabler in the long run, though it may cause inconvenience in the short term. Also GST will ensure that developers only use organized vendors and suppliers, in order to get the input tax credit, which will also improve the efficiency in delivering projects.

With these change the real estate sector have realized that it is time now to revamp their existing business models if they want to remain in business at all. As expected, with these initiatives, the loopholes will be addressed and sales would boost the real estate sector.

Your Company is selling its real estates and it is the intention of your Company to use the funds so generated to explore opportunities in growth areas and industries and try to keep a focus on the real estate sector. While the management of your Company will continue to leverage the opportunities, it also foresees the challenges, like the availability of skilled resources and retention of highly talented workforce, frequent amendments in regulations, Inflationary pressures which would increase raw material/labor cost, lack of supporting infrastructure such as roads, highways, electricity, etc. that can hamper the growth of real estate as it thrives on availability of good infrastructure.

**BUSINESS OUTLOOK AND OVERVIEW**

The Company had entered into Real Estate in the year 2011. With the government initiatives to re-build the trust in the consumers by regulating the real estate sector with the introduction of the Real Estate (Regulation & Development) Bill, it will be a great time for the Company, which has the execution capabilities.

**MATERAIL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT**

The Human Resources (HR) function is instrumental in creating and developing human capital in alignment with the Company Objectives. Your Company currently has to build its human resources based on the finalization of the opportunities it will focus on in the near future. Industrial relations are been cordial as your Company does not have any work force with the cessation of production activities. The

## **SWADESHI POLYTEX LIMITED**

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challenge will be to build a team of all employees, managers and workmen with the value of teamwork and belongingness. All the employees of the Company will be expected to work as one cohesive team devoted to a common goal of the Company.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has a proper and adequate internal control system to ensure that all the assets of the Company are safeguard and protected against any loss and that all the transactions are properly authorised and recorded. Information provided to management is reliable and timely. Company ensures adherence to all statutes.

### **INTERNAL FINANCIAL CONTROL**

The Company has an established Internal Financial Control framework including controls over financial reporting, operating controls and anti-fraud framework. Internal audits are undertaken on a continuous basis. Based on the periodical testing, the framework is strengthened, from time to time, to ensure adequacy and effectiveness of Internal Financial Controls. These internal controls ensure efficiency in operations, compliance with internal policies of the Company, applicable laws and regulations, protection of resources and accurate reporting of financial transactions. The internal control system is supplemented by an extensive internal audit, which is conducted by independent firm of Chartered Accountants. The framework is reviewed regularly by the management and tested by internal audit team and presented to the Audit Committee and corrective action initiated to strengthen the controls and enhance the effectiveness of the existing systems.

### **FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE AND SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE**

The Company has only one segment i.e. Real Estate. The Company's revenue from operations for the year increased to Rs.2.03 Crore for the financial year 2016-17, as compared to Rs. 1.76 crore in the previous year. The Company continued its focus on core business activity in the Industrial land. The key revenue streams for the Company include sale of lease plot land. The Company continues to maintain its conservative financial profile and funds its requirements largely through internal cash generation.

### **CAUTIONARY STATEMENT**

Statements in the Management's Discussion and analysis report describing the Company's objectives, estimates, expectations or predictions may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that would make a difference to the Company's operations include demand-supply conditions, change in Government regulations, tax regimes, economic developments within the country and other statutes incidental factors.

**INDEPENDENT AUDITORS' REPORT**

To  
The Members of  
Swadeshi Polytex Limited

**Report on the Ind AS Financial Statements**

We have audited the accompanying Ind AS financial statements of M/s. Swadeshi Polytex Limited ('the Company') which comprise the Balance Sheet as at 31st March, 2017, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

# SWADESHI POLYTEX LIMITED

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## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2017, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Ind AS Financial Statements.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with relevant rules issued thereunder.
  - e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer Note 1.8.1 to the Ind AS financial statements;
    - ii. We are explained that the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. We are explained that there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
    - iv. the Company has provided requisite disclosures in its Ind AS Financial Statements as to holdings as well as dealing in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 1.14 to the Ind AS financial statements;

For SANMARKS & ASSOCIATES  
Chartered Accountants  
Firm's Regn. No. 003343N

Sd/-

**S. K. BANSAL**

Partner

Membership No.: 082242

Place : Faridabad  
Date: 25-05-2017  
Camp: Ghaziabad

**Annexure A to the Independent Auditors' Report**

Referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Report to the members of Swadeshi Polytex Limited for the year ended 31<sup>st</sup> March 2017. We report that:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) We are explained that the management has carried out the year end physical verification of majority of fixed assets. In our opinion, the frequency of the physical verification is reasonable having regard to the size and nature of operations of the company. We are explained that the discrepancies noticed on physical verification of fixed assets have been properly dealt with in the books of accounts.
- (c) According to the information and explanations given to us, the title deed of immovable property owned by the Company are stated to be misplaced and the management is in the process of obtaining duplicate copy thereof from the concerned Authorities. Further, the provisions of this clause are not applicable in respect of leasehold land owned by the Company and held as Stock in Trade.
- (ii) The only inventory in hand is in the form of lease hold plot rights, for which management has conducted physical verification in the form of measurement, frequency of which in our opinion is reasonable and no material discrepancies were noticed on the physical verification of the same as compared to book records.
- (iii) The Company has granted unsecured loan to a party covered in the register maintained under Section 189 of the Companies Act, 2013 ("the Act").
  - (a) In our opinion, the rate of interest and other terms and conditions on which the loan had been granted to the party listed in the register maintained under Section 189 of the Act, were not prima facie, prejudicial to the interest of the Company.
  - (b) In the case of loan granted to the party listed in the register maintained under Section 189 of the Act, we are explained that the same is repayable on demand. In our opinion, repayment of interest is regular in terms of demand made. We are also explained that no demand has been made during the year about repayment of principal.
  - (c) In our opinion and in view of our comments in (a) and (b) above, no amount is overdue for recovery.
- (iv) According to the information and explanations given to us and the records of the Company examined by us, the Company had complied with the provisions of Section 186 with respect to loan given by it to a party in the earlier year.
- (v) During the year under report, the company has not accepted any deposit from the public to which provisions of sections 73 to 76 of the Act and relevant rules framed there under apply.
- (vi) We are informed that the maintenance of the cost records has not been prescribed by the Central Government u/s 148(1) of the Act for the company since no manufacturing activities were carried out by it during the year under report.
- (vii) (a) According to the information and explanation given to us and on the basis of our examination of the books of account, the company has been regular in depositing the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, value added tax, cess and any other material statutory dues applicable to it with the appropriate authorities.



## SWADESHI POLYTEX LIMITED

- (b) According to information and explanation given to us and on the basis of our examination of the books of accounts of the company, following are the details of sales tax/income tax/custom duty/service Tax/excise duty, which have not been deposited on account of any dispute.

Name of Statute	Nature of Dues	Amount (In lacs)	Period	Forum at which dispute is pending
Various Sales Tax Acts	Sales Tax	94.13	Various	Various Forum.
The Central Excise & Salt Act, 1944	Excise Duty	139.18	Various	CESAT & the Supreme Court
The Central Excise Act, 1944	Penalty on Excise Duty	25.00	2012	CESAT
The Customs Act, 1962	Custom Duty	8.50	Various	D. C. Customs Mumbai

- (viii) According to the information and explanation given to us, the company had not borrowed any money from any financial institution, bank or Government and had not issued debentures during the year under report. Accordingly provisions of clause 3 (viii) of the Order are not applicable for the year under report.
- (ix) The Company had neither raised any money by way of initial public offer or further public offer (including debt instruments) and term loans nor applied the previously raised loans, if any, during the year under report. Accordingly, provisions of clause 3 (ix) of the Order are not applicable.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us, the Company has not paid any managerial remuneration to any of its directors and it has no Managing Director, Whole Time Director or Manager. Accordingly paragraph 3 (xi) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For SANMARKS & ASSOCIATES  
Chartered Accountants  
Firm's Regn. No. 003343N

Sd/-

**S. K. BANSAL**

Partner

Membership No.: 082242

Place : Faridabad  
Date: 25-05-2017  
Camp: Ghaziabad

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

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

We have audited the internal financial controls over financial reporting of Swadeshi Polytex Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

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

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

- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that

## SWADESHI POLYTEX LIMITED

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receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company and;

- (c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, 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 SANMARKS & ASSOCIATES  
Chartered Accountants  
Firm's Regn. No. 003343N

**Sd/-**

**S. K. BANSAL**

Partner

Membership No.: 082242

Place : Faridabad  
Date: 25-05-2017  
Camp: Ghaziabad

## SWADESHI POLYTEX LIMITED

### BALANCE SHEET AS AT MARCH 31, 2017

(Amount in Rupees)

Particulars	Note No	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>ASSETS</b>				
<b>Non-current asset</b>				
Property, Plant & Equipment	2.1	567,421	608,126	646,147
Deferred Tax Assets (Net)	2.2	42,381,298	48,828,418	99,755,501
Other non-current assets	2.3	10,539,426	6,638,081	6,255,443
<b>Total non-current assets</b>		<b>53,488,145</b>	56,074,625	106,657,091
<b>Current Asset</b>				
Inventories	2.4	69,283,330	68,282,497	65,430,672
Financial Assets :				
(i) Cash and cash equivalents	2.5	1,526,851	434,607	3,173,599
(ii) Other Bank Balance	2.6	6,500,000	16,744,978	6,469,000
(ii) Loans	2.7	5,136,919	5,141,027	5,141,027
Other Current Assets	2.3	26,928	263,025	60,874
<b>Total current assets</b>		<b>82,474,028</b>	90,866,134	80,275,172
<b>Total Assets</b>		<b>135,962,173</b>	146,940,759	186,932,263
<b>EQUITY &amp; LIABILITIES</b>				
<b>Equity</b>				
Equity share capital	2.8	39,000,000	39,000,000	39,000,000
Other equity	2.9	(557,402,863)	(568,728,161)	(500,244,336)
<b>Total Equity</b>		<b>(518,402,863)</b>	(529,728,161)	(461,244,336)
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Financial liabilities :				
(i) Other financial liabilities	2.10	24,982,527	25,638,764	25,638,764
<b>Total non-current liabilities</b>		<b>24,982,527</b>	25,638,764	25,638,764
<b>Current liabilities</b>				
Financial liabilities :				
(i) Borrowings	2.11	254,235,691	254,235,691	254,235,691
(ii) Trade payables	2.12	4,479,833	3,636,325	2,883,940
(iii) Other Financial Liabilities	2.10	364,026,983	390,723,570	362,871,423
Provisions	2.13	5,683,903	1,500,000	1,500,000
Current tax Liabilities (net)	2.14	956,099	934,570	1,046,781
<b>Total current liabilities</b>		<b>629,382,509</b>	651,030,156	622,537,835
<b>Total Equity and Liabilities</b>		<b>135,962,173</b>	146,940,759	186,932,263

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

As per our Report of even date attached  
For SANMARKS & ASSOCIATES  
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Sd/-  
**(S.K. Bansal)**  
Partner  
FRN : 003343N, M.No.: 082242

Sd/-  
**(S.B. Singh)**  
Director  
(DIN 03225016)

Sd/-  
**(N.K. Gupta)**  
Director  
(DIN 00923080)

Place : Faridabad  
Camp : Ghaziabad  
Date : 25/05/2017

Sd/-  
**(Promod Panday)**  
Chief Financial Officer

Sd/  
**(Sunita Gujjar)**  
Company Secretary

# SWADESHI POLYTEX LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in Rupees)

Particulars	Note No.	Year Ended March 31, 2017	Year Ended March 31, 2016
<b>CONTINUING OPERATIONS</b>			
<b>REVENU</b>			
Revenue from operations	2.15	20,334,360	17,600,972
Other Income	2.16	56,499,883	21,821,423
<b>Total Income</b>		<b>76,834,243</b>	<b>39,422,395</b>
<b>EXPENSES</b>			
Land Development Expenses		2,633,112	4,659,023
Changes in inventories		(1,000,833)	(2,851,825)
Finance Costs	2.17	33,136,955	31,770,071
Depreciation and amortization expense	2.1	103,905	109,439
Other expenses	2.18	21,070,210	23,292,429
<b>Total Expenses</b>		<b>55,943,349</b>	<b>56,979,137</b>
<b>Profit / (Loss) before tax</b>		<b>20,890,894</b>	<b>(17,556,742)</b>
Less : Tax Expenses - Current tax		4,520,000	-
- Earlier Years		(1,401,524)	-
- Deferred tax		6,447,120	50,927,083
		9,565,596	50,927,083
<b>Profit / (Loss) from continuing operations</b>		<b>11,325,298</b>	<b>(68,483,825)</b>
<b>II Other comprehensive income</b>			
i) Items that will not be reclassified to profit or loss (net of tax)		-	-
- Net actuarial gains/(losses) on defined benefit plans		-	-
- Net gains/(losses) on fair value of equity instruments through other comprehensive income		-	-
ii) Items that will be reclassified to profit or loss (net of tax)		-	-
Other comprehensive income for the year, net of income tax		-	-
<b>Total comprehensive income for the year</b>		<b>11,325,298</b>	<b>(68,483,825)</b>
<b>Earnings per share (of Rs 10/- each):</b>			
Basic & Diluted			
(i) Continuing operations		2.90	(17.56)
(ii) Total operations		2.90	(17.56)
Significant Accounting Policies	1		

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

As per our Report of even date attached

For SANMARKS & ASSOCIATES  
CHARTERED ACCOUNTANTS

Sd/-

**(S.K. Bansal)**

Partner

FRN : 003343N, M.No.: 082242

Place : Faridabad

Camp : Ghaziabad

Date : 25/05/2017

For and on behalf of the Board of Directors

Sd/-

**(S.B. Singh)**

Director

(DIN 03225016)

Sd/-

**(Promod Panday)**

Chief Financial Officer

Sd/-

**(N.K. Gupta)**

Director

(DIN 00923080)

Sd/

**(Sunita Gujjar)**

Company Secretary

**SWADESHI POLYTEX LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017**

		Year Ended 31-03-2017 Amount (Rs)	Year Ended 31-03-2016 Amount (Rs)
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Profit before Tax	20,890,894	-17,556,742
	<u>Adjustments for :</u>		
	Depreciation and amortization expenses	103,905	109,439
	Finance Costs	33,136,955	31,770,071
	Interest received	-56,296,875	-21,821,423
	Changes in Liabilities to Erstwhile personnel	-656,237	-
	<b>Operating Profit before working capital changes</b>	<b>-2,821,358</b>	<b>-7,498,655</b>
	<u>Adjustments for working capital changes :</u>		
	(Increase)/Decrease in long term loans & advances	-	-
	(Increase)/Decrease in Short term loans & advances	4,108	-397,065
	Increase/(Decrease) in Current Tax Liabilities	21,529	-
	Increase/(Decrease) in Other Financial liabilities	-	14,396,872
	(Increase)/Decrease in Other current assets	236,097	-55,086
	(Increase)/Decrease in inventories	-1,000,833	-2,851,825
	Increase/(Decrease) in short Term Provision	-	-
	Increase/(Decrease) in Trade payables	843,508	752,385
	Increase/(Decrease) in Other Financial Liabilities	-26,696,587	-
	Increase/(Decrease) in Provisions	4,183,903	-
	(Increase)/Decrease in trade receivables	-	-
	<b>Cash generated from Operations</b>	<b>-25,229,633</b>	<b>4,346,626</b>
	Direct Taxes Paid	-7,019,821	-382,638
	<b>Net Cash flow from Operating activities</b>	<b>(A) -32,249,454</b>	<b>3,963,988</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Fixed Assets including Intangible assets & CWIP	-63,200	-71,418
	Interest received	56,296,875	21,821,423
	Liabilities/Provisions no longer required written back	-	-
	<b>Net cash used in Investing activities</b>	<b>(B) 56,233,675</b>	<b>21,750,005</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Proceeds / (repayment) of Borrowings	-	13,593,064
	Finance Costs	-33,136,955	-31,770,071
	Net cash from / (used in) financing activities	<b>(C) -33,136,955</b>	<b>-18,177,007</b>
	<b>Net increase / (Decrease) in Cash and Cash Equivalents (A + B + C)</b>	<b>-9,152,734</b>	<b>7,536,986</b>
	Cash and Cash Equivalents at the beginning of the year (Refer Note 2.5 & 2.6)	<b>17,179,585</b>	<b>3,173,599</b>
	Cash and Cash Equivalents at the end of the year (Refer Note 2.5 & 2.6)	<b>8,026,851</b>	<b>17,179,585</b>

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

As per our Report of even date attached  
For SANMARKS & ASSOCIATES  
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Sd/-  
**(S.K. Bansal)**  
Partner  
FRN : 003343N, M.No.: 082242

Sd/-  
**(S.B. Singh)**  
Director  
(DIN 03225016)

Sd/-  
**(N.K. Gupta)**  
Director  
(DIN 00923080)

Place : Faridabad  
Camp : Ghaziabad  
Date : 25/05/2017

Sd/-  
**(Promod Panday)**  
Chief Financial Officer

Sd/  
**(Sunita Gujjar)**  
Company Secretary

# SWADESHI POLYTEX LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

### 1 SIGNIFICANT ACCOUNTING POLICIES & PRACTICES

#### 1.1 BASIS OF PREPARATION

- (a) Swadeshi Polytex Limited is a listed company engaged for carrying the business of transacting in, owning, purchasing, selling, leasing, subleasing, 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 New Kavi Nagar Industrial Area, Ghaziabad. These financial statements, for the year ended 31st March 2017, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2017, together with the comparative period data as at and for the year ended 31 March 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2015, company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2015 and the financial statements as at and for the year ended 31 March 2016. The financial statements have been prepared on the historical cost basis except for the following:

- Certain financial assets and liabilities measured at Fair Value, as applicable.

#### (b) 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 judgement is disclosed in notes to accounts

#### 1.2 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.

- (d) When part of an item of property, plant & equipment have different useful life's then they are recognized and depreciated separately. Gains & Losses on disposal of an item of property, plant & equipment are determined by comparing the proceed from disposal with carrying amount of PPE and are recognized within other income in the statement of profit & loss.

### **1.3 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.

### **1.4 REVENUE**

- (a) Revenue from transfer of rights in leasehold land is recognized when the company receives full payment from buyer & there is relinquishment of right in favour of the buyer by the company.
- (b) Interest on receivables are accounted only when no significant uncertainty as to measurability or collectability exists. Other interest income is recognised on time proportion basis.

### **1.5 INVENTORIES**

Valuation of stocks is done as mentioned below:

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

- (a) Cost of Leasehold land is determined after including the proportionate expenditure incurred on the development thereof.

### **1.6 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.

- (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.



## SWADESHI POLYTEX LIMITED

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.

### 1.7 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.

### 1.8 Provisions, Contingent Liabilities and Contingent Assets

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

1. 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.
2. 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.

#### 1.8.1 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 Rs. 4,14,03,844/- ( Previous year Rs. 4,62,07,430/-).

Particulars	Current Year	Previous Year
(a) PF Cases pending at various forums	5,895,381	5,895,381
(b) Labour Matters relating settlement pending at various forums	4,314,776	3,898,476
(c) Sales Tax cases under litigation	9,412,675	14,937,402
(d) Excise matters under litigation	16,417,659	16,417,659
(e) Other Matters	5,363,353	5,058,512

Additional interest and penalty is not computable at this point of time hence not considered in the contingent liability.

- 1.9 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 2017 & 31st March 2016. Hence no further details as required by Notification dated 04-09-2015 issued by the Ministry of Corporate Affairs are applicable.
- 1.10 Balances appearing for Trade Payables, and loans & borrowings are subject to confirmation, reconciliation and adjustments, if any.
- 1.11 Amount due to Erstwhile employees, Note 2.10 is being contested before the Honorable High Court at Rs. 2,25,84,045/- (out of total Rs. 24,982,527/-) . Hence it has not been fair valued.

- 1.12** Company has started developing the Plots as per the approved plan of UPSIDC and accordingly has incurred an expenditure of Rs. 18,99,116/- (Previous year Rs. 36,08,319/-), which is allocated proportionately on the saleable area and unallocated portion made a part of stock in Trade.
- 1.13** 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.
- 1.14** Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016.

<b>Particulars</b>	<b>SBNs</b>	<b>Other denomination Notes</b>	<b>Total</b>
Closing cash in hand as on 08-11-2016	54,000	413	<b>54,413</b>
(+) Permitted receipts	-	183,000	<b>183,000</b>
(-) Permitted payments	-	70,837	<b>70,837</b>
(-) Amount deposited in Banks	54,000	-	<b>54,000</b>
Closing cash in hand as on 30-12-2016	-	112,576	<b>112,576</b>

**1.15 Related Party Disclosure**

**1.15.1** List of Key Managerial Personnel

<b>Name</b>	<b>Designation</b>
Mr. Bhuwan Chaturvedi	Chief Executive Officer
Mr. Promod Pandey	Chief Financial Officer
Ms. Sunita Gujjar - from 11 Feb, 2016 to till date	Company Secretary
Ms. Bhawna Gupta- till 24 Sept, 2015	Company Secretary
Mr.. Naveen Aggarwal	Director
Mr. N.K. Gupta	Director
Mr. S.S. Madan	Director
Mr. Y.J. Dastoor	Director
Ms. Puri Marwaha	Director

**1.15.2** Compensation of Key Management Personnel

<b>Particulars</b>	<b>For the year ended March 31, 2017(Rs)</b>	<b>For the year ended March 31, 2016 (Rs)</b>
Short -term benefits	-	-
Post-employment benefits	-	-
Other long-term benefits	-	-

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Particulars	For the year ended March 31, 2017(Rs)	For the year ended March 31, 2016 (Rs)
Termination benefits	-	-
Total	-	-
Recovery of Loans & Advances during the year	-	-
Advances released during the year	-	-
Closing Balance of Loans & Advances (Mr. Bhuwan Chaturvedi)	<b>5,121,919</b>	5,126,027
Remuneration paid to Ms. Sunita Gujjar	<b>1,80,000</b>	25,000
Remuneration paid to Mr. Pramod Pandey	6,00,000	6,00,000
Remuneration paid to Mr. Bhuwan Chaturvedi*	<b>Nil</b>	Nil
Remuneration paid to Ms. Bhawna Gupta	<b>Nil</b>	87,000
Sitting Fees paid to Mr. Naveen Aggarwal	<b>200,000</b>	225,000
Sitting Fees paid to Mr. N.K. Gupta	<b>185,000</b>	195,000
Sitting Fees paid to Mr. S.S. Madan	<b>50,000</b>	145,000
Sitting Fees paid to Mr. Y.J. Dastoor	<b>50,000</b>	1,00,000.
Sitting Fees paid to Ms. Purni Marwaha	<b>115,000</b>	155,000

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

1.15.2 Associates : National Textile Corporation Ltd. (Holding more than 20% shareholding in the company)

Nature of Transactions	Year Ended 31-03-2017 Amount (Rs.)	Year Ended 31-03-2016 Amount (Rs.)
Unsecured Loan taken and outstanding	<b>17,914,692</b>	17,914,692

1.15.3 Associates : Paharpur Cooling Towers Ltd. ( Holding indirectly more than 20% shareholding in the company)

Nature of Transactions	Year Ended 31-03-2017 Amount (Rs.)	Year Ended 31-03-2016 Amount (Rs.)
Reimbursement for various expenses	3,387,072	3,388,668
Interest net off reversal on MOU, if any	33,136,955	31,770,071
Secured Loan repaid	6,000,000	15,000,000
Outstanding Balance of Secured Loan taken	236,320,999	236,320,999
Outstanding Balance of Interest Accrued & Due	57,146,547	33,365,507
Outstanding Balance of Interest Accrued & Not Due	520,929	478,709

1.15.4 Loans to and from KMP

Particulars	Mr. Bhuwan Chaturvedi (CEO)	
	Mar-17	Mar-16
Loans at beginning of the year	<b>5,126,027</b>	5,126,027
Loan advanced		
Repayment received		
Interest charged*	<b>500,000</b>	504,108
Interest received	<b>504,108</b>	504,108
Balance at end of the year including interest	<b>5,121,919</b>	5,126,027

1.16 The figures reported in financial statements have been rounded off to the nearest rupee.

1.17 Previous year figures have been regrouped, rearranged or reclassified where ever necessary as per Ind AS 101.

**1.18 Information regarding Goods Traded**

1.18.1 Description Lease Plots rights

Particulars	Current Year		Previous Year	
	Quantity (in Sqm)	Amount (Rs.)	Quantity (in Sqm)	Amount (Rs.)
Opening Balance*	<b>180165.92</b>	<b>68,282,497</b>	182312.38	65,430,672
Purchase	-	-	-	-
Sales	<b>2479.80</b>	<b>20,334,360</b>	2146.46	17,600,972
Closing Balance*	<b>177686.12</b>	<b>69,283,330</b>	180165.92	68,282,497

\* Excluding utility area of 13,577.53 Sqm.

**1.19 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. Cash and cash equivalents in the balance sheet comprise cash at bank, cash/cheques in hand and short term investments (excluding pledged term deposits) with an original maturity of three months or less.

**1.20 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.

**1.21 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.

### 1.22 Financial Assets and Liabilities

#### FINANCIAL ASSETS & LIABILITIES

##### a) Initial Recognition

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities 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. Regular way 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-debt

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

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

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

(iv) Investment in subsidiaries/associates/joint ventures

Investment in subsidiaries is carried at cost in the separate financial statements

(v) Financial assets at fair value through other comprehensive income

The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(vi) Financial assets at fair value through profit or loss

A financial asset i.e. equity which is not classified in (v) above are subsequently fair valued through profit or loss.

(vii) Financial liabilities

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.) De-recognition**

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 DE recognition 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.

**d) 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.

**e) 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.

**1.23 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.

**1.24 Standards issued but not yet effective**

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules 2017, notifying amendment to IND AS-7 "Statement of Cash Flows" and IND AS 102 "Share Based Payments". These amendments are in accordance with the recent amendments made by International accounting standard board (IASB) to IAS 7 "statement of cash flow and IFRS 2, Share based payment respectively. The amendments are applicable to the company from April 1, 2017.

Amendment to IND AS-7

The amendment to IND AS-7 required the entities to provide disclosures that enable users of financial statement to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balance sheets for the liabilities arising from financing activities, to meet the disclosure requirement.

The company is evaluating the requirements of the amendment and the effect on the financial statement is being evaluated.

There are no share based payments in the company, therefore provision of IND AS-102 is not applicable on the company.

**Note No.**
**2.1 Property, Plant and Equipment**

Particulars	(Amount in Rupees)									
	Gross carrying value as at March 31, 2016	Additions	Adjustments/sales during the year	Gross carrying value as at March 31, 2017	Accumulated depreciation as at March 31, 2016	Depreciation for the Year	Adjustments/sales during the year	Accumulated depreciation as at March 31, 2017	Carrying Value as at March 31, 2017	
Building - Puspak Bhawan	93,274.00	-	-	93,274	10,218.00	1,703.00		11,921	81,353	
Plant & Machinery	554,084.00	63,200	-	617,284	197,360.00	75,150.00		272,510	344,774	
Furniture & Fixtures	2,437,610.00	-	-	2,437,610	2,320,623.00	-		2,320,623	116,987	
Vehicles	-	-	-	-	-	-		-	-	
Computer	297,999.00	-	-	297,999	246,640.00	27,052.00		273,692	24,307	
<b>Total</b>	<b>3,382,967</b>	<b>63,200</b>	<b>-</b>	<b>3,446,167</b>	<b>2,774,841</b>	<b>103,905.00</b>	<b>-</b>	<b>2,878,746</b>	<b>567,421</b>	

Particulars	(Amount in Rupees)									
	Gross carrying value as at April 1, 2015	Additions	Adjustments/sales during the year	Gross carrying value as at March 31, 2016	Accumulated depreciation as at April 1, 2015	Depreciation for the Year	Adjustments/sales during the year	Accumulated depreciation as at March 31, 2016	Carrying Value as at March 31, 2016	Deemed Cost as at April 1, 2015
Building - Puspak Bhawan	93,274.00			93,274	8,515.00	1,703.00		10,218	83,056	84,759.00
Plant & Machinery	477,364.00	76,720		554,084	132,205.00	65,155.00		197,360	356,724	345,159.00
Furniture & Fixtures	2,437,610.00			2,437,610	2,320,623.00	-		2,320,623	116,987	116,987.00
Vehicles	106,058.00		(106,058)	-	100,756.00	-	(100,756)	-	-	5,302.00
Computer	297,999.00			297,999	204,059.00	42,581.00		246,640	51,359	93,940.00
<b>Total</b>	<b>3,412,305</b>	<b>76,720</b>	<b>(106,058)</b>	<b>3,382,967</b>	<b>2,766,158</b>	<b>109,439</b>	<b>(100,756)</b>	<b>2,774,841</b>	<b>608,126</b>	<b>646,147.00</b>

**2.2 Deferred Tax Assets**

**(Amount in Rupees)**

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Deferred Tax Assets due to</b>			
Provision for doubtful debts and advances			
Unabsorbed Depreciation & Carried forward losses	<b>42,488,133</b>	48,955,574	99,898,747
	<b>42,488,133</b>	48,955,574	99,898,747
<b>Deferred Tax Liability due to</b>			
Depreciation	<b>106,835</b>	127,156	143,246
	<b>106,835</b>	127,156	143,246
<b>Deferred Tax Assets (Net)</b>	<b>42,381,298</b>	48,828,418	99,755,501

**2.3 Other Assets**

**(Amount in Rupees)**

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Non-Current</b>			
Statutory dues deposited under Protest	<b>1,324,513</b>	1,324,513	1,324,513
<b>Advance Tax / TDS</b>	<b>9,214,913</b>	5,313,568	4,930,930
<b>Total</b>	<b>10,539,426</b>	6,638,081	6,255,443
<b>Current</b>			
Unsecured, considered good			
Interest accrued	<b>3,494</b>	85,627	30,541
Recoverable from SPL trust	-	20,333	20,333
Other	<b>23,434</b>	157,065	10,000
<b>Total</b>	<b>26,928</b>	263,025	60,874

**2.4 Inventories**

**(Amount in Rupees)**

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Leasehold Plot Rights	<b>69,283,330</b>	68,282,497	65,430,672
<b>Total</b>	<b>69,283,330</b>	68,282,497	65,430,672

**2.5 Cash & Cash Equivalents**

**(Amount in Rupees)**

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Cash on hand	<b>143,206</b>	199,978	239,178
Balances with Banks	<b>1,383,645</b>	234,629	2,934,421
<b>Total</b>	<b>1,526,851</b>	434,607	3,173,599



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### 2.6 Other Bank Balances

(Amount in Rupees)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
- In term deposit with original maturity upto 3 months	6,500,000	16,744,978	6,469,000
<b>Sub-total (B)</b>	<b>6,500,000</b>	<b>16,744,978</b>	<b>6,469,000</b>

### 2.7 Loans

(Amount in Rupees)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<i>Unsecured (considered good)</i>			
Security deposit	15,000	15,000	15,000
Loan due by an officer of the Company	5,121,919	5,126,027	5,126,027
<b>Total</b>	<b>5,136,919</b>	<b>5,141,027</b>	<b>5,141,027</b>

### 2.8 Share Capital

(Amount in Rupees)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Authorized</b>			
<b>Equity shares of Rs. 10 each</b>	<b>225,000,000</b>	225,000,000	225,000,000
<b>22,500,000 ( PY 22,500,000) equity share</b>			
Cumulative preference shares of Rs 100/ each 250,000 ( PY 250,000) 9.5% Redeemable	25,000,000	25,000,000	25,000,000
	<b>25,000,000</b>	25,000,000	25,000,000
<b>Issued, subscribed and fully paid</b>	<b>39,000,000</b>	39,000,000	39,000,000
<b>Equity shares of Rs. 10 each</b>			
3,900,000 (PY 3,900,000) equity shares			
	<b>39,000,000</b>	39,000,000	39,000,000

#### 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 10/- per share. Each shareholder is entitled to one vote per share.

#### Reconciliation of share Capital:

(Amount in Rupees)

Particulars	As at March 31, 2017	
	No of Shares	Amount
Opening Equity Shares	3,900,000	39,000,000
Add: -No. of Shares, Share Capital issued/ subscribed during the year	-	-
<b>Closing balance</b>	<b>3,900,000</b>	<b>39,000,000</b>

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(Amount in Rupees)

Particulars	As at March 31, 2016	
	No of Shares	Amount
Opening Equity Shares	3,900,000	39,000,000
Add: -No. of Shares, Share Capital issued/ subscribed during the year	-	-
<b>Closing balance</b>	<b>3,900,000</b>	<b>39,000,000</b>

### Shares in the company held by shareholder holding more than 5 percent

Name of the Shareholder	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
	No of Shares (%)	No of Shares (%)	No of Shares (%)
National Textiles Corporation	<b>1311000 (33.61%)</b>	1311000 (33.61%)	1311000 (33.61%)
M.K.J. Enterprises Limited	<b>487525 (12.50%)</b>	487525 (12.50%)	487525 (12.50%)
Selectopac Private Limited	<b>343250 (8.80%)</b>	343250 (8.80%)	343250 (8.80%)
Paharpur Cooling Towers Limited	<b>528153 (13.54%)</b>	452929 (11.61%)	452929 (11.61%)
Doy Pac Systems Private Limited	<b>277500 (7.12%)</b>	277500 (7.12%)	277500 (7.12%)

### 2.9 A Other Equity as at March 31, 2017

(Amount in Rs)

	Reserve and Surplus			Total
	General Reserve	Capital redemption Reserve	Retained Earnings	
Balance at the beginning of the reporting period	167,069,581	10,975,000	(746,772,742)	<b>(568,728,161)</b>
Profit and Loss for the year			11,325,298	<b>11,325,298</b>
Balance at the end of the reporting period	167,069,581	10,975,000	(735,447,444)	<b>(557,402,863)</b>

### B. Other Equity as at March 31, 2016

	General Reserve	Capital redemption Reserve	Retained Earnings	Total
Balance at the beginning of the reporting period	167,069,581	10,975,000	(678,288,917)	<b>(500,244,336)</b>
Profit and loss for the period			(68,483,825)	<b>(68,483,825)</b>
Balance at the end of the reporting period	167,069,581	10,975,000	(746,772,742)	<b>(568,728,161)</b>

## SWADESHI POLYTEX LIMITED

### 2.10 Other Financial Liabilities

(Amount in Rupees)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Long Term</b>			
Due to erstwhile personnel	<b>24,982,527</b>	25,638,764	25,638,764
<b>Total</b>	<b>24,982,527</b>	25,638,764	25,638,764
<b>Short term</b>			
Interest accrued	<b>57,667,476</b>	33,844,216	20,251,152
Retention Money Payable	<b>540,000</b>	540,000	790,000
Amount received for transfer of Leasehold Plot Rights	<b>305,819,507</b>	356,339,354	341,830,271
<b>Total</b>	<b>364,026,983</b>	390,723,570	362,871,423

### 2.11 Borrowings ( Current )

(Amount in Rupees)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<i>Secured</i>			
Loan from Related Parties	<b>236,320,999</b>	236,320,999	236,320,999
<i>Unsecured</i>			
Short Term Borrowings from Related Parties	<b>17,914,692</b>	17,914,692	17,914,692
<b>Total</b>	<b>254,235,691</b>	254,235,691	254,235,691

2.11.1 Term loans are secured by way of pari-passu negative lien on the land & building situated at Kavi Nagar, Ghaziabad.

2.11.2 Details of the default amount is as follow : Loan from related Party - Principal Nil (Previous Year Rs. Nil), Interest Rs. 57,146,547/- (Previous Year Rs. NIL)

### 2.12 Trade Payables ( Current )

(Amount in Rupees)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
A ) Total outstanding dues of micro enterprises and small enterprises	-	-	-
B) Total outstanding dues of other than micro enterprises and small enterprises	<b>4,479,833</b>	3,636,325	2,883,940
<b>Total</b>	<b>4,479,833</b>	3,636,325	2,883,940

## SWADESHI POLYTEX LIMITED

### 2.13 Provisions

(Amount in Rupees)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Provision for Income Tax	4,520,000	1,500,000	1,500,000
Provision for sales tax	1,163,903	-	-
<b>Total</b>	<b>5,683,903</b>	1,500,000	1,500,000

### 2.14 Current tax liabilities

(Amount in Rupees)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Statutory dues- TDS Payable	955,999	928,194	1,046,774
Service Tax Payable		6,276	
EPFO A/C Up Mrt 4797	100	100	7
<b>Total</b>	<b>956,099</b>	934,570	1,046,781

### 2.15 Revenue from Operations

(Amount in Rupees)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Revenue from sale of leasehold plot rights	20,334,360	17,600,972
	<b>20,334,360</b>	17,600,972

### 2.16 Other Income

(Amount in Rupees)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Interest Income	56,296,875	21,821,423
Misc. Income	203,008	-
	<b>56,499,883</b>	21,821,423

### 2.17 Finance Costs

(Amount in Rupees)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Interest On borrowings (Net)	33,136,955	31,770,071
	<b>33,136,955</b>	31,770,071

## SWADESHI POLYTEX LIMITED

### 2.18 Other Expenses

(Amount in Rupees)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Legal & Professional Expenses	8,569,507	10,682,791
Conveyance & Travelling Expense	2,956,108	4,199,913
Fees to Stock Exchange	239,305	254,310
Security Expenses	3,166,131	3,116,082
Power & Fuel	365,560	490,718
Repair Others	44,931	66,317
Business Promotion	1,611,446	1,719,284
Rates & Taxes	2,260,218	586,513
Directors' Sitting Fees	600,000	820,000
Payment To Auditors (refer note 2.18.1)	296,575	370,808
Communication Expenses	296,934	331,498
Advertisement	27,655	50,893
Printing & Stationary	162,256	206,440
Other Expenses	473,584	396,862
	<b>21,070,210</b>	23,292,429

#### 2.18.1 Payment to Auditors

(Amount in Rupees)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Audit Fee	189,750	274,500
Tax Audit Fee	86,250	68,700
Reimbursement of Expenses	20,575	27,608
	<b>296,575</b>	370,808

### 2.19 Discontinuing Operations

In view of the Economic/Financial non-viability and on-going labour 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 significant part thereof

2.19.1 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:

## SWADESHI POLYTEX LIMITED

(Amount in Rupees)

2.19.2	Particulars	As at March 31, 2017	As at March 31, 2016
	Total Assets	1,324,513	1,344,846
	Total Liabilities	-	
	<b>Net Assets</b>	<b>1,324,513</b>	<b>1,344,846</b>

Total assets includes fixed assets for which binding sale agreements have been entered into and are likely to be settled by 31st March 2018.

### 2.19.3 The net cash flows attributable to the discontinuing operations are as below: (Amount in Rupees)

Particulars	As at March 31, 2017	As at March 31, 2016
Operating activities	20,333	-
Investing activities	-	-
Financing activities	-	-
<b>Net Cash inflows/(outflows)</b>	<b>20,333</b>	<b>-</b>

### 2.20 First Time Adoption of IND AS.

These are the Company's first Financial Statements in accordance with Ind AS. For periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). The effective date for Company's Ind AS Opening Balance Sheet is 1 April 2015 (the date of transition to Ind AS).

The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS Balance Sheet at 1 April 2015 (the Company's date of transition). According to Ind AS 101, the first Ind AS Financial Statements must use recognition and measurement principles that are based on standards and interpretations that are effective at 31 March 2017, the date of first-time preparation of Financial Statements according to Ind AS. These accounting principles and measurement principles must be applied retrospectively to the date of transition to Ind AS and for all periods presented within the first Ind AS Financial Statements.

Any resulting differences between carrying amounts of assets and liabilities according to Ind AS 101 as of 1 April 2015 compared with those presented in the Indian GAAP Balance Sheet as of 31 March 2015, were recognized in equity under retained earnings within the Ind AS Balance Sheet.

An explanation of how the transition from previous GAAP to Ind AS has affected the company's

## SWADESHI POLYTEX LIMITED

financial position, financial performance and cash flows is set out in the following tables and notes.

### 2.21 Exemption and exceptions availed

In the Ind AS Opening Balance Sheet as at 1 April 2015, the carrying amounts of assets and liabilities from the Indian GAAP as at 31 March 2015 are generally recognized and measured according to Ind AS in effect as on 31 March 2017. For certain individual cases, however, Ind AS 101 provides for optional exemptions and mandatory exceptions to the general principles of retrospective application of Ind AS. The Company has made use of the following exemptions and exceptions in preparing its Ind AS Opening Balance Sheet:

#### i) Property, plant and equipment & Intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment and intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

#### Reconciliation of equity as at 1 April 2015 and as at 31 March 2016

Any resulting differences between carrying amounts of assets and liabilities according to Ind AS 101 as of 1 April 2015 compared with those presented in the Indian GAAP Balance Sheet as of 31 March 2015, were recognized in equity under retained earnings within the Ind AS Balance Sheet.

	1 April 2015			31 March 2016		
	Previous GAAP*	Adjustments	Ind ASs	Previous GAAP*	Adjustments	Ind ASs
<b>ASSETS</b>						
<b>Non-current assets</b>						
Property, plant and equipment	561,388	84,759	646,147	609,829	(1,703)	608,126
Other financial assets						
Deferred tax Asset (net)	103,376,756	(3,621,255)	99,755,501	48,828,418	-	48,828,418
Other non-current assets	6,255,443	0	6,255,443	6,638,081	-	6,638,081
<b>Current Assets</b>						
Inventory	65,430,672	-	65,430,672	68,282,497		68,282,497
Financial Assets						
Trade receivables	5,106,805	(5,106,805)	0			
Cash and cash equivalents	9,642,599		9,642,599	17,179,585		17,179,585
loans	5,025,000	0	5,025,000	5,422,065		5,422,065
Other current assets	992,612.00	(815,711.00)	176,901	231,987		231,987
<b>Total Assets</b>	<b>196,391,275</b>	<b>(9,459,012)</b>	<b>186,932,263</b>	<b>147,192,462</b>	<b>(1,703)</b>	<b>147,190,759</b>
<b>EQUITY &amp; LIABILITIES</b>						
<b>Equity</b>						
Equity Share capital	39,000,000	-	39,000,000	39,000,000		39,000,000
Other equity	(499,092,129)	(1,152,207)	(500,244,336)	(568,726,458.00)	(1,703.00)	(568,728,161.00)

## SWADESHI POLYTEX LIMITED

	1 April 2015			31 March 2016		
	Previous GAAP*	Adjustments	Ind ASs	Previous GAAP*	Adjustments	Ind ASs
<b>Liabilities</b>						
<b>Non-current liabilities</b>						
Financial liabilities						
Borrowings						
Trade payables						
Other financial liabilities	25,638,764	-	25,638,764	25,638,764		25,638,764
Provisions	3,200,000	(3,200,000)	0			
Deferred tax liabilities (Net)						
Other non-current liabilities						
<b>Current liabilities</b>						
Financial liabilities						
Trade payables	2,883,940	-	2,883,940	3,636,325		3,636,325
Borrowings	259,342,496	(5,106,805)	254,235,691	254,235,691		254,235,691
Other current liabilities	363,918,204	(1,046,781)	362,871,423	391,908,140	(934,570)	390,973,570
Provisions	1,500,000	-	1,500,000	1,500,000		1,500,000
Current Tax Liabilities (Net)			0			
Amount Payable to Tax Authorities		1,046,781	1,046,781		934,570	934,570
<b>Deferred revenue</b>	-	-	-			
<b>Rate regulated liabilities</b>	-	-	-			
<b>Total equity and liabilities</b>	<b>196,391,275</b>	<b>(9,459,012)</b>	<b>186,932,263</b>	<b>147,192,462</b>	<b>(1,703)</b>	<b>147,190,759</b>

\* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

### Reconciliation of total comprehensive income for the year ended 31 March 2016

	31 March 2016		
	Previous GAAP*	Adjustments	Ind ASs
<b>INCOME</b>			
Revenue	17,600,972.00		17,600,972.00
Other income	21,821,423.00		21,821,423.00
<b>Total Income</b>	<b>39,422,395.00</b>		<b>39,422,395.00</b>
<b>EXPENDITURE</b>			-
Land development Charges	4,659,023.00		4,659,023.00
Changes in Inventory	(2,851,825.00)		(2,851,825.00)
Finance expenses	31,770,674.00	(603.00)	31,770,071.00
Depreciation and amortization	107,736.00	1,703.00	109,439.00



## SWADESHI POLYTEX LIMITED

	31 March 2016		
	Previous GAAP*	Adjustments	Ind ASs
Other Exp	23,291,826.00	603.00	23,292,429.00
<b>Total Expenses</b>	<b>56,977,434.00</b>	<b>1,703.00</b>	56,979,137.00
<b>Profit before tax</b>	(17,555,039.00)	(1,703.00)	(17,556,742.00)
Current tax			-
Current year			-
Deferred tax	50,927,083.00		50,927,083.00
			-
<b>Profit after tax</b>	(68,482,122.00)	(1,703.00)	(68,483,825.00)
<b>Other comprehensive income</b>			-
<b>Items that will not be reclassified to profit or loss (net of tax)</b>			-
- Net actuarial gains/(losses) on defined benefit plans	-		-
- Net gains/(losses) on fair value of equity instruments through other comprehensive income	-		-
<b>Other comprehensive income for the year, net of income tax</b>	-		-
<b>Total comprehensive income for the year</b>	<b>(68,482,122.00)</b>	<b>(1,703.00)</b>	<b>(68,483,825.00)</b>

\* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

### Reconciliation of total equity as at 31 March 2016 and 1 April 2015

	1 April 2015	31 March 2016
Total equity (shareholder's funds) as per previous GAAP	(460,092,129)	(529,726,458)
<b>Adjustments:</b>		
Depreciation and amortization	-	(1,703)
Provision for contingencies	3,200,000	-
Adjustment done in Building held for disposal	(730,952)	-
Tax effect of above adjustments	(3,621,255)	-
<b>Total adjustments</b>	<b>(1,152,207)</b>	<b>(1,703)</b>
<b>Total equity as per Ind AS</b>	<b>(461,244,336)</b>	<b>(529,728,161)</b>

### Disclosure as per Ind AS 108 'Operating segments'

As on date the Company has no reportable segments as per the Chief operating decision maker (CODM) of the company.

# SWADESHI POLYTEX LIMITED

## PROXY FORM

Form No. MGT-11

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

## Swadeshi Polytex Limited

CIN: L25209UP1970PLC003320

Registered Office: New Kavi Nagar, Industrial Area,  
Ghaziabad - 201 002 (UP)

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 Swadeshi Polytex Limited, hereby appoint:

1 Name: ..... E-mail Id: .....

Address: .....

..... Signature: ....., or failing him

2 Name: ..... E-mail Id: .....

Address: .....

..... Signature: ....., or failing him

3 Name: ..... E-mail Id: .....

Address: .....

..... Signature: ....., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 47<sup>th</sup> Annual General Meeting of the Company, to be held on **Thursday 28<sup>th</sup> September, 2017** at the Registered Office of the Company at A-1, Sector 17, New Kavi Nagar, Industrial Area, Ghaziabad - 201002 (Uttar Pradesh) and at any adjournment thereof in respect of such resolutions as are indicated below:

## SWADESHI POLYTEX LIMITED

\*\* I wish my above Proxy to vote in the manner as indicated in the box below:

S. No	Resolution	For	Against
1	To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2017 together with the reports of Directors and Auditors thereon.		
2	To appoint a Director in place of Shri Hartaj Sewa Singh having Director's Identification Number 00173286, who retires by rotation and being eligible, offers himself for re- appointment.		
3	To appoint a Director in place of Shri Rakesh Kumar Sinha having Director's Identification Number 03391787, who retires by rotation and being eligible, offers himself for re- appointment.		
4	To appoint a Director in place of Shri Shamsher Bahadur Singh Kathpal having Director's Identification Number 03225016, who retires by rotation and being eligible, offers himself for re- appointment.		
5	To appoint Statutory Auditors for the year 2017-2018 and to fix their remuneration.		
6	To confirm the appointment of Dr. Anil Gupta, Nominee Director on the Board.		
7	To adopt new set of Articles of Association in accordance with the provisions of the Companies, Act, 2013.		

Affix  
Re. 1/-  
revenue  
stamp

Signed this..... day of.....2017

Signature of shareholder..... Signature of Proxy holder(s).....

### Notes:

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- (2) A Proxy need not be a member of the Company.
- (3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- \*\* (4) This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- (5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- (6) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

**Swadeshi Polytex Limited**

CIN: L25209UP1970PLC003320

Registered Office: New Kavi Nagar, Industrial Area,  
Ghaziabad - 201 002 (UP)**ADMISSION SLIP/RECORDS UPDATION FORM**

Folio No./ DPID & Client ID	
Name of First Registered Holder	
Name of Joint Holder(s)	
Registered Address	
E-mail ID (to be registered)	

Please register/updated my/our e-mail id for sending all future companies correspondence

I HEREBY RECORD MY PRESENCE AT THE 47<sup>TH</sup> ANNUAL GENERAL MEETING OF SWADESHI POLYTEX LIMITED ON **THURSDAY 28<sup>TH</sup> SEPTEMBER, 2017** AT A-1, SECTOR 17, NEW KAVI NAGAR, INDUSTRIAL AREA, GHAZIABAD - 201002 (UTTAR PRADESH)

Date:

First Holder Signature

**Notes:**

1. Shareholders/Proxies who come to attend the meeting are requested to bring their copies of the Annual Report and Admission Slip with them.
2. Shareholders having queries are requested to send them 10 days in advance of the date of Annual General Meeting of the Company to enable it to collect the relevant information.
3. This Admission slip is valid only in case shares are held on the date of this AGM.

# SWADESHI POLYTEX LIMITED

## Swadeshi Polytex Limited

CIN: L25209UP1970PLC003320  
Registered Office: New Kavi Nagar, Industrial Area,  
Ghaziabad - 201 002 (UP)

Sl. No.....

### BALLOT PAPER

**47<sup>TH</sup> ANNUAL GENERAL MEETING** of the members of the Company to be held at Registered office of the company at A-1, Sector 17, New Kavi Nagar, Industrial Area, Ghaziabad - 201002 (Uttar Pradesh) on 28<sup>th</sup> September, 2017 at 11.30 am.

Folio No./ DPID & Client ID	
No. of Share(s) Held	
Name of the Shareholder or Name of the Proxy	

Sl. No	Resolution	For	Against
1	To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2017 together with the reports of Directors and Auditors thereon.		
2	To appoint a Director in place of Shri Hartaj Sewa Singh having Director's Identification Number 00173286, who retires by rotation and being eligible, offers himself for re-appointment.		
3	To appoint a Director in place of Shri Rakesh Kumar Sinha having Director's Identification Number 03391787, who retires by rotation and being eligible, offers himself for re- appointment.		
4	To appoint a Director in place of Shri Shamsher Bahadur Singh Kathpal having Director's Identification Number 03225016, who retires by rotation and being eligible, offers himself for re- appointment.		
5	To appoint Statutory Auditors for the year 2017-2018 and to fix their remuneration.		
6	To confirm the appointment of Dr. Anil Gupta, Nominee Director on the Board.		
7	To adopt new set of Articles of Association in accordance with the provisions of the Companies, Act, 2013.		

.....  
Signature of Member(s)/proxy

\* Please tick in the appropriate column

